

RISK DISCLAIMER: PARTICIPANTS AND PROSPECTIVE PARTICIPANTS ARE ADVISED IN THEIR OWN INTEREST TO CAREFULLY READ THE CONTENTS OF THIS OFFERING DOCUMENT IN PARTICULAR THE RISK FACTORS MENTIONED IN CLAUSE 8.9 AND WARNINGS IN CLAUSE 15 BEFORE MAKING ANY INVESTMENT DECISION.

OFFERING DOCUMENT OF

MAHAANA IGI ISLAMIC RETIREMENT FUND A Voluntary Pension Fund

(Wakalatul Istithmar based fund)

Duly vetted by Shariah Advisor namely

Al-Hilal

Reg. No. 01/SEC/LRD/LD/33/IGIL-PFM/2023/13

for

MANAGED BY

**IGI Life Insurance Limited
(Pension Fund Manager)**

MAHAANA IGI ISLAMIC RETIREMENT FUND

CLAUSE TABLE OF CONTENTS

PAGE NO.

1. INTRODUCTION TO MAHAANA IGI ISLAMIC RETIREMENT FUND.....	5
1.1. Structure of Pension Fund.....	6
1.2. Salient Features of the Pension Fund.....	6
2. REGULATORY APPROVALS AND CONSENT	8
2.1. Registration of the Pension Fund Manager.....	8
2.2. Authorization of the Pension Fund.....	9
2.3. Appointment of the Trustee.....	9
2.4. Registration of the Trust Deed	9
2.5. Approval of the Offering Document	9
3. FILING OF THE OFFERING DOCUMENT.....	10
4. CONSTITUTION OF THE PENSION FUND	11
4.1. Constitution of MAHAANA IGI ISLAMIC RETIREMENT FUND	11
4.2. Trust Deed.....	11
4.3. Grounds of Modification of the Constitutive Documents	11
4.4. Seed Capital provided or arranged by the Pension Fund Manager.....	11
4.5. Type / Feature of Units of the Sub-Funds	12
5. OPERATORS AND PRINCIPALS	12
5.2. Board of Directors of the Pension Fund Manager.....	14
5.3. Existing Schemes under Management and their performance	20
5.4. Role of the Fund Manager of MAHAANA IGI ISLAMIC RETIREMENT FUND (MIIRF).....	20
5.5. Obligations of the Pension Fund Manager.....	21
5.6. Restrictions for Pension Fund Manager.....	23
5.7. Investment Advisor	24
5.8. Obligations of the Investment Advisor.....	24
5.9. Restrictions on the Investment Advisor	25
5.10. Retirement or Removal of the Pension Fund Manager	25
5.11. Obligations of Trustee of Pension Fund.....	27
5.12. Retirement or Change of Trustee	29
5.13. Transfer Agent.....	30
5.14. Auditors.....	30
5.15. Legal advisor	32
5.16. Bankers.....	32
5.17. Bank Accounts.....	32
5.18. SHARIAH GOVERNANCE/SHARIAH ADVISORY SERVICES	33
6. CHARACTERISTICS OF THE PENSION FUND	34
6.1. Eligibility.....	34
6.2. Application Procedures	35
6.3. Allocation/ Issue of Units.....	37
6.4. Contribution Procedures and Minimum Contribution	37
6.5. Options and Procedures in case of Cessation, Temporary or Permanent, of Contributions by the Participants.....	38
6.6. Individual Pension Account	38
6.7. Change of the Pension Fund Manager/ Pension Fund	39
6.8. Retirement Age.....	40
6.9. Benefits on Retirement.....	41
6.10. Withdrawal of Funds before Retirement	41
6.11. Benefits on Death before Retirement	42
6.12. Nomination of the Heir/Survivor	43
6.13. Instruction from the Participants	43
6.14. Allocation Scheme	43
6.15. Allocation among the Sub-Funds.....	46
6.16. Allocation Policy.....	46
6.17. The Method of Determining Net Assets value of the Pension Fund.....	47
6.18. Frequency of Valuations of the Net Assets value and Dealings etc;	47
6.19. Unit Pricing and the Circumstances under which it can Change	48
6.20. The Mode of Announcement of Net Asset Value and unit price	48

MAHAANA IGI ISLAMIC RETIREMENT FUND

6.21. Payment of Proceeds on Withdrawals and Transfers	48
6.22. Withholding Tax	50
6.23. Dealing, Suspension, and Deferral of Dealing.....	50
6.24. Queue system	51
6.25. De-authorization and winding up of the Pension Fund.....	52
6.26. Features of Health / Group Takaful in the Pension Fund	52
7. FEES, CHARGES AND EXPENSES.....	53
7.1. Front-end fee (Sale Charges) Out of the Contributions	53
7.2. Remuneration of the Pension Fund Manager	54
7.3. Remuneration of the Trustee	55
7.4. Remuneration of Investment Advisor	55
7.4.1. Remuneration	55
Investment advisor's fee shall be paid by the Pension Fund Manager from his own account and it shall not be charged to the pension fund.	55
7.5. Formation Cost.....	55
7.6. Other expenses	55
7.7. Fees, Charges, Costs, etc. To be charged to the Sub-Funds	56
8. INVESTMENT POLICY, RESTRICTIONS, RISK DISCLOSURE AND DISCLAIMER.....	56
8.1. Objective of the MAHAANA IGI ISLAMIC RETIREMENT FUND	56
8.2. Investment Policy of the Pension Fund.....	56
8.3. Investment Objective and Investment Policy of the MAHAANA IGI ISLAMIC RETIREMENT FUND - Equity Sub Fund.....	57
8.4. Investment Objective and Investment Policy of the MAHAANA ISLAMIC RETIREMENT FUND - Debt Sub Fund	58
8.5. Investment Objective and Investment Policy of the MAHAANA IGI ISLAMIC RETIREMENT FUND - Money Market Sub Fund	59
8.6. Investment Restrictions	60
8.7. Financing Restriction	61
8.8. Participants Rights in terms of Investment Choice	62
8.9. Risk Disclosure	62
8.10. Other Risks Involved:.....	63
8.11. Disclaimer	64
9. CHANGE OF THE PENSION FUND MANAGER / PENSION FUND	65
10. SAFEGUARD OF MONEY	65
11. DISTRIBUTION RESTRICTION POLICY	65
12. TAXATION	66
12.1. Tax Credit for Contributions to the Pension Fund	66
12.2. Tax Exemptions.....	66
12.4. Zakat.....	66
13. INCOME PAYMENT PLAN	66
13.1 Introduction	66
13.2 RETIREMENT.....	67
13.3 ELIGIBILITY TO SUBSCRIBE MIIR-IPP	67
13.4 OPTIONS AVAILABLE WITH MIIR-IPP:	67
13.5 PROCEDURE TO JOIN MAHAANA IGI ISLAMIC RETIREMENT INCOME PAYMENT PLAN.....	70
13.6 INVESTMENT POLICY	70
13.7 FEES AND CHARGES	70
13.8 DEATH OF PARTICIPANT.....	70
13.9 ROLE OF TRUSTEE OF MAHAANA IGI ISLAMIC RETIREMENT FUND.....	71
13.10 SERVICES TO THE PARTICIPANT.....	71
13.11 DISCONTINUATION OF THE MAHAANA IGI ISLAMIC REGTIREMENT INCOME PAYMENT PLAN.....	72
13.12 VALIDITY OF THE TERMS OF THE MAHAANA ISLAMIC RETIREMENT INCOME PAYMENT PLAN.....	72
13.13 TAXATION ON PARTICIPANTS OF INCOME PAYMENT PLAN	72
13.14 RISK FACTORS AND DISCLAIMER.....	73
13.15 Risk Factor/Disclaimer.....	73
14. REPORTS AND ACCOUNTS.....	74
14.1. Fund Accounts.....	74
14.2. Annual Accounting Period	74
14.3. Periodic Reports to be sent to Participants.....	74

MAHAANA IGI ISLAMIC RETIREMENT FUND

14.4. Periodic Reports to be sent to Commission	74
15. SERVICE TO PARTICIPANTS	75
15.1. Availability of Forms.....	75
15.2. Register of Participants	75
15.3. Statement of Accounts.....	77
16. WARNINGS.....	77
17. COMPLAINTS	77
17.1. Procedure for lodging a complaint with the Federal Insurance Ombudsman	77
17.2. Contact Details of Office of Federal Insurance Ombudsman	78
18. TRANSACTIONS WITH CONNECTED PERSONS	78
19. DISPUTES BETWEEN THE PARTICIPANTS AND THE PENSION FUND MANAGER.....	79
20. GENERAL INFORMATION.....	79
21. STATEMENT OF RESPONSIBILITY	79
22. TERMINATION OF THE PENSION FUND	79
23. GENERAL	80
24. DEFINITIONS.....	80
25. INTERPRETATION.....	87

OFFERING DOCUMENT OF
MAHAANA IGI ISLAMIC RETIREMENT FUND
A Voluntary Pension Scheme
MANAGED BY

IGI LIFE INSURANCE LIMITED

The Pension Fund Manager (IGI LIFE INSURANCE LIMITED) is an Insurance Company registered with the Commission under the Voluntary Pension System Rules, 2005 through certificate of registration 01/SEC/LRD/LD/33/IGIL-PFM/2023/13 dated July 27, 2023 as a Pension Fund Manager;

Date of Publication of Offering Document Dated May 21, 2025.

The Shariah Advisor of the Fund has reviewed this Offering Document and provided their consent that this Offering Document adheres to the principles of Shariah.

1. INTRODUCTION TO MAHAANA IGI ISLAMIC RETIREMENT FUND

IGI Life Insurance Limited (IGI Life) and **Mahaana Wealth Limited (Mahaana)** intended to collectively set up an Islamic voluntary pension fund by the name of **MAHAANA IGI ISLAMIC RETIREMENT FUND** IGI Life is in the business of offering conventional and Shariah compliant life and health insurance products and Mahaana is in the business of providing asset management and investment advisory services. Both parties agreed to set up the **MAHAANA IGI ISLAMIC RETIREMENT FUND** wherein IGI Life is the Pension Fund Manager and Mahaana is the appointed investment Advisor pursuant to the Investment Advisor Agreement.

Thereafter, MAHAANA IGI ISLAMIC RETIREMENT FUND is established in Pakistan as a Voluntary Pension Fund through a Trust Deed, dated 16th September 2024 on the basis, entered in between **IGI Life Insurance Limited** in its capacity as the Pension Fund Manager and Central Depository Company of Pakistan Limited in its capacity as the Trustee and authorized under the Voluntary Pension System (VPS) Rules, 2005.

The Pension Fund shall initially consist of three (3) Sub-Funds to be called:

- (a) MAHAANA IGI ISLAMIC RETIREMENT FUND -Equity Sub Fund (the Equity Sub Fund);**
- (b) MAHAANA IGI ISLAMIC RETIREMENT FUND -Debt Sub Fund (the Debt Sub Fund); and**
- (c) MAHAANA IGI ISLAMIC RETIREMENT FUND -Money Market Sub Fund (the Money Market Sub Fund)**

After successfully managing the above mentioned Sub-Funds, the Pension Fund Manager may, with the approval of the Commission, launch other Sub-Funds through a Supplementary Offering Document for investments in other asset classes (for avoidance of doubt, additional Sub-

MAHAANA IGI ISLAMIC RETIREMENT FUND

Funds may include combinations of new and existing classes of assets. Thereafter, any reference to the Sub-Funds in the Trust Deed or the Offering Document shall be construed to include any such new Sub-Fund.

1.1. Structure of Pension Fund

The Pension Fund shall be in the form of a trust being made up of equity Sub Fund, a debt Sub-Fund and a money market Sub-Fund and such other Sub-Funds as may be allowed by the Commission. The Pension Fund shall have different Allocation Schemes that may be specified by the Commission from time to time. Details of Allocation Schemes currently being offered by the Pension Fund Manager is given in this Offering Document. When the Additional Allocation Schemes or Sub-Funds are launched, the Pension Fund Manager shall announce the same by Supplementary Offering Document. The Pension Fund established is perpetual in life.

1.2. Salient Features of the Pension Fund

Term Sheet

Fund Name	MAHAANA IGI ISLAMIC RETIREMENT FUND
Fund Structure	Unit Trust Scheme consisting of Sub-Funds under the VPS Rules 2005 on the basis of Wakalah tul Istismar (Investment Agency Agreement)
Sub-Funds	MAHAANA IGI ISLAMIC RETIREMENT FUND will initially consist of three Sub Funds, to be called “MAHAANA IGI ISLAMIC RETIREMENT FUND- Equity Sub Fund” (the “Equity Sub-Fund”), “MAHAANA IGI ISLAMIC RETIREMENT FUND-Debt Sub Fund” (the “Debt Sub-Fund”) and “MAHAANA IGI ISLAMIC RETIREMENT FUND-Money Market Sub Fund” (the “Money Market Sub-Fund”)
Fund Objective	To provide a secure source of savings and regular income after retirement to the Participants
Eligibility	Every Pakistani national over the age of 18 years holding a valid National Tax Number or a CNIC or NICOP
Minimum Contribution	The minimum amount of Contribution to open an account is Rs. 500/- and the minimum amount of contribution to an existing account is Rs.500/- per transaction. There is no maximum limit of contribution. However, Tax Credit will be available to the extent specified in the Income Tax Ordinance, 2001.
Contribution Frequency	Annual, Semi-Annual, Quarterly or Monthly or as desired by the participant.
Contribution Mechanism	Cheque, demand draft, pay order (crossed account payee only), banker cheque and titled: CDC-Trustee MAHAANA IGI ISLAMIC RETIREMENT FUND payable to the Trustee on any Dealing Day. Any other electronic form of Transfer as may be acceptable to the Pension Fund Manager and the Trustee Contribution in the form of Cash shall not be made accepted.
Investment Mechanism	Takaful premium (for optional Takaful covers) shall be deducted from Contributions made by the Participant, followed by deduction of front end load (sales charge) (if applicable). The remaining Contribution amount is then credited to the Participant’s Individual Pension Account and is invested in the underlying Sub-Funds of the MAHAANA IGI ISLAMIC RETIREMENT FUND as per the Allocation Scheme selected by the Participant. Front-end fee (Sale charges) and Takaful premium will be transmitted in the name of Pension Fund Manager.
	Contributions shall be allocated among the Units of Sub-Funds at Net Asset Value, as per the selected Allocation Scheme, from amongst the following Five (5) Schemes being offered by the Pension Fund Manager.

MAHAANA IGI ISLAMIC RETIREMENT FUND

Allocation of Contributions & Allocation Schemes	Allocation Scheme	Equity Sub-Fund	Debt Sub- Fund	Money Market Sub-Fund	
	High Volatility	Min 65%	Min 20%	Nil	
	Medium Volatility	Min 35%	Min 40%	Min 10%	
	Low Volatility	Min 10%	Min 60%	Min 15%	
	Lower Volatility	Nil	Min 40%	Min 40%	
	Customized	0-100%	0-100%	0-100%	
	Life Cycle Plan	Automatically adjusts allocation from high-risk towards lower risk with the increasing age			assets
Investment Strategy	The Pension Fund Manager shall design investment strategy to optimize returns on investments within the parameters of Investment Policy specified by the Commission. The Pension Fund Manager shall also offer different Allocation Schemes to Participants to choose from, allowing them to adopt an investment strategy, according to their risk / return requirements.				
Reallocation Policy	Units held in the Individual Pension Account shall be reallocated by the Pension Fund Manager between the Sub-Funds at least once a year to ensure that the allocation of Units of all Participants is in line with the Allocation Scheme selected by them or where no selection has been made according to the specified allocation policy..				
Wakalah tul Istismar/ Wakalah Fee	The amount charged by the Fund Manager as Wakeel from the fund in form of Front-end fee (Sale Charges) & Management Fee.				
Management Fee	Management fee could be charge up to below mentioned percentages on average Net Assets of each Sub-Fund.				
	SUB Fund		Percentage		
	MAHAANA IGI ISLAMIC RETIREMENT FUND-Equity Sub Fund (the Equity Sub Fund)		3%		
	MAHAANA IGI ISLAMIC RETIREMENT FUND-Debt Sub Fund (the Debt Sub Fund)		1.5%		
	MAHAANA IGI ISLAMIC RETIREMENT FUND-Money Market Sub Fund (the Money Market Sub Fund)		1.5%		
Front-end fee (Sales Charge)	Upto 3% on all Contributions				
Taxation	Tax Credit will be available to Participants on contributions during any Tax Year subject to the limits prescribed under Income Tax Ordinance 2001 as amended from time to time				
	At the date of retirement of the Participant, where no option is selected by the participant , all the units of the sub funds of participant account shall be redeemed at the net asset value notified at close of the day of				

MAHAANA IGI ISLAMIC RETIREMENT FUND

Benefits / Withdrawal on Retirement	<p>retirement and the amount due shall be credited to participant individual pension account in the lower volatility scheme offered by the Pension Fund Manager. The Participant shall then have the following options, namely:</p> <p>(a) to withdraw any percentage of the amount from his individual pension account.</p> <p>Tax on the subject withdrawal shall be deducted in accordance with the provisions of the Income Tax Ordinance, 2001 as amended from time to time; and</p> <p>(b) use the remaining amount to purchase an annuity from a Takaful Company or the pension fund manager of his/her of participant choice;</p> <p>or</p> <p>(c) enter into an agreement with the Pension Fund Manager to withdraw from the remaining amount, monthly installments following the date of retirement according to the Approved Income Payment Plan by the Commission.</p>
Withdrawal before Retirement	<p>Participants at any time before retirement are entitled to withdraw the whole or any part of the Units held to their credit in their Individual Pension Account. Tax may be applicable in accordance with the requirements of the Income Tax Ordinance, 2001 and, if applicable, will be deducted by the Pension Fund Manager from the amount withdrawn.</p>
Transfers to and from Other Pension Funds	<p>Participants shall be entitled to transfer part or whole of their Individual Pension Accounts from this Pension Fund Manager to another Pension Fund Manager or from one pension fund to another pension fund and this shall only take place as per the discretion of the participant by giving at least seven (7) working days' notice before the effective date of the proposed change.</p> <p>The Pension Fund Managers shall record such transactions as transfer in the statement of account of the participant. There shall be no Tax or charges on such transfers. Similarly Participants are allowed to transfer in their funds from other Pension Funds and approved Occupational Savings Schemes or approved superannuation funds to this Pension Fund without having to pay any charge including front-end fee (Sale Charges) to the Pension Fund Manager.</p>
Transparency	<p>Daily calculation and announcement of Net Asset Value (NAV) of each Sub fund.</p>
Distribution Restriction	<p>Any income earned shall be retained and accumulated in the respective sub-funds and no distribution / Dividend shall be made from the Pension Fund.</p>

2. REGULATORY APPROVALS AND CONSENT

2.1. Registration of the Pension Fund Manager

MAHAANA IGI ISLAMIC RETIREMENT FUND, the Pension Fund Manager of MAHAANA IGI ISLAMIC RETIREMENT FUND, having its registered office at 7th Floor, The Forum, Suite No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi, Pakistan is registered with the Commission under Companies Ordinance, 1984 and has been granted license by the Commission

MAHAANA IGI ISLAMIC RETIREMENT FUND

under the Voluntary Pension System Rules, 2005 through Certificate of Registration 01/SEC/LRD/LD/33/IGIL-PFM/ dated **July 26, 2023** appended hereto as **Annexure “A”**.

2.2. Authorization of the Pension Fund

The Pension Fund Manager has been authorized by the Commission through its letter No. SCD/AMCW/PW/MIRF/169/2024 dated 17th October 2024 appended hereto as **Annexure “B”**, to constitute the Pension Fund under the name and title of **MAHAANA IGI ISLAMIC RETIREMENT FUND** (hereinafter referred to as the MAHAANA IGI ISLAMIC RETIREMENT FUND, “Islamic Pension Fund” or **MIIRF** , or “Trust”) and authorized the formation of a scheme, under the name, “**MAHAANA IGI ISLAMIC RETIREMENT FUND**”, under rule (9) of the Voluntary Pension System Rules, 2005.

2.3. Appointment of the Trustee

The Central Depository Company of Pakistan Limited, having its registered office at **CDC House, 99-“B”, Block “B”, S.M.C.H.S., Main Shahr-e-Faisal, Karachi, Pakistan**, has been approved by the Commission to act as the trustee of “MAHAANA IGI ISLAMIC RETIREMENT FUND”.

2.4. Registration of the Trust Deed

The Pension Fund Manager has been authorized by the Commission to execute and to register the Trust Deed. Approval of Trust Deed is appended hereto as **Annexure “B-3”**.

The Assistant Director of Industries and Commerce Directorate of the Department has issued a certificate of registration bearing reference no KAR/ST/026/2024 upon registration of the Trust under The Sindh Trust Act 2020.

2.5. Approval of the Offering Document

The Commission has, through its letter No. SCD/AMCW/MIIRF/2025/14 dated February 07, 2025 appended hereto as Annexure “B-2” approved this Offering Document as per the guidelines for Authorization of Pension Fund under sub Rule (1) of Rule (9) of the Rules.

This Offering Document sets out the arrangements covering the basic structure of **MAHAANA IGI ISLAMIC RETIREMENT FUND**. The provisions of the Trust Deed and the Voluntary Pension System Rules, 2005, Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations 2008 and the guidelines provided by the Shariah Advisor and Shariah guidelines issued by SECP from time to time, hereafter govern this Offering Document and in case of any ambiguity in the constitutive documents of **MAHAANA IGI ISLAMIC RETIREMENT FUND**, the VPS Rules 2005 shall prevail. In case of any conflict with the requirements of Shariah, the matter may be referred to the Shariah Advisory Committee of SECP for decision. It sets forth information about the Fund that a prospective Participant should know before contributing to the Pension Fund. Participants should read this Offering Document carefully prior to contributing to / participating in the Pension Fund, and retain the Offering Document for future reference.

However, it must be distinctly understood that such an approval or authorization by the Commission neither implies official recommendation by the Commission to participate in /contribute to the Pension Fund nor does the Commission take any responsibility for the financial

soundness of the Pension Fund and its Sub Funds or for the forth correctness of any statements made or opinions expressed in this Offering Document.

If the Participant has any doubt about the contents of this Offering Document, he/she should seek independent professional advice, from his/her Shariah Advisor, legal, financial or tax advisor.

This Offering Document contains necessary information for the public to make an informed decision to participate in the Pension Fund described herein. The Participants are advised, in their own interest, to carefully read the contents of the Offering Document, in particular, the risks mentioned in Clause 8.9 and Warnings in Clause 15, before making any participation/contribution decision. Participants may note that this Offering Document remains effective until a material change occurs and they should retain this Offering Document for future reference. Material changes shall be filed for approval with the Commission with prior consent of the Trustee and circulated to all Participants or may be notified by advertisements in the newspapers, or on the Pension Fund Manager's website, subject to the applicable provisions of the Trust Deed and the Rules.

Participants must recognize that all investments involve varying levels of risk. The portfolios of the Sub Funds of the Pension Fund consist of market-based investments and are subject to market fluctuations and risks inherent in all such investments. It should be noted that the value of Units of the Sub Funds can fall as well as rise, in response to market conditions. It should also be noted that under certain circumstances the realization of Units may be restricted. All Investments of the Fund and of the Sub Funds shall be in adherence to the Shariah. Due to limited number of Shariah compliant securities it is possible that adherence to the Shariah will cause the Fund and/ or the Sub-Funds to perform differently from funds with similar objectives, but which are not subject to the requirements of Shariah.

This Offering Document shall be subject to and be governed by the Laws of Pakistan including the Ordinance, the Rules and all other applicable laws, rules and regulations and it shall be deemed for all purposes whatsoever that all the provisions required to be contained by the Rules and Regulations are incorporated in this Offering Document and in the event of any conflict between the Offering Document of the Fund and the Rules/Regulation, the latter shall supersede and prevail over the provisions contained in this Offering Document, unless specific exemption has been granted by the Commission.

3. FILING OF THE OFFERING DOCUMENT

The Pension Fund Manager has filed a copy of this Offering Document with the Commission, signed by all directors of the Pension Fund Manager, along with copies of the documents mentioned below:

- a) Trust Deed, dated September 16, 2024, executed between Pension Fund Manager and the Trustee constituting the Pension Fund.
- b) Letter dated May 21, 2025 from the Auditors confirming the investment of seed capital for each sub-fund of the Pension Fund by the Pension Fund Manager.
- c) Consents of the auditors, legal advisor and trustee to their respective appointments and being named and described as such in this Offering Document.
- d) Registration No. LRD/LD/33/IGIL-PFM/2023/13 dated 26th July 2023 from the Commission, registering the Pension Fund Manager as a pension fund manager under the Rules.

MAHAANA IGI ISLAMIC RETIREMENT FUND

- e) Letter No. SCD/AMCW/PW/MIIRF/169/2024 dated October 17, 2024, from the Commission, authorizing the Pension Fund.
- f) Letter No.SCD/AMCW/MIIRF/2025/14 dated February 07, 2025 from the Commission, approving this Offering Document.

4. CONSTITUTION OF THE PENSION FUND

4.1. Constitution of MAHAANA IGI ISLAMIC RETIREMENT FUND

The Pension Fund has been established as a trust under The Sindh Trust Act, 2020 through a Trust Deed dated 16th September 2024 executed between IGI Life Insurance Limited (IGI) (the Pension Fund Manager), as party of the one part, and The Central Depository Company of Pakistan (CDC) (the Trustee), as party of the other part.

4.2. Trust Deed

The Trust Deed shall be subject to, and governed by the Voluntary Pension System Rules, 2005 (Rules) and all other applicable laws and regulations and shall be deemed, for all purposes, whatsoever, to incorporate the provisions required to be contained in a trust deed by the Rules as a part and parcel hereof and, in the event of any conflict between the Trust Deed and the Rules, the latter will supersede and prevail over the provisions contained in the Trust Deed unless specific exemption has granted by the Commission. In the event of case of any conflict between the Trust Deed and with the requirements of Shariah, the matter may be referred to the SECP for decision.

The terms and conditions in the Trust Deed, and any supplementary trust deed shall be binding on each Participant as if he has been a party to it.

4.3. Grounds of Modification of the Constitutive Documents

This Offering Document will be updated to take account of any relevant material changes, circular, and directives from the Securities and Exchange Commission of Pakistan (SECP).

In case amendments are proposed in the Constitutive Documents due to change in regulatory requirements, the same shall be incorporated with the consent of the Trustee and shall be circulated to all the Participant(s) subject to the provisions of the Rules and the Regulations and duly posted on official website of the Pension Fund Manager.

In case modification is required in the fundamental attributes of Pension Fund and / or amendments with respect to offering of units to Participant(s) shall be subject to thirty (30) days prior notice to Participant(s) consent of the Trustee and prior approval of Commission.

4.4. Seed Capital provided or arranged by the Pension Fund Manager

The Seed Capital Units subscribed by the Seed Investor have been issued at a value of Rs. 30 Million for each sub Fund of the Pension Fund and shall not be redeemable/ transferable or tradable from the date of issue for a period of three (3) years or such restriction and its termination date shall be entered into the Register and shall be noted on any Accounts Statement or certificate issued in respect of such units.

4.5. Type / Feature of Units of the Sub-Funds

The Pension Fund shall initially consist of three Sub-Funds to be called:

- I. MAHAANA IGI ISLAMIC RETIREMENT FUND-Equity Sub Fund (the Equity Sub Fund)**
 - II. MAHAANA IGI ISLAMIC RETIREMENT FUND-Debt Sub Fund (the Debt Sub Fund) and**
 - III. MAHAANA IGI ISLAMIC RETIREMENT FUND-Money Market Sub Fund (the Money Market Sub Fund)**
- (a) All Units and fractions thereof represent an undivided share in the respective Sub-Fund and rank pari passu as to their rights in the Net Assets and earnings of that Sub-Fund. Each Participant has a beneficial interest in the Pension Fund proportionate to the Units held by such Participant in the respective Sub-Fund in participant Individual Pension Account. The liability of the Participant shall be limited to the amount paid against the number of Units or in certain circumstances cash, as may be allowed by the Rules, held by each Participant in participant Individual Pension Account.
- (b) All Units shall be issued in a non-certificated form, except the Seed Capital Units that may be issued in a certificated form, if required by the Seed Investor.
- (c) The Units in the Sub-Funds issued to the Participants would be non-transferable to another Participant/person. They shall only be redeemable in case of retirement (including retirement in the instance of disability), premature encashment/ withdrawal, death of the Participant, and change of pension fund manager, change of Allocation Schemes and/or rebalancing of the portfolio/ Allocation Schemes.
- (d) The initial Par value of the Units of each of the Sub-Funds is Pakistan Rupees Ten (Rs. 10), which is applicable to the first offering. The amount received from the Seed Investors has been allocated to each Sub-Fund. From the Launch Date, the Pension Fund Manager shall open participation in the MAHAANA IGI ISLAMIC RETIREMENT FUND to the eligible Participants on a continuous basis, through offer of Units of Sub-Funds issued at NAV calculated in the manner prescribed under the Rules or as may be specified by the Commission from time to time, after deduction of Front-end fee (sale charges) and Takaful premium, if opted by the participant, from the Contribution amounts received.
- (e) Units of the relevant Sub Fund shall be issued to each Participant as per the selected 'Allocation Scheme', identified in Clause 6.14 for the contributions among the Sub-Funds.

5. OPERATORS AND PRINCIPALS

5.1. The Pension Fund Manager

IGI Life Insurance Limited is the Pension Fund Manager of **MAHAANA IGI ISLAMIC RETIREMENT FUND**, having its registered office as mentioned below:

IGI Life Insurance Company
ADDRESS: 7th Floor, The Forum,
Suite No. 701-713, G-20,
Block 9, Khayaban-e-Jami,
Clifton, Karachi
Tel: (021-35360040)
URL: www.igilife.com.pk

Any change in the registered office address of the Pension Fund Manager shall be notified by the Pension Fund Manager to the Commission and the Trustee from time to time.

5.1.1. Organization

IGI Life Insurance Limited (“the Company”) was incorporated in Pakistan on October 9, 1994, as a public limited company under the Companies Ordinance, 1984. Its shares are quoted on the Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited). The Company commenced its operations on May 25, 1995, after registration with the Controller of Insurance on April 30, 1995.

IGI Life Insurance Limited has marked the entry of IGI Holdings (part of Packages Group) into the Life Insurance arena through acquisition of controlling shares in American Life Insurance Company (Pakistan) Limited in April 2014. Acquisition by Packages Group makes IGI Life one of a kind life insurance provider in Pakistan as IGI Life’s multinational heritage is now coupled with the experience of Packages group which is one of the most reputed business conglomerates having several joint ventures with leading global brands in the FMCG, Pharmaceutical and Packaging sectors.

IGI committed to provide innovative life and health insurance as well as investments solutions through ground-breaking innovation and exemplary customer service, leveraging different distribution channels. Pension Fund Manager is rated “A++” (having Stable Outlook) by Pakistan Credit Rating Agency (PACRA). The Company’s paid-up capital is in excess of PKR 1.7 billion.

The following is the current shareholding structure of the company:

Sr. No.	Sponsors	Shareholding Percentage
1	IGI Holdings Limited	82.69%
2	Directors, Chief Executive Officer, and their spouse and minor children	0.86%
3	General Public	10.80%
4	Banks, Development Financial Institutions, Non-Banking Financial Institutions	4.96%
5	Others	0.69%
	Total	100%

5.1.2. Rating of the Pension Fund Manager

Pension Fund Manager is rated “A++” (having Stable Outlook) by Pakistan Credit Rating Agency (PACRA).

5.1.3. Principal Shareholders

IGI Holding Limited

MAHAANA IGI ISLAMIC RETIREMENT FUND

In November 1953, IGI insurance was incorporated under the Companies Act 1913 as a Public Limited Company joint venture between Alliance PLC UK and the Ali Group – Alliance. In 2004, IGI Insurance had acquired the Pakistan operations of “Royal and Sun Alliance (RSA) PLC., UK”. In 2014, the company entered the high growth Life Insurance market by acquiring Met Life Alico’s (“American Life Insurance Company”) business operation in Pakistan, Now IGI Life Insurance Limited. In 2017, The Honorable Sindh High Court sanctioned the Schemes of Amalgamation and Arrangement. In 2018, IGI Insurance Limited renamed as IGI Holdings Limited.

IGI Holdings Limited – formerly IGI Insurance Limited, a Packages Group Company, is a public listed company and was incorporated in 1953. The Company is quoted on the Pakistan Stock Exchange Limited.

Objective of IGI Holdings Limited includes to act as an investment holding company and for that purpose invest, acquire, sell and hold the securities and financial instruments subject to compliance by relevant laws prevailing in Pakistan from time to time.

5.2. Board of Directors of the Pension Fund Manager

The Board of Directors of IGI Life Insurance Limited Consists of:

S. No.	Name	Designation	Directorships
1.	Shamim Ahmad Khan	Chairman	<ul style="list-style-type: none">• Packages Foundation• Attock Refinery Limited• IGI Holdings Limited• IGI General Insurance Limited• Pakistan Oilfields Limited• Attock Cement Pakistan Limited• National Refinery Limited
2.	Ali Nadim	Chief Executive Officer	<ul style="list-style-type: none">• He is an actuary and has experience working in multiple international markets such as Canada, UAE, Saudi Arabia and Kenya on Life and General Insurance businesses.• He has been associated with IGI Life since 2018 and during this time has implemented the IT system and Vitality Programme in Pakistan.
3.	Syed Hyder Ali	Director	Chief Executive Officer/Managing Director <ul style="list-style-type: none">• Packages Limited Director <ul style="list-style-type: none">• IGI Holdings Limited• IGI General Insurance Limited• IGI Investments (Private) Limited• Nestle (Pakistan) Limited• Tri-Pack Films Limited

MAHAANA IGI ISLAMIC RETIREMENT FUND

			<ul style="list-style-type: none"> • Hoechst Pakistan Limited • Bulleh Shah Packaging Private Ltd • Packages Lanka Pvt. Ltd • Packages Real Estate (Pvt.) Limited
4.	Syed Yawar Ali	Director	<p>Chairman</p> <ul style="list-style-type: none"> • Nestle (Pakistan) Limited • Wazir Ali Industries Limited • Prime Genetics (Pvt.) Ltd <p>Director</p> <ul style="list-style-type: none"> • IGI Holdings Limited • IGI Investments (Private) Limited • IGI Life Insurance Limited
5.	Mohammad Kamal Syed	Director	<ul style="list-style-type: none"> • IGI Life Insurance Limited
6.	Zehra Naqvi	Director	<ul style="list-style-type: none"> • IGI Life Insurance Limited • Chubb Insurance Pakistan Limited • Attock Petroleum Limited • Atlas Asset Management Limited
7.	Khurram Raza Bakhtayari	Director	<p>Chief Executive Officer/Managing Director</p> <ul style="list-style-type: none"> • Packages Real Estate (Private) Limited <p>Director</p> <ul style="list-style-type: none"> • Bulleh Shah Packaging (Private) Limited • DIC Pakistan Limited • Packages Lanka (Private) Limited • IGI Life Insurance Limited • IGI Investments (Pvt.) Limited • Tri-Pack Films Limited • Anemone Holdings Limited • Flexible Packages Convertor (Pty.) Limited • OmyaPack (Pvt.) Limited • Packages Trading FZCO • S.C. Johnson & Son of Pakistan (Private) Limited • Maxim International (Pvt) Limited
8.	Faresa Ahsan	Director	<ul style="list-style-type: none"> • IGI Life Insurance Limited

5.2.1. Profile of Directors

Shamim Ahmad Khan - Chairman

Mr. Shamim Ahmad Khan is the Chairman of the board of directors of the Pension Fund Manager. As a member of the Civil Service of Pakistan, he occupied senior positions in the government particularly in the Ministry of Finance. He retired as Secretary, Ministry of Commerce. For more than ten years, he served the then Corporate Law Authority and was its chairman for six years. The Corporate Law Authority administered all laws which regulated the corporate sector in Pakistan. He led the initiative for restructuring the authority into the Securities and Exchange Commission of Pakistan and also became its first chairman. He has undertaken a number of consultancy assignments for the World Bank, Asian Development Bank and Department for International Development besides authoring several papers on capital market issues.

Presently, he is serving as non-executive director of IGI Holdings Limited, IGI General Insurance Limited, Attock Refinery Limited, Pakistan Oilfields Limited, Attock Cement Pakistan Limited, National Refinery Limited and Packages Foundation. He is also associated with non-profit organizations as director at Sustainable Development Policy Institute - a think tank and Karandaaz - promoting small and medium-sized enterprises and digital financing.

Ali Nadim – Chief Executive Officer

Ali Nadim is an actuary and has experience working in multiple international markets such as Canada, UAE, Saudi Arabia and Kenya on Life and General Insurance businesses. He has been associated with IGI Life since 2018 and during this time has implemented the IT system and Vitality Programme in Pakistan.

Syed Hyder Ali – Director

Syed Hyder Ali is associated as a non-executive director of Packages Limited and IGI Life Insurance Limited. In 1979, he obtained his degree of Bachelors of Science in chemical engineering from the University of Michigan (USA) and completed his Masters of Science in June 1981, specializing in paper chemistry from The Institute of Paper Chemistry, Lawrence University of Wisconsin, USA. In 1997, Mr. Ali also attended a program for management development at the Harvard Business School, Boston, USA.

Mr. Ali also serves on the boards of IGI Holdings Limited, IGI General Insurance Limited, IGI Investments (Pvt.) Limited, Nestle Pakistan Limited, Sanofi-Aventis Pakistan Limited, Bulleh Shah Packaging (Pvt.) Limited, Packages Lanka (Pvt.) Limited, Tri-Pack Films Limited, Babar Ali Foundation, Packages Real Estate (Pvt.) Limited, National Management Foundation, Pakistan Center for Philanthropy and Syed Maratib Ali Religious and Charitable Trust Society.

He is a member of the board of Ali Institute of Education (AIE), International Chamber of Commerce (ICC) Pakistan, Lahore University of Management Sciences (LUMS) and World Wide Fund for Nature (WWF) and the trustee at Packages Foundation.

He is the Honorary Consul General of Sweden in Lahore since 1998.

Mohammad Kamal Syed - Director

Mr. Mohammad Kamal Syed is associated with the Pension Fund Manager as an independent director. He is also the managing director of Coutts & Co. and the head of Natwest Group's asset management business. He holds a breadth of international experience spanning investment banking and the fund management industry. Prior to Coutts, he served as the chief executive officer and founder of Hedge Fund Group Axiom and chief executive officer of a leading multi-family office.

He has spent several decades working in investment banking in senior roles including managing director and regional head of Barclays Capital. He was also deputy head of global derivatives and a member of the management and operations committees of Barclays Capital. Subsequently, he ran the Bank of Tokyo-Mitsubishi UFJ's Investment Bank and was the chairman of the executive committee and member of its executive board.

Khurram Raza – Director

Mr. Khurram Raza Bakhtayari is associated as a non-executive director of the Pension Fund Manager. He obtained his degree in Bachelors of Commerce in 1997, from the Hailey College of Commerce, University of Punjab, Lahore, and qualified as a chartered accountant in 2002, from the Institute of Chartered Accountants of Pakistan and became a fellow member of the Institute in January, 2013. He holds vast experience in financial planning, budgeting, financial forecasting and analysis, asset investment and taxation.

Mr. Bakhtayari is the chief executive officer and director of Packages Real Estate and chief financial officer of Packages Limited. He also holds directorship on the boards of IGI Investments, Tri-Pack Films Limited. Anemone Holdings Limited, Bulleh Shah Packaging (Pvt.) Limited, DIC Pakistan Limited, Flexible Packages Convertor (Pty.) Limited, OmyaPack (Pvt.) Limited and Packages Lanka (Pvt.) Limited.

Syed Yawar Ali - Director

Syed Yawar Ali is a non-executive director of the Pension Fund Manager. He was educated at Aitchison College Lahore and obtained his degrees of Bachelors in Chemical Engineering and Masters in Management Science from the Stevens Institute of Technology in New Jersey (USA). He also completed an Advanced Management Program (AMP 111) from Harvard Business School in 1992. Mr. Ali joined his family business i.e. Packages Limited in 1972 and then became the managing director of Milk Pak Limited. In 1988, Milk Pak joined hands with Nestle for a very successful joint venture.

Syed Yawar Ali is currently chairman of Nestlé Pakistan Limited, Wazir Ali Industries Limited, Prime Genetics (Pvt) Limited and Amjad & Afzal Foundation. He has also been on the board of the State Bank of Pakistan and Pakistan International Airlines and the chairman of Lahore Electric Supply Company and Agricultural Development Bank of Pakistan.

He is also the co-chair of the Pakistan India Joint Business Forum (PIJBF) which has been notified by the Ministry of Commerce (Pakistan) to “promote trade with India”. He is a member of the Pakistan Afghan Joint Business Council, Member of “Special Economic Zones Board of Approvals” chaired by Prime Minister and member of the Prime Minister Task Force on Science & Technology and a director at Dairy & Rural Development Foundation, Pakistan Dairy Association and Pakistan Business Council.

Faresa Ahsan - Director

Ms. Faresa Ahsan is associated with the Pension Fund Manager as an independent director. She is a senior partner and head of corporate division at Liaquat Merchant Associates, recognized as one of the leading law firms in Pakistan by various international publications.

Ms. Ahsan being a practicing and leading corporate lawyer, specializes in corporate and banking laws, Islamic banking, technology contracts, e-commerce laws, derivatives, capital markets, LNG projects, tenders and procurement. She has trained and mentored lawyers at the firm.

She completed her degree in Bachelor of Arts (Hons) in Politics and Literature from the University of Punjab in 1979 and obtained her Bachelor of Arts (Hons) in Law from the University of Buckingham, UK in 1983. She was called to the Bar of England and Wales as a barrister-at-law and became a member of Grey's Inn in 1983. She is also enrolled as an advocate in the High Courts of Pakistan and is a member of the Karachi Bar Association and Sindh Bar Council. Additionally, she has authored several publications and has served as a member of the Audit Oversight Board and in such capacity assisted with the drafting of, inter alia, regulations and human resource manual. She has also been recognized time and again by Chambers and Partners and the Legal 500.

Zehra Naqvi - Director

Zehra Naqvi has joined the Pension Fund Manager as an independent director. She was the chief executive officer of Chubb Insurance Pakistan, (a wholly owned subsidiary of Chubb INA International Holdings Limited, Delaware, USA from September 2005 to September 2017.

She has over 35 years of work experience in the insurance sector. Prior to joining Chubb, she worked with Royal Exchange Assurance, a branch of Guardian Royal Exchange, UK and with Adamjee Insurance Company Limited in Pakistan. Ms. Naqvi holds a degree in Bachelor of Science and completed her degree in Master of Business Administration from the Institute of Business Administration, Karachi University. She is a chartered insurer from the Chartered Insurance Institute, UK and is a certified director from Institute of Chartered Accountants of Pakistan. She has served as an elected member of the executive committee of the Insurance Association of Pakistan and The American Business Council. Ms. Naqvi has represented the Insurance Association of Pakistan, on the Council of Pakistan Insurance Institute and was chairperson of the institute for the term of 2016. She has been a visiting faculty member at the Institute. She has also served on the Managing Committee of the Overseas Investors Chamber of Commerce & Industry.

Ms. Naqvi presently serves as a director on the board of Chubb Insurance Pakistan Limited, Abbott Laboratories (Pakistan) Limited and Attock Petroleum Limited.

5.2.2. Management Profile:

Ali Nadim

Chief Executive Officer

Ali Nadim is an actuary and has experience working in multiple international markets such as Canada, UAE, Saudi Arabia and Kenya on Life and General Insurance businesses. He has been associated with IGI Life since 2018 and during this time has implemented the IT system and Vitality Programme in Pakistan.

Haseeb Kasbati

Chief Financial Officer

Haseeb is a fellow member of the Institute of Chartered Accountant of Pakistan (ICAP) (FCA). He holds extensive experience in financial planning, budgeting, financial forecasting and

analysis, asset investment, and taxation. He has been associated with IGI Life since 2019 and prior to that, he worked in Cinepax Limited (representing Abraaj Pakistan); IGI Insurance Limited, K-Electric, and completed his professional training from A.F. Ferguson (PwC, Pakistan – Karachi office).

Waqas Munir

Chief Investment Officer

Waqas Munir is a Fellow Chartered Accountant with professional experience spanning over 15 years. He is a member of Institute of Chartered Accountants of Pakistan (ICAP), Institute of Chartered Accountants of England and Wales (ICAEW) and Institute of Internal Auditors (IIA). He is the Chief Investment Officer of the Packages Group and is responsible for mergers & acquisitions, portfolio management, and devising and implementing investment strategies.

Syed Awais Amjad

Chief Risk Officer

Syed Awais Amjad is the Chief Risk Officer at IGI Life Insurance Limited, he is also the Chief Financial Officer of IGI Holdings Limited, IGI General Insurance Limited and IGI Investments (Pvt) Limited. He is a Fellow member of the Institute of Chartered Accountants of Pakistan. He has previously worked with Packages Limited, EY Ireland, PWC Dubai, KPMG Oman and PWC Pakistan.

Madiha Ahmad

Head of Marketing

Madiha Ahmad Joined IGI General Insurance in 2006 after completing her Bachelors in Business Administration with Majors in Marketing. In 2012 she was promoted as Deputy Branch Manager at IGI General Hali Road Branch. In addition to her work within our company, she also completed her MBA and ACII certification. In 2018, she was promoted as Branch Manager at the Packages Mall Branch of IGI, and is now also heading Brand Marketing of IGI General Insurance and IGI Life Vitality.

Feroze Polani

Head of Internal Audit

Feroze Polani is a Fellow Chartered Accountant (FCA) and has joined Packages Group in August 2023. He is currently serving as Head of Internal Audit of IGI General Insurance Limited, IGI Life Insurance Limited, IGI Holdings Limited, Tri-Pack Films Limited and Hoechst Pakistan Limited. Prior to joining the Packages Group, his last assignment was with Soneri Bank as Head of Management & Thematic Audits.

5.2.3. Performance of Listed Associated Companies

Packages Limited

Packages Limited was established in 1956 as a joint venture between Ali Group of Pakistan and Akerlund & Rausing of Sweden and is renowned for providing premium packaging solutions. Over the years, it has continued to enhance its capacities and capabilities to meet the growing demand of packaging products in Pakistan. Packages Limited has generated profit

MAHAANA IGI ISLAMIC RETIREMENT FUND

before tax of Rs 1,566 million during the nine months of current year 2024 as compared to Rs 1,846 million in the comparable period of the prior year.

5.3. Existing Schemes under Management and their performance

Absolute calendar year returns for Unit linked funds for of Pension Fund Manager are:

Fund	2023	2022	2021	2020	2019
AAF	44.06%	-10.89%	0.44%	5.30%	11.69%
ABF	28.25%	2.84%	4.06%	4.04%	12.05%
ACF	20.65%	12.04%	7.53%	8.95%	13.30%
AIF	19.66%	10.26%	7.10%	6.59%	9.45%
AHA	53.15%	-12.15%	0.08%	5.79%	12.16%
AHB	35.57%	-1.62%	4.89%	4.60%	13.29%
AHC	19.77%	10.96%	6.84%	7.88%	13.69%
AHS	22.39%	10.76%	7.77%	7.38%	10.66%
SPI	21.80%	13.34%	7.79%	8.78%	10.01%
SPS	64.78%	-19.11%	0.92%	7.69%	6.23%
SUG	0.00%	0.00%	0.00%	0.00%	8.44%
SUS	61.77%	-14.71%	3.48%	9.72%	11.89%
SUI	20.88%	13.40%	6.25%	7.30%	10.86%
SSE	22.10%	11.88%	6.20%	11.35%	13.50%
TAF	37.69%	-9.02%	-1.02%	3.63%	9.28%
TBF	26.63%	4.22%	2.61%	5.74%	9.47%
TCF	19.75%	11.91%	5.55%	7.77%	9.24%

5.4. Role of the Fund Manager of MAHAANA IGI ISLAMIC RETIREMENT FUND (MIIRF)

The Pension Fund Manager shall designate a Fund Manager for MAHAANA IGI ISLAMIC RETIREMENT FUND, who shall, use his investment experience and knowledge of pensions and based on the input from the Research Department, structure the portfolios for the individual Sub-Funds.

Additionally, the allocation exposure to the asset classes within the sub-funds offered under the Pension Fund, will be reviewed by the Investment Committee from time to time and based on the assessment of key economic indicators, the Fund Manager will, in conjunction with the Investment Committee of the Pension Fund, decide on the relative attractiveness and valuation of various asset classes available (i.e., equity, debt and money market). In case of a change in the economic circumstances, the Fund Manager will re-allocate the relative weights of the asset classes within the Schemes with an appropriate increase or reduction in exposure in those asset classes that are expected to be most impacted. However, such changes shall be made within the limits set out in the Approved Allocation Policy specified by the Commission.

5.4.1. Appointment of Distributors

The Pension Fund Manager, shall from time to time appoint, remove or replace one or more suitable persons, entities or parties as Distributor(s) for carrying on Distribution Function(s) at one or more location(s) locally or internationally. The Pension Fund Manager may also itself act as a Distributor for carrying on Distribution Functions and updated list of distributors would be available on official website of the Pension Fund Manager.

The Pension Fund Manager shall ensure, where it delegates the Distribution Function, that:

- (a) The Distributors to whom it delegates, have acquired license / registration from SECP as registered service providers.
- (b) The written contract with the Distributors clearly states the terms and conditions for avoidance of frauds and sales based upon misleading information.

The Pension Fund Manager and Distributor shall not:

- i. Involve either directly or indirectly in the mis-selling of Voluntary Pension Scheme; and
 - ii. Sell units of Voluntary Pension Fund Scheme directly or indirectly by making a false and mis-leading statement, concealing or omitting material facts of the Scheme and concealing the risk factors associated with the Scheme;
- (c) The Pension Fund Manager or distributor shall take reasonable care to ensure suitability of the scheme to the participant.
- (d) The Pension Fund Manager or distributor shall ensure that;
- i. Any performance reporting/ presentation is accompanied by all explanations, qualifications, limitations and other statements that are necessary to prevent such information from misleading participants;
 - ii. Promotional materials do not contain untrue statements or omit to state facts that are necessary in order to prevent the statements from being misleading, false or deceptive; and
 - iii. Performance is measured and presented after taking into account the risk-tolerance, investment objectives, level of understanding and knowledge of the recipient.

5.4.2. Disclaimer

The Pension Fund Manager shall not be under any liability except such liability as may be expressly assumed by it under the Rules, Regulations and the Constitutive Documents, nor shall the Pension Fund Manager (save as herein otherwise provided) be liable for any act or omission of the Trustee nor for anything except for its own gross negligence or willful breach of duty and the acts and omissions of all persons to whom it may delegate any of its functions as manager as if they were its own acts and omissions. If for any reason it becomes impossible or impracticable to carry out the provisions of the Constitutive Documents, the Pension Fund Manager shall not be under any liability therefore or thereby and it shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done in good faith hereunder. The Pension Fund Manager shall not be liable for any loss caused to the Fund or to the value of the Trust Property due to any elements or circumstances of Force Majeure.

5.5. Obligations of the Pension Fund Manager

A Pension Fund Manager shall ensure compliance with the obligations as specified in the regulations and constitutive documents of the Pension fund. The obligations of the Pension Fund Manager shall

MAHAANA IGI ISLAMIC RETIREMENT FUND

- (a) be obliged to invest and manage the assets of the Pension fund in the interest of the participants in good faith and to the best of its ability and without gaining any undue advantage for itself or any of its related parties or its officers and according to the provisions of the Trust Deed, the Rules, the Regulations and the provisions contained in the offering documents.
- (b) be responsible for the acts and omissions of all persons to whom it may delegate any of its functions as Pension Fund Manager, howsoever designated, as if they were its own acts and omission;
- (c) account to the trustee for any loss in value of the assets of the Pension fund where such loss has been caused by its gross negligence, reckless or willful act or omission;
- (d) maintain at its principal office, 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 each of the sub-Funds, all transactions for the account of the Sub-Fund and contributions received by the Pension fund and withdrawals by the participants including detail of withholding tax deducted at source and transfer or receipt of balances in the individual Pension accounts of the participants to or from other Pension Fund Managers;
- (e) Prepare and transmit an annual report, together with a copy of the balance sheet and income and expenditure account and the auditor's report of the Sub-Fund within four (4) months of closing of the accounting period to the Commission and the participants, and the balance sheet and income and expenditure account shall comply with requirements of Regulations as set out in Schedule I:

“Provided that the Pension Fund Manager may transmit or make available on its website annual report along with quarterly reports of the Pension fund for participants and it shall make the printed copy available to a participant free of cost as and when required”;

- (f) within one (1) month of the close of the first and third quarter of its year of account of the fund and within two (2) months of the close of second quarter, prepare and transmit to the participants and the Commission a balance sheet as at the end of that quarter and a profit and loss account for that quarter, whether audited or otherwise, of the Pension fund and the balance sheet and income and expenditure account shall comply with requirements of Regulations.
- (g) maintain a register of participants of the Pension fund and inform the Commission of the address where the register is kept; For this purpose, it may appoint a Registrar, who shall maintain Participant(s)' records, issue statements of account and receipts for Contributions, process withdrawals and carry out all other related activities.
- (h) Appoint with the consent of the trustee, at the establishment of the Pension fund and upon any vacancy, the auditor. Such auditor shall not be appointed for more than five consecutive years;

furnish to the Commission within one month of the close of each accounting period:

- i. particulars of the personnel (executive, research and other) managing the Pension fund;
 - ii. total number of participants; and
 - iii. such other information that may be prescribed by the Commission from time to time.
- (i) furnish to the Commission a copy of its annual report together with copies of the balance sheet, profit and loss account, the directors' report and the auditors' report within one (1)

month of its annual general meeting and shall furnish its half yearly report to the Commission within two (2) months of close of its half year;

- (j) send an account statement as at the 30th June and the 31st December each year, within thirty (30) days thereafter to each Participant(s) giving detail of the amounts received or withdrawn and tax deducted and the number of units allocated and held, the current valuation of the units and such other information as may be specified by the Commission, free of charge. The Pension Fund Manager shall also send an account statement each time when there is an activity in the participant's account within seven working days of such activity and the participant shall be entitled to receive any information, in respect of participant account, at any time, on written application either physically or online;
- (k) send any other statement or certificate to the participants which may be necessary under the Rules and Regulations;
- (l) send a notice to a participant at least thirty (30) days before the chosen date of retirement informing him/her the options available to him/her on retirement. The notice should be sent physically on the mailing address as well as electronically on email or cellular phone number; and
- (m) specify a criterion in writing to provide for a diverse panel of brokers at the time of offering of a pension fund or for any subsequent change and shall not enter, on behalf of a pension fund, into transactions with any broker that exceed twenty-five percent or more of the brokerage or the commission payable by a pension fund in any one accounting year:

Provided that this restriction shall not apply to transactions relating to money market instruments or debt securities

The Pension Fund Manager shall provide and replicate all recorded information to the trustee and shall arrange the reconciliation of these records with the Trustee on a periodic basis as may be mutually agreed between the parties or as specified by the Commission.

5.6. Restrictions for Pension Fund Manager

The Pension Fund Manager shall not:

- (a) offer this Pension fund to any other person except the Eligible Persons;
- (b) merge with, acquire or take over management of any other pension fund or pension fund manager unless it has obtained the prior approval of the Commission in writing for such merger, acquisition or takeover;
- (c) pledge any of the securities held or beneficially owned by the Pension Fund except for the benefit of the Pension Fund;
- (d) Purchase from or sell any security to any connected person or employee except with the approval of its Board of Directors in writing and consent of the Trustee;
- (e) participate in a joint account with others in any transaction; except for placement of orders under a single Universal Identification Number (UIN) subject to mechanism approved by the commission;
- (f) make any investment with the purpose of having the effect of vesting the management or control in the Pension Fund;

- (g) employ as a broker, directly or indirectly, any of its directors, officers or employees or a member of a family of such person which shall include spouse, parents, children, brothers and sisters and enter into transactions with any broker who is a Connected Person where such transactions shall equal or exceed twenty-five per cent or more of the brokerage or commission paid by the Pension Fund in any one Accounting Period;
- (h) Enter into a short sale transaction in any security; and
- (i) Invest in any non-shariah compliant investment avenue.

5.7. Investment Advisor

Mahaana Wealth Management Limited
2nd Floor, The Forum, Suite No. 203,
Block 9, Khayaban-e-Jami, Clifton,
Karachi, Pakistan
URL: www.mahaana.com

5.8. Obligations of the Investment Advisor

An Investment Advisor shall;

- (a) act in good faith and in the best interest without taking advantage for itself or any of its related parties or group companies or employees at the expense of MIIRF.
- (b) place MIIRF's interest before its own.
- (c) ensure that the investment decisions and actions, are in accordance with the investment policy, objectives and constraints including risk parameters, as stated in the Fund's constitutive documents.
- (d) take measure for restricting excessive trading that cannot be directly linked to a profitable trade for the Fund and ensuring that only the minimal number of trades take place taking into account the Fund's stated objectives.
- (e) ensure that the best price and terms are negotiated when trading in securities, in the interest of the Fund.
- (f) formulate policies and procedures for proper discharge of its fiduciary responsibility towards Fund and Pension Fund Manager and such policy shall cover the following minimum principles / requirements:
 - i. Mechanism to ensure Investment Advisor's employees exercise reasonable care and prudent judgment while managing Fund's assets;
 - ii. Sufficient measures to ensure that the nature and extent of its fiduciary duties are clearly understood by employees of Investment Advisor;
 - iii. Requirements to ensure fair and objective dealing with Fund, when providing investment information, making investment recommendations, or taking investment action;
 - iv. Restriction on employees of Investment Advisor from entering into any transaction that may create a conflict with a 'duty of care' owed to the Fund. Where it is practically not possible to avoid conflict, ensure its complete and timely disclosure to Pension Fund Manager;
 - v. Proper procedures to ensure confidentiality of Fund's information;
- (h) ensure that any performance reporting / presentation is accompanied by all explanations, qualifications, limitations and other statements that are necessary to prevent such information from misleading clients or investors.
- (i) ensure that performance is measured and presented after taking into account the level of understanding and knowledge of the recipient.

- (j) use market prices to value investments and apply, in good faith, methods to determine the fair value of any securities for which no independent, third-party market quotation is readily available.
- (k) ensure that promotional materials do not contain untrue statements or omit to state facts that are necessary in order to prevent the statements from being misleading, false or deceptive.
- (l) comply with such other requirement as may be specified by the Commission from time to time.

5.9. Restrictions on the Investment Advisor

The Investment Advisor- shall not

- (a) provide the discretionary portfolio services.
- (b) carry out any transaction on behalf of clients or investors with any of its connected person unless such transaction is carried out on arm's length terms and with appropriate disclosure and related approvals.
- (c) participate in any business relationship or accept any gift that could reasonably be expected to affect their independence, objectivity, or loyalty to clients or investors.
- (d) involve directly or indirectly in the mis-selling of securities.
- (e) directly or indirectly sell securities by making a false or misleading statement.
- (f) directly or indirectly sell securities by concealing or omitting material facts of investments.
- (g) directly or indirectly sell securities by concealing the associated risk factors of the scheme.
- (h) assume and issue any type of guarantee, in relation to and on behalf of the portfolio managed by investment advisor.

5.10. Retirement or Removal of the Pension Fund Manager

- 5.10.1. The Pension Fund Manager may, by giving at least three (3) months prior written notice in writing to the Participants with the prior written approval of the Commission, retire from management of the Pension Fund.
- 5.10.2. Where the Pension Fund Manager has given notice in accordance with above clause, its retirement shall be effective on the date being not less than three (3) months after the date of such notice on which, with the approval in writing of the Commission, it appoints a new Pension fund manager to manage the Pension Fund in accordance with the constitutive documents and the Rules.
- 5.10.3. If the Commission is of the opinion that the Pension Fund Manager has contravened any provision of the Rules, or has otherwise neglected or failed to comply with any order or direction of the Commission or with any requirement of the Rules or has failed or neglected to carry out its duties to the satisfaction of the Trustee, or the Commission, as the case may be, and considers that it would be in the interest of the Participants so to do, the Commission, on its own motion or on the report of the Trustee, by order in writing may immediately:-
 - (a) cancel or suspend the registration of the Pension Fund Manager;
 - (b) remove the Pension Fund Manager managing the Pension Fund;
 - (c) issue, cease and desist orders to the company;
 - (d) order compensation to be paid to the Participants;
 - (e) ban defaulters to be employed within the security market temporarily or permanently
 - (f) impose fine; or
 - (g) take any combination of the above-mentioned actions.

- 5.10.4. The Trustee may, by giving notice in writing to the Pension Fund Manager with the prior approval of the Commission, remove the Pension Fund Manager if any of the following events have occurred:
- (a) the Pension Fund Manager has contravened the provisions of the constitutive documents in any material respect and has failed to rectify the contravention within (i) 30 days from the date of notice in writing given by the Trustee to the Pension Fund Manager regarding the contravention, such notice to be given under intimation to the Commission, or (ii) such other period as may be specified by the Commission, in respect of the subject contravention; provided that such notice by itself shall not be considered as an admission of contravention on part of the Pension Fund Manager who shall have the right to defend such action;
 - (b) the Pension Fund Manager goes into liquidation (other than voluntary liquidation on terms previously agreed to with the Trustee for purpose of reconstruction and amalgamation); or
 - (c) a receiver is appointed over any of the assets of the Pension Fund Manager.
- 5.10.5. The removal of the Pension Fund Manager from management of the Pension Fund by the Trustee shall be effective on the date on which, with the approval in writing of the Commission as per Rule 6 of the VPS Rules 2005, the Trustee appoints a new Pension fund Manager to manage the Pension Fund whose registration has not cancelled is eligible as Pension Fund Manager in accordance with the constitutive documents and the Rules.
- 5.10.6. The Commission may, in exercise of its powers under the Rules, remove the Pension Fund Manager from management of the Pension Fund and appoint in its place a new Pension fund manager to manage the Pension Fund in accordance with this the constitutive documents and the Rules.
- 5.10.7. The Commission may, in exercise of its powers under the Rules, cancel the registration of the Pension Fund Manager as a Pension fund manager, in which case the Pension Fund Manager, if not already removed from the management of the Pension Fund, shall stand removed from such management upon such cancellation.
- 5.10.8. If the Commission has cancelled the registration of the Pension Fund Manager, the Commission shall appoint another Pension fund manager to manage the Pension Fund in accordance with the Rules.
- 5.10.9. Upon a new Pension fund manager being appointed, the Pension Fund Manager shall take immediate steps to deliver all the documents and records pertaining to the Trust to the new Pension fund manager and shall pay all sums due to the Trustee.
- 5.10.10. Upon its appointment the new Pension fund manager shall exercise all the powers and enjoy all rights and shall be subject to all duties and obligations of the Pension Fund Manager hereunder as fully as though such new Pension fund manager had originally been a party hereto.
- 5.10.11. If so, directed by the Commission, the Pension Fund Manager shall not receive any Contributions from any of the Participants or make any other transaction on account of the Pension Fund as from the date of issue of the notice or as from the date of issue of the Commission's order in writing under Rule 6 of the Rules.
- 5.10.12. The Trustee shall ensure that accounts of the Pension Fund till the day of the appointment of the new Pension Fund Manager are audited by the Auditors of the Pension Fund and the audit report is submitted, within one month from the date of such appointment to the Commission, the Trustee and the new Pension Fund Manager. The Trustee with the

approval of the Commission shall decide the cost of such interim audit and the same may be charged to the Pension Fund with the prior approval of the Commission.

- 5.10.13. The Pension Fund Manager, upon termination/removal/retirement, shall continue to manage the Pension fund until the entire balance in all pension accounts of the Participants are not transferred in the pension accounts of the respective Participants with one or more other Pension Fund Managers. For this purpose, the Pension Fund Manager shall share the relevant data with the new Pension Fund Manager(s). Both parties shall make best efforts to complete the process for transfer of Pension Fund balances within the stipulated period.

5.11. Obligations of Trustee of Pension Fund

- 5.11.1. The Trustee shall ensure compliance with the obligations as specified in the provisions of the constitutive document and the Rules when performing any act or matter to be done by it in the performance of its duties and such acts or matters may also be performed on behalf of the Trustee by any officer or responsible official of the Trustee or by any nominee or agent appointed by the Trustee in consultation with the Pension Fund Manager; provided that the Trustee shall be responsible for the acts and omissions of all persons to whom it may delegate any of its duties, as if these were its own acts and omissions and shall account to the Pension Fund for any loss in value of the Trust Property where such loss has been caused by negligence or any reckless or willful act and / or omission of the Trustee or of any of its directors, officers, nominees or agents.
- 5.11.2. The Trustee shall exercise all due diligence and vigilance in carrying out its duties and in protecting the interests of the Participants. The Trustee shall not be under any liability on account of anything done or not done by the Trustee in good faith in accordance with or in pursuance of any request of the Pension Fund Manager, provided that the Trustee's actions and the Pension Fund Manager's requests are not in conflict with the provisions of the constitutive document or the Rules. Whenever pursuant to any provision of the constitutive document, any certificate, notice, direction, instruction or other communication is to be given by the Pension Fund Manager to the Trustee, the Trustee may accept as sufficient evidence thereof a document signed or purporting to be signed on behalf of the Pension Fund Manager by any person whose signature the Trustee is for the time being authorized in writing by the Pension Fund Manager to accept.

The Trustee shall;

- (a) take into its custody or under its control all the Trust property, including proprieties of the Sub Funds of the Pension Fund and hold it in trust for the Participants in accordance with, the applicable law, the Rules, Regulations and the provisions of the Constitutive Documents; and the cash and registerable assets shall be registered in the name of or to the order of the Trustee;
- (b) be liable for any loss caused due to its willful act or omission or that of its agent or delegate in relation to custody of assets or any investment forming part of the property of the pension fund;
- (c) be liable for the act and omission of the Shariah Compliant Financier and its agent in relation to assets forming part of the property of the Pension Fund and, where financing is undertaken for the account of the Pension Fund, such assets may be registered in the Shariah Compliant Financier's name or in that of a nominee appointed by the Shariah Compliant Financier;
- (d) ensure that the issue, withdrawal and cancellation of units are carried out in accordance with the provisions of the Rules, Regulations and the Constitutive Documents of the Pension Fund;

MAHAANA IGI ISLAMIC RETIREMENT FUND

- (e) ensure that the methods adopted by the Pension Fund Manager in calculating the values of the Units of each Sub- Fund of the Pension Fund are adequate and that the Net Asset Value is calculated in accordance with the provisions of the Constitutive Documents or as specified by the Commission;
 - (f) carry out the instructions of the Pension Fund Manager in respect of Investment Policy, unless they are in conflict with the provisions of the Constitutive Documents;
 - (g) ensure that the investment policy prescribed by the Commission from time to time and the financing limitations set out in the Trust Deed, the Rules, Regulation and other conditions under which the MAHAANA IGI ISLAMIC RETIREMENT FUND was authorized are complied with;
 - (h) issue a report to be included in the annual and second quarter report to be sent to participants whether, in the trustees' opinion, the Pension Fund Manager has in all material respects managed the pension fund in accordance with the provisions of the constitutive documents, and if the Pension Fund Manager has not done so, the respects in which it has not done so and the steps which the trustee has taken in respect thereof;
 - (i) ensure that Units are not allocated until Contributions have been received.
 - (j) ensure that the Pension Fund Manager has specified a criteria in writing to provide for a diverse panel of brokers at the time of offering of a pension fund or for any subsequent change;
 - (k) ensure that the Pension Fund Manager has been diligent in appointing brokers and shall not enter, on behalf of a pension fund, into transactions with any broker that exceed twenty-five per cent of the commission payable by a pension fund in any one accounting year;
 - (l) immediately inform the Commission if any action of the Pension Fund Manager contravenes any provision of the Ordinance, the Act, the rules, constitutive document, offering document, guidelines, codes, circulars, directives or any other applicable laws;
 - (m) Comply with the directions of the Commission given in the interest of the participants.
- 5.8.3 The Trustee shall, from time to time appoint, remove or replace one or more Custodian(s) as an agent of the Trustee at one or more locations, on terms and conditions to be agreed between the Custodian and the Trustee;
- 5.8.4 The Trustee shall make available or ensure that there is made available to the Pension Fund Manager such information as the Pension Fund Manager may reasonably require from time to time in respect of the Trust Property and all other matters relating to the Pension Fund.
- 5.8.5 The Trustee shall be entitled to require the Auditors to provide such reports as may be agreed between the Trustee and the Pension Fund Manager and as may be considered necessary to facilitate the Trustee in issuing the certification required under the Rules. The Trustee shall endeavor to provide the certification at the earliest date reasonably possible.
- 5.8.6 The Trustee shall promptly provide proxies or other forms of power of attorney to the order of the Pension Fund Manager with regards to any voting rights attaching to any Investments.
- 5.8.7 The Commission may, if it is satisfied that it is necessary and expedient so to do in the interest of the Participant(s), or in the interest of the capital market, public and Employees, by an order in writing, give such directions to the Trustee which are essential to enforce the Rules

including but not limited to making arrangements for safe custody of assets of the Pension Fund, submission of reports and disclosure of information.

- 5.8.8 The Trustee shall, if requested by Pension Fund Manager and may if it considers necessary for the protection of Trust Property or safeguarding the interest of Participant(s), institute or defend any suit, proceeding, arbitration or inquiry or any corporate or shareholders' action in respect of the Trust Property or any part thereof, with full powers to sign, swear, verify and submit pleading and affidavits, to file documents, to give evidence, to appoint and remove counsel and to do all incidental acts, things and deeds through the Trustee's authorized directors and officers. All costs, charges and expenses (including legal fees) incurred in instituting or defending any such action shall be borne by the Pension Fund and the Trustee shall be indemnified against all such costs, charges and expenses, provided that no such indemnity shall be available in respect of any action taken against the Trustee for negligence or breach of fiduciary duties in connection with its duties as the Trustee under the Trust Deed or the Rules.
- 5.8.9 The Trustee shall obtain and maintain replication of all the records of the Participant(s) maintained by the Pension Fund Manager or the Registrar, as the case may be, and shall keep the records updated on fortnightly basis.

5.12. Retirement or Change of Trustee

- 5.12.1. The Trustee shall not be entitled to retire voluntarily or otherwise except upon the appointment of a new trustee and the retirement shall take effect at the same time as the new trustee is appointed. In the event of the Trustee desiring to retire, the Pension Fund Manager with the prior written approval of the Commission and within a period of three months of the Trustee giving notice of its intention to retire to the Pension Fund Manager shall by a deed supplemental hereto under the seal of the Pension Fund Manager and the Trustee appoint a new trustee under the provisions of the Rules in place of the retiring Trustee and also provide in such deed for the automatic vesting of all the assets of the Trust in the name of the new trustee. The retirement of the Trustee shall take effect at the same time as the new trustee is appointed and the supplemental trust deed reflecting this appointment is executed. The Trustee shall ensure that accounts of the Pension Fund till the day of the appointment of the new Trustee are audited by the Auditors and the audit report is submitted within one month time from the date of such appointment to the Commission, the newly appointed Trustee and the Pension Fund Manager. The Trustee with the approval of the Commission shall decide the cost of such interim audit and the same may be charged to the Pension Fund with the prior approval of the Commission.
- 5.12.2. If the Trustee goes into liquidation (otherwise than for the purpose of amalgamation or reconstruction on terms previously agreed to with the Pension Fund Manager) or ceases to carry on business of trusteeship or a receiver of its undertaking is appointed or it becomes ineligible to act as a trustee of the Pension Fund or its registration as a trustee has been suspended or cancelled by the Commission under the provisions of the Rules, the Pension Fund Manager shall forthwith by instrument in writing remove the Trustee from its appointment under this Trust Deed and shall by the same or some other instrument in writing simultaneously appoint as trustee some other company or corporation according to the provisions of the Rules and this Trust Deed as the new trustee.
- 5.12.3. The Commission after giving thirty days' notice, may remove the Trustee by order in writing on grounds of any material default or non-compliance with the provisions of the Rules or this Trust Deed, negligence of its duties or incompetence in performing its duties or if the Commission is of the opinion that the Trustee has otherwise neglected or failed to comply with any order or direction of the Commission and considers that it would be in the interest of the

Participants so to do; provided that such notice shall not per se be regarded as an admission of contravention on part of the Trustee who shall have the right to defend such notice or action.

- 5.12.4. The Pension Fund Manager may also remove the Trustee with the prior approval of the Commission after giving thirty days' notice if the Pension Fund Manager feels that the Trustee is charging a remuneration that is not comparable to the market norm and it would be in the interest of the Participants to appoint another trustee. For this purpose, if the Pension Fund Manager, based on a firm quotation or offer received from an alternate institution (qualified to be appointed as trustee of a Pension fund) determines that the remuneration being paid to the Trustee is not comparable to the market norm and that for this reason it would be in the interest of the Participants to appoint another trustee on such favorable terms, it will issue a thirty days' notice of removal of the Trustee on this ground; provided that after receiving such notice from the Pension Fund Manager, the Trustee shall have the option to continue as trustee of the Pension Fund on such favorable terms offered by the alternate institution or to retire as trustee of the Pension Fund and notify the Pension Fund Manager accordingly. The change of Trustee shall become effective with the Commission's approval once the newly appointed trustee takes charge of all duties and responsibilities.
- 5.12.5. Upon the appointment of a new trustee, the Trustee shall immediately deliver all the documents and records to the new trustee and shall transfer all the Trust Property and any amount deposited in any Individual Pension Account held by or for the Trustee under any Approved Income Payment Plan to the new trustee and shall make payments to the new trustee of all sums due from the Trustee.
- 5.12.6. The new trustee shall exercise all the powers and enjoy all rights and shall be subject to all duties and obligations of the Trustee hereunder as fully as though such new trustee had originally been a party hereto as trustee of the Pension Fund.
- 5.12.7. Notwithstanding the removal or resignation of the Trustee and its subsequent discharge from its duties under this Trust Deed and the Rules, the Trustee shall remain entitled to the benefit of the terms of this Trust Deed till the removal or resignation of the Trustee is effective without prejudice to the Trustee's responsibility or obligation to liquidate any liability for which the Trustee may have become liable under this Trust Deed and / or the Rules.

5.13. Transfer Agent

The Pension Fund Manager will perform duties as the Transfer Agent of the Fund until any further notice and intimation to the Trustee. The Pension Fund Manager will be responsible for maintaining the Unit Holder's Register, preparing and issuing account statements, Unit Certificates and providing related services to the Unit Holders.

5.14. Auditors

The Auditors of the Fund are:

A. F. Ferguson & Co.
Chartered Accountants
State Life Building 1-C
I.I. Chundrigar Road
Karachi

- 5.14.1. The Pension Fund Manager shall, with the consent of the Trustee, appoint as the Auditor a firm of chartered accountants who shall be independent of the auditor of the Pension Fund Manager and the Trustee. The Pension Fund Manager may at any time, with the concurrence of the Trustee, and shall, if required by the Commission, remove the Auditor and appoint another Auditor in its place. At all times the Pension Fund Manager shall ensure that

the Auditor is appointed from the panel of auditors, if any, prescribed by SECP or any further Circular/Directive as amended from time to time for this purpose. The appointment of Auditor and contents of the Auditor's report shall be in accordance with provision of the Rules and Regulations. The Auditors shall have access to the records, books, papers, accounts and vouchers of the Trust, whether kept at the office of the Pension Fund Manager, Trustee, Custodian, Transfer Agent or elsewhere and shall be entitled to require from the Pension Fund Manager, Trustee and their Directors, Officers and Agents such information and explanations as considered necessary for the performance of audit. The Trustee shall be entitled to require the Auditors to provide such further reports as may be agreed between the Trustee and the Pension Fund Manager as may be considered necessary to facilitate the Trustee in issuing the certification required under the Regulations.

5.14.2. The Auditors shall prepare a written report to the Participant on the accounts and books of accounts of the Trust and the balance sheet, profit and loss account, cash flow statement and statement of movement in participants' Funds and on every other document forming part of the balance sheet and profit and loss account, including notes, statements or schedules appended thereto.

In case the Rules or other Applicable Laws relating to appointment of auditors of Pension funds are amended or substituted, the amended Rules or other Applicable Laws, as the case may be, shall be deemed to become part of this Constitutive Document without the need to execute a supplemental constitutive document.

5.14.3. The contents of the Auditors report shall be as mentioned in the Regulations.

5.14.4. The Commission shall monitor general financial condition of the Pension Fund, and, at its discretion, may order special audit and appoint an auditor who shall not be the external auditor of the Pension Fund, to carry out detailed scrutiny of the affairs of the Pension Fund, provided that the Commission may, during the course of the scrutiny, pass such interim orders and give directions as it may deem appropriate. On receipt of the special audit report, the Commission may direct the Pension Fund Manager to do or to abstain from doing certain acts and issue directives for immediate compliance which shall be complied forthwith or take such other action as the Commission may deem fit.

5.14.5. The Pension Fund Manager shall also appoint a Shariah Auditor for conducting an independent and objective assessment of compliance of operations with the Shariah. The existing auditor of the Fund may also act as Shariah Auditor provided that he has necessary expertise and is well-versed with the principle of Shariah. The Shariah Auditor shall issue a report annually to be included in the Annual report of the Fund. The scope of Shariah audit includes:

- 1) Conducting an independent and objective assessment of compliance of operations with the Shariah principles and rules and to comply with any further conditions imposed by the Commission from time to time.
- 2) The external Shariah auditor shall assess the compliance of the Shariah compliant security with financial arrangements, contracts, and transactions with the Shariah principles and rules.
- 3) The external Shariah auditor shall prepare a report on the format, to be prescribed by Commission, for the board of directors giving their opinion on:
 - a) the status of Shariah compliance;
 - b) the risks associated with the Shariah non-compliance;
 - c) the capacity and quality of the internal controls to measure, manage and mitigate the Shariah non-compliance risks;
 - d) the adequacy and effectiveness of the Shariah governance framework;

MAHAANA IGI ISLAMIC RETIREMENT FUND

- e) the level of awareness and sensitivity of the management and the board of directors in addressing the Shariah risks; and
- f) any other issues deemed significant by the external auditors with respect to Shariah compliance.

5.15. Legal advisor

Haidermota & Co. Advocates
Plot no.101, Al Murtaza Lane 1,
DHA Phase VIII, Karachi

5.16. Bankers

The bankers to the Fund may include any Islamic Bank or Islamic window of commercial bank as per the discretion of the Management Company to change from time to time.

The Trustee shall operate the Islamic bank accounts on instruction from the Management Company.

5.17. Bank Accounts

The Trustee shall, at the request of the Pension Fund Manager from time to time, open separate Bank Accounts in Islamic Bank or Islamic window of conventional bank titled “CDC-Trustee MAHAANA IGI ISLAMIC RETIREMENT FUND” for the Pension Fund and each Sub-Fund for, inter alia, (i) receipt of proceeds of Seed Capital Units and subsequent Contributions into the Pension Fund, (ii) credit of proceeds realized on account of any transfer or withdrawal at or before retirement or re-allocation in relation to Individual Pension Accounts, and (iii) withdrawals from Approved Income Payment Plans for the Pension Fund.

The Bank Accounts shall be opened by the Trustee at such branches of Banks/Islamic bank or Islamic windows of conventional banks and financial institutions approved by the Pension Fund Manager having entity rating awarded by a credit rating agency approved by the Commission and at such locations as determined by the Pension Fund Manager, subject to compliance with Applicable Laws and after obtaining all necessary Approvals as may be required from time to time.

Notwithstanding anything in this Constitutive Documents, the beneficial ownership of the balances in the Bank Accounts opened by the Trustee shall vest at all times in the Participants collectively.

Further on the request of the Pension Fund Manager, the Trustee shall open the bank accounts for Pension Fund and Sub-Funds under the following titles:

- 1. CDC- Trustee MAHAANA IGI ISLAMIC RETIREMENT FUND**
- 2. CDC- Trustee MAHAANA IGI ISLAMIC RETIREMENT FUND-Equity Sub Fund**
- 3. CDC- Trustee MAHAANA IGI ISLAMIC RETIREMENT FUND-Debt Sub Fund**
- 4. CDC- Trustee MAHAANA IGI ISLAMIC RETIREMENT FUND-Money Market Sub Fund**

All bank and other charges related for opening and maintaining Bank Accounts for the Trust shall be charged to the Fund.

5.18. SHARIAH GOVERNANCE/SHARIAH ADVISORY SERVICES

The shariah advisor of the fund has reviewed this offering document and provided their consent dated 2nd May 2024 that this offering document adhere to the principles of Shariah and nothing in the document is repugnant to/impermissible to Shariah.

Shariah Advisor

All activities of the Fund shall be undertaken in accordance with the Shariah Guidelines provided by the Shariah Advisor or Shariah Regulatory Provisions of SECP issued from time to time.

The Pension Fund Manager has appointed a Shariah Advisor who shall advise the Pension Fund Manager regarding Shariah compliance.

The Pension Fund Manager has appointed Al-Hilal as the Shariah Advisor for the Fund. The profile(s) of the Shariah Advisor(s) is annexed as **Annexure “D”** in the Offering Document.

The Shariah Advisor has been appointed for a term of one year (renewable) under intimation to the Trustee for a period of three years, but may be reappointed on completion of the term. The Pension Fund Manager may at any time, with prior notice to the Trustee and intimation to the Commission, terminate the Agreement with the Shariah Advisor by giving a notice as per the Agreement with the Shariah Advisor, before the completion of the term, and fill the vacancy under intimation to the Commission and the Trustee. Furthermore, the agreement entered into for the appointment of the Shariah Advisor shall be furnished to the Commission.

5.18.1 Duties and Responsibilities of Shariah Advisor

The Shariah Advisor shall advise the Pension Fund Manager on matters relating to Shariah compliance and recommend general investment guidelines consistent with Shariah and regulations issued by the Commission. Any verdict issued by the Shariah Advisor in respect of any Shariah related matter would be final and acceptable to the Trustee, the Pension Fund Manager, the participants and other parties. In case of any dispute between the Shariah Advisor and the management, the matter may be referred to the Commission, which may refer it to any relevant forum including the Shariah Advisory Committee of the Commission for resolution.

The Shariah Advisor shall:

- a. Provide technical guidance and support on various aspect of Shariah so as to enable the Pension Fund Manager to operate the Fund as a Shariah Complaint Voluntary Pension Scheme.
- b. Recommend general investment guidelines consistent with the Shariah. Any verdict issued by the Shariah Advisor in respect of any Shariah related matter shall be final and acceptable to the Trustee, the Pension Fund Manager, the participants and other parties related with that matter.
- c. At the end of Annual Accounting Period, issue a certificate, to be included in the Fund's financial reports, in respect of Shariah Compliance of the preceding year's operation of the Fund and the Shariah Advisor shall conduct such audit or other investigation as may be necessary for the issuance of the certificate.
- d. Co-ordinate with the Pension Fund Manager in drawing up of the Deed and other related material documents including Constitutive Documents for the formation of the Unit Trust and to further provide technical guidance and support on various aspects

of Shariah, so as to enable the Pension Fund Manager to mold the Unit Trust into a Riba free/Halal Avenue of investment.

- e. Do the research as appropriate for the purpose of screening of investments. The Shariah Advisor will then decide as to which criteria are relevant to be used in the context of Pakistani Markets and the instruments available therein, and which need to be modified/added/deleted.
- f. Certify that all the provisions of the Constitutive Documents of the Fund and proposed Investments to be made on account of the Fund are Shariah compliant with the established criteria.
- g. Evaluate and advise upon all new financial instruments as and when introduced for their Shariah permissibility.
- h. The Shariah Advisor has certified that Investment Policy of the Trust is compliant with the requirements of Shariah. However, in case there is a requirement for any amendment, based on future research for purposes of increasing the Shariah acceptability of the Investment Policy, permission for necessary amendments of the Constitutive Documents may be sought from the Commission.
- i. Determine percentage of income and cash flows included in the income and cash flows of the companies in which the Fund has invested from activities not in accordance with the principles of the Shariah, and recommend to the Pension Fund Manager the criteria for selecting the Charities registered under relevant Pakistani laws to whom such sums shall be donated after approval of Shariah Advisor, subject to the condition that such charity organization is not related to the Shariah Adviser, Pension Fund Manager or any of their Employees.
- j. decide the methodology for calculation of “Haram income”
- k. At the end of each Annual and Semi-Annual Accounting Period or such other interval as the Commission may require, the Shariah Advisor shall issue a certificate to be included in the Annual reports or such other report in respect of the Shariah compliance of the preceding year’s or past operations of the Fund.

6. CHARACTERISTICS OF THE PENSION FUND

6.1. Eligibility

- 6.1.1. All individuals fulfilling the eligibility criteria prescribed by the Commission from time to time under the Rules or any directive/circular shall be eligible to contribute to the Pension Fund authorized under the Rules, directly as well as through employers.
- 6.1.2. All Pakistani nationals who have a valid National Tax Number (NTN) or Computerized National Identity Card (CNIC) and National Identity Card for Overseas Pakistanis (NICOP) or Pakistan Origin Card (POC), issued by the National Database and Registration Authority (NADRA) shall be eligible to contribute to the Pension Fund.
- 6.1.3. As per the Income Tax Ordinance, each eligible person who opens an Individual Pension Account with the Pension Fund Manager may make Contributions to the Pension Fund, directly as well as through Participants having pension policies approved under Section 63 of Income Tax Ordinance, 2001 and issued by Takaful Companies before 30th June,

2005 are eligible to withdraw their units and transfer the balance to their Individual Pension Account, subject to the Rules.

6.1.4. Accumulated balance from Approved Employment Pension or Annuity Scheme or Approved Occupational Savings Scheme (i.e., approved gratuity fund or recognized provident fund) can be transferred to the Pension Fund.

6.1.5. The eligibility criteria may be reviewed by the Commission from time to time.

6.2. Application Procedures

The procedure herein below is designed for paper based/online transactions.

- (a) Participation in the Pension Fund shall be offered through Authorized Branches of Distributors and Sales Agents.
- (b) Before contribution, either himself or through the employer, to the Pension Fund, eligible person must open an account with the Pension Fund Manager, to be known as Individual Pension Account (the “IPA”), using the Prescribed Application Form/Online portal.
- (c) Details of documents required to be submitted along with the Forms would be as per the Offering Document and as per the Rules, Regulations and Guidelines issued by the Commission from time to time.
- (d) The Pension Fund Manager shall make arrangements that all Forms shall be available and can be obtained in hard copy or electronic form from the offices of Pension Fund Manager, Sales Agents any authorize branches / offices of Distributor of the Pension Fund Manager or downloaded from the Pension Fund Manager’s website or requested from the Pension Fund Manager by courier or through electronic means.

The Pension Fund Manager or the Distributor shall verify the particulars given in the Prescribed Application Form. The sales agents and distributors shall ensure that only those forms are received and forwarded to the Registrar for further processing which are complete in every respect.

- (e) The Participant shall have the option to select any one of the Allocation Schemes offered by the Pension Fund Manager. In the event of no choice made by the Participant, the Pension Fund Manager will have the right to allocate the Contributions to a default Allocation Scheme in light of the Prescribed Allocation Policy, as may be considered in the interest of the participants.
- (f) After opening an account or at the time of opening of account a Participant may by using the Form/online portal, make Contribution towards Pension Fund. Allocation of Contributions among Sub-Funds will be made as per the Allocation Scheme selected by the Participant and the Allocation Scheme once selected can be changed as per the Rules, Regulations and Circulars issued from time to time. Initially the Allocation Scheme is intimated to the Pension Fund Manager through a Prescribed Application Form.
- (g) Application for Contribution shall be made by completing the Form and submitting it physically or electronically via designated website to the Authorized Branches of the Distributor or to the Pension Fund Manager together with the payment by cheque, bank draft, pay order, banker cheque or online transfer (except cash transfer) as the case may be in favor of “**CDC- Trustee MAHAANA IGI ISLAMIC RETIREMENT FUND**” and crossed “Account Payee only”.

- (h) If subsequent to receipt of the application by the Distributor or Pension Fund Manager, but prior to issue of the Units, the application is found by the Registrar or the Distributor to be incomplete or incorrect in any material manner, the Registrar or the Distributor will advise the applicant in writing to remove the discrepancy, in the meanwhile the application will be held in abeyance up to fifteen days and in the event the discrepancy is not removed in the said fifteen days, the amount will be refunded out of collection account without any profit or mark-up.
- (i) If the cheque has been returned unpaid, the application for Contribution will be rejected.
- (j) The Applicant must obtain a copy of the application or the receipt signed and stamped by an authorized officer of the Distributor /Sales Agents acknowledging the receipt of the application, copies of other documents prescribed therein and the demand-draft, pay-order, cheque or deposit slip, as the case may be, submitted together with the application. Such receipt for applications and payment instruments (other than cash) shall only be validly issued by the Distributors. However, in case of online Contributions, if any offered by the Pension Fund Manager and with consent of trustee and approval by the Commission the online acknowledgement will be sufficient for the purpose of this clause.
- (k) If an application received pursuant to this clause is found by the Pension Fund Manager, Registrar or the Distributor to be complete and correct in all material respects, the Pension Fund Manager, Registrar or the Distributor shall advise the applicant in writing of the opening of the applicant's Individual Pension Account with the Pension Fund Manager and shall also advise the applicant the number of such account.
- (l) The Pension Fund Manager may make arrangements to accept applications for opening Individual Pension account through electronic means upon satisfaction of the Trustee, subject to the conditions of Customer Due Diligence (CDD) / Know Your Customer Policy (KYC), specified by the Commission through notifications / circulars / Rules / Regulations, etc.
- (m) Subject to the State Bank of Pakistan's Regulations, outside Regulators or any other authority, the Pension Fund Manager will make arrangements, from time to time, for receiving the Forms and payments from outside Pakistan from Non-Resident Pakistanis (NRPs), having valid CNIC or NICOP who meet with the eligibility criteria and will disclose these arrangements through its website and its Distributors and agents outside Pakistan.
- (n) The prescribed forms can be lodged with any Distributor or sales agents. Sales Agent or authorized representatives of the Distributor can collect these Forms for onward submission to the Distributor or Pension Fund Manager.
- (o) If an employer decides to contribute on behalf of a Participant, the employer must register with the Pension Fund Manager by filing and submitting the required form entitled 'Employer and Third-Party Contributor Form'.
- (p) The application procedure described in this clause may be altered by the Pension Fund Manager from time to time with the approval of the Commission and the Trustee. Such alterations shall be announced through Supplementary Offering Documents issued by the Pension Fund Manager from time to time and shall be deemed to correspondingly alter the provisions of this clause without the need to execute a Supplementary Constitutive document.

6.3. Allocation/ Issue of Units

- (a) The Prescribed Application Form, complete in all respects including payment (on realized basis), received by the Pension Fund Manager or Distributor at its/their Authorized Branches during Business Hours on any Dealing Day from any Participant shall be immediately credited to the Individual Pension Account of the Participant after deducting the Front-end fee (sale charges) or Takaful contributions if any. Such amount in the Individual Pension Account shall be used to purchase the Units of Sub-Funds of the Pension Fund as per the Allocation Scheme selected by the Participant, at the Net Asset Value notified by the Pension Fund Manager at the close of that Dealing Day for each Sub-Fund. Any Form received after Business Hours will be transferred to the next Dealing Day.
- (b) The Pension Fund Manager shall make reallocation of the Units between the Sub-Funds as per Rules and Offering Document to ensure that the allocation of Units of all the Participants are according to the Allocation Schemes selected by the Participants or where no selection has been made, according to the Default Allocation Scheme.

6.4. Contribution Procedures and Minimum Contribution

- (a) A Participant or their employer, if any, may make Contributions in one lump sum or in installments during any Tax Year.
- (b) The Offering Document shall stipulate the minimum amount of initial and subsequent Contribution that is required to open an Individual Pension Account and the Pension Fund Manager reserve the right alter the minimum amount through announcement on its website or through Supplementary Offering Document with the prior consent of the Trustee and approval of the Commission. The Participant can make Contribution at any frequency into participant Individual Pension Account. Contribution made in Pension fund shall be subject to provision of the Rules and/ or the Income Tax Ordinance, 2001.
- (c) The Pension Fund Manager shall directly or through the Registrar send an acknowledgement of receipt of each Contribution along with a statement of account to the Participant within 07 Business Days of the receipt of the Prescribed Application Form complete in all respects along with realization of payment. Such account statement shall provide all the information as per Guidelines issued by the Commission in this regard.
- (d) Dispatch of the account statement as an acknowledgment through registered post / courier/email or any other electronic means, shall be sufficient to meet the needs of the above obligation. However, for contributions routed through the employers only the acknowledgement receipt of documents provided to the employers shall suffice for the above obligation. Contribution or any other frequency or any other frequency as prescribed by the Commission from time to time.
- (e) The Pension Fund may be marketed in conjunction with group life or other Takaful schemes or any other scheme, subject to approval of the Commission. Such supplementary schemes shall not be compulsory for all the Participants to join, and the Trustee shall on the instruction of Pension Fund Manager deduct any premium payable in respect of such schemes from the Contributions of those Participants who have opted to join such schemes. The premium in respect of such schemes deducted by the Trustee from the Contributions of any Participant shall be paid by the Trustee on the instruction of Pension Fund Manager to the relevant companies issuing such schemes for account of the Participant and only the net amount of Contributions received after deduction of such premium and any bank charges shall form part of the Trust Property.

- (f) The Pension Fund Manager may make arrangements to accept contributions through electronic means upon satisfaction of the Trustee.
- (g) Any alterations to the contribution procedure enunciated in Clauses arising out of amendments to or substitutions of the Rules and/or the Income Tax Ordinance, 2001 and/or the Income Tax Rules shall be announced by the Pension Fund Manager from time to time on its website and such alterations shall be deemed to correspondingly alter the provisions in this deed without the need for executing a supplemental trust deed.

6.4.1. Minimum Investment Amounts

- (a) The minimum amount of Contribution to open an Account is Rs.500/- and the minimum amount for contribution to an existing account is Rs.500/- per transaction. There will be no penalties on delayed payments. The Pension Fund Manager may from time to time change such minimum amount through announcement on its website or through Supplementary Offering Document, may require the prior approval of the Commission.
- (b) There is no maximum limit of Contributions to the Pension Fund. Participants can contribute any amount in one lump sum or in installments. However, tax credits will be available to the Participants up to a maximum allowable amount of contribution within any financial year according to the Income Tax Ordinance, 2001

6.5. Options and Procedures in case of Cessation, Temporary or Permanent, of Contributions by the Participants

The Pension Fund Manager shall allow the Participants or their employers, if any, to pay the desired contribution into the Pension Fund in one lump sum or in installments during any fiscal year.

There will be no penalties on delayed payments or temporary or permanent cessation of Contributions, Participants may continue to make the payments at any time till their retirement.

6.6. Individual Pension Account

- (a) The Pension Fund Manager shall assign distinct number to Individual Pension Account held in the name of each participant.
- (b) The net Contribution received in the Individual Pension Account shall be used for the purchase of the Units by the Pension Fund Manager and to allocate such number of Units to the relevant Sub-Funds in accordance with the Allocation Policy selected by the Participant and the Units shall be allocated at Net Asset Value notified by the Pension Fund Manager at the close of that Business Day.
- (c) Contributions shall not be treated as having been received from or on behalf of any Participant unless realized in the bank account(s) of the fund by the Trustee and only such realized amount shall be treated as the Contribution received.
- (d) The Pension Fund Manager shall make reallocation of the Units between the Sub- Funds as per Rules, Regulations and Offering Document to ensure that the allocation of Units of all the Participants are according to the Allocation Scheme selected by the Participants or where no selection has been made, a Pension Fund Manager, keeping in view the profile and age of the Participant, shall allocate the contributions preferably to an approved Lifecycle Allocation Scheme specified, and if such a scheme has not been offered, then allocate contributions to either Low or Lower Volatility Scheme

- (e) If any Contribution is received from or on behalf of any Participant, after cut off timing or on a day which is not a Dealing Day, it will be treated as having been received on the first following Dealing Day.
- (f) The Participant shall have a right to change Allocation Scheme as per the Rules and Circulars issued from time to time.
- (g) Individual Pension Account and the Units shall not be subject to any lien, pledge or encumbrance, attachment in the execution of a decree, nor shall it be chargeable or assignable; and any agreement to charge or assign an allowance shall be void, and on the bankruptcy of a Participant, no sum shall pass to any trustee or person acting on behalf of participant creditors.

Provided that the individual pension account may be subject to be pledged, lien or encumbrance against the loan or advance given by the employer to the employee.
- (h) The criteria of allocation may be subject to changes and modifications from time to time in accordance with the change in the Prescribed Investment Policy and Prescribed Allocation Policy. All such changes shall be announced by a Supplementary Offering Documents with the consent of the Trustee and shall be deemed to become part of this Trust Deed without the need to execute Supplementary constitutive document.

6.7. Change of the Pension Fund Manager/ Pension Fund

- (a) Participant shall be allowed to transfer whole or any part of their individual pension account with a particular Pension Fund Manager to another Pension Fund Manager or from one pension fund to another pension fund. For this purpose the units shall be encashed at the net asset value of each sub-fund notified on the working day prior to the date of transfer.
- (b) Subject to VPS Rule 15 sub-rules (2) and (3), and provisions of Income Tax Ordinance, 2001, a participant shall be allowed to transfer their accumulated sum from an approved occupational savings scheme or an approved superannuation fund to a pension fund.
- (c) No charge whatsoever called shall be deducted for transfer of the individual pension account from one Pension Fund Manager to another Pension Fund Manager or from one pension fund to another pension fund and from approved occupational savings scheme and approved superannuation fund to a pension fund.
- (d) The transfer of individual pension account from one Pension Fund Manager to another Pension Fund Manager or from one pension fund to another pension fund as per the discretion of the participant and the notice for the change of the Pension Fund Manager or pension fund, specifying the name of the new Pension Fund Manager or the pension fund shall be sent by the participant at least seven working days before the effective date of the proposed change
- (e) The Pension Fund Manager shall use any cleared funds received for the account of a Participant's Individual Pension Account from a Pension fund managed by another Pension fund manager to purchase such number of Units of the relevant Sub-Funds as is determined in accordance with Constitutive Documents and the Units shall be purchased at Net Asset Value notified at the close of the Business Day on which such cleared funds are received by the Trustee.
- (f) The transferred amount shall be used to purchase the units of the sub-funds of the pension fund maintained by the new Pension Fund Manager at the net asset value notified at the close

of the working day, of the receipt amount, on such percentage according to the specified allocation policy selected by the participant or default allocation policy as the case may be.

- (g) In the event the Commission cancels the registration of the Pension Fund Manager as a Pension fund manager or discontinues the authorization of the Pension Fund, in each case in accordance with the Rules and other Applicable Laws, the Pension Fund Manager shall, as soon as practicably possible thereafter, transfer the Individual Pension Accounts of the Participants to Pension funds managed by other Pension fund managers as selected by the Participants or as directed by the Commission.
- (h) Policy Holders having approved Pension policies pursuant to Section 63 of the Income Tax Ordinance, 2001 and issued by Takaful Companies before 30 June 2005 would be eligible to redeem their units and transfer the balance to their Individual Pension Account, with a Pension Fund Manager subject to the Rules. No charge whatsoever shall be deducted from such withdrawal. This may be subject to change due to any changes in or substitutions of the Income Tax Ordinance, 2001 and shall be deemed to become part of this document without the need to execute any Supplementary Constitutive document.

6.8. Retirement Age

- 6.8.1. A Participant may at any time before or after becoming a Participant choose or change his/her date of retirement which shall be any age between sixty and seventy years or twenty-five years since the age of first contribution to a Pension fund, whichever is earlier in accordance with the Rules. Provided that the participant may change his retirement age between sixty and seventy years by giving notice in writing to the Pension Fund Manager.
- 6.8.2. The Pension Fund Manager shall send a notice to a participant at least thirty (30) days before the chosen date of retirement informing him/her the options available to him/her on retirement. The notice should be sent physically on the mailing address as well as electronically on email or cellular phone number.
- 6.8.3. If a Participant suffers from any of the following disabilities, as mentioned in VPS Rules, 2005, which render the participant unable to continue any employment and the participant may, so elects, be treated as having reached the retirement age at the date of such disability and all the relevant provisions shall apply accordingly namely:
 - (a) loss of two or more limbs or loss of a hand and a foot;
 - (b) loss of eyesight;
 - (c) deafness in both ears;
 - (d) severe facial disfigurement;
 - (e) loss of speech;
 - (f) paraplegia or hemiplegia;
 - (g) lunacy;
 - (h) advanced case of incurable disease; or
 - (i) any injury or disease resulting in a disability due to which the Participant is unable to continue any work or generate any income.A doctor's assessment certificate confirming the said disability shall be required for confirmation as per clause 6.8.3.

6.9. Benefits on Retirement

At the date of retirement of the Participant, where no option is selected by the participant; all the units of the sub funds of participant account shall be redeemed at the net asset value notified at close of the day of retirement and the amount due shall be credited to participant individual pension account in the lower volatility scheme offered by the Pension Fund Manager. The Participant shall then have the following options, namely:

- (a) To withdraw any percentage of the amount from his individual Pension account as cash which is permissible under the Income Tax Ordinance, 2001 and subject to payment of tax as required thereunder;
- (b) To use the remaining amount to purchase an annuity from a Takaful Company or a Pension Fund Manager for his /her choice; or
- (c) to enter into an agreement with the Pension Fund Manager to withdraw from the remaining amount, monthly installments following the date of retirement, according to an income payment plan, approved by the Commission. Details of the Approved Income Payment Plan are disclosed in the offering document; and
- (d) 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. At the expiry of the Approved Income Payment Plan, the Participant shall have option to use the outstanding balance in participant Individual Pension account to purchase an Approved annuity plan from a Takaful Company or a Pension Fund Manager of his/her choice or buy an Approved income payment plan for another term or to withdraw the amount from participant account subject to the conditions laid down in the Income Tax Ordinance, 2001

According to the rules, the annuity purchased may be single life, joint or survivor life, level (with or without guarantee period), increasing, investment -linked and retail price index linked or with any additional features as may be offered by the Takaful Companies.

6.10. Withdrawal of Funds before Retirement

- 6.10.1. On any Dealing Day and from time to time before the date of retirement a Participant may redeem the whole or any part of the Units held in participant Individual Pension Account subject to the conditions laid down in the Income Tax Ordinance, 2001. The withdrawals may be through single or multiple payments and may be liable to withholding tax or tax penalty, and in case any such liability exists the amount of withholding tax or tax penalty shall be deducted by the Pension Fund Manager from the amount withdrawn and such deducted amount shall be paid in the Government Treasury.
- 6.10.2. Where the request made by a Participant is for partial withdrawal from his Individual Pension Account, the request shall be given effect to by withdrawal of Units of Sub-Funds at the Net Asset Value at the close of the Dealing Day on which the request, complete in all respects was

received Afterwards, the Pension Fund Manager shall forward the request to the Trustee to make payment.

- 6.10.3. The Pension Fund Manager shall ensure that the withdrawal/redemption form referred to in Clause 5.9.3 shall be available from Authorized Branches of Pension Fund Manager and Distributors and on its official website and Employer Platform/Portal (if any). Such form shall, if completed by the Participant and submitted to any Authorized Branch of Pension Fund Manager, with the Distributors shall be taken to be the notice to the Pension Fund Manager.
- 6.10.4. On any Dealing Day being not later than the sixth (6th) Business Day after the Participant submitted the completed form to any Authorized Branch, the Pension Fund Manager shall, withdraw the relevant number of Units held by Participant in Individual Pension Account at Net Asset Value notified at close of the day on which the Participant submitted the completed form as aforesaid or, if such day is not a Dealing Day, on the first Dealing Day following that day and the proceeds realized thereby shall be paid to the Participant subject to clause 6.10.1.
- 6.10.5. The provisions relating to withdrawal of funds before the date of retirement set out in above Clauses may change due to amendments in or substitutions of the Rules and/or the Income Tax Ordinance, 2001. Any such changes shall be deemed to become part of this Constitutive Documents without the need for executing supplemental Constitutive Documents.

6.11. Benefits on Death before Retirement

- 6.11.1. In case of death of a Participant before the date of retirement, all the Units of the Sub-Funds of the participant account shall be withdrawn at the Net Asset Value notified at close of the day on which information of the Participant's death is given in writing to the Pension Fund Manager by, any nominee, executor, administrator or successor of the deceased Participant complete in all respects and acceptable to the Pension Fund Manager and/or Trustee. Provided that or, if such day is not a Dealing Day, the first Dealing Day following such day, and the proceeds realized thereby shall be transferred to participant Individual Pension Account in the lower volatility scheme offered by the Pension Fund Manager
- 6.11.2. The total amount in the Individual Pension Account of the deceased Participant shall be divided among the successors/nominated survivors according to the percentages specified in the succession certificate or as may be ordered by the court, and each successor/nominated survivors shall then have the following options, namely:
 - (a) withdraw participant share of the amount subject to the conditions laid down in the Income Tax Ordinance 2001
 - (b) in accordance with rules transfer his/her share of the amount into his/her existing Individual Pension Account with the Pension Fund Manager or new individual Pension account or income payment plan account to be opened with a Pension Fund manager;
 - (c) use his/her share of the amount to purchase an approved annuity plan on his/her life from a Insurance/Takaful Company or a Pension Fund Manager, only if the age of the survivor is fifty-five years or more; or
 - (d) use his/her share of the amount to purchase a deferred annuity on his/her life from an Insurance/Takaful Company or a Pension Fund Manager to commence at age fifty-five years or later.

MAHAANA IGI ISLAMIC RETIREMENT FUND

Such payment mentioned in clause (c) and (d) above will be made directly by the Trustee of the Fund to the Insurance/Takaful Company or the Pension Fund Manager without tax deduction on the instruction of the Pension Fund Manager.

- 6.11.3. Death benefits paid to the successor(s) under any group life cover taken out by the Participant as part of the Pension Fund shall be additional benefits payable to them.
- 6.11.4. After a Participant's death the only persons recognized by the Registrar, Trustee and the Pension Fund Manager as having title to the Sub-Fund Units held in the deceased Participant's Individual Pension Account shall be:
 - (a) the successor(s) nominated in the succession certificate; or
 - (b) as may be ordered by the court.
- 6.11.5. Any person or persons becoming entitled pursuant to above clause to any Sub-Fund Units in consequence of the death of any Participant may, subject as hereinafter provided, upon producing such evidence as to participant title as the Registrar, Trustee and Pension Fund Manager shall think sufficient, exercise rights under clause 5.11.2;
- 6.11.6. The Pension Fund Manager or the Trustee shall not be liable or be involved in any manner whatsoever in any disputes among the nominated survivors and/or such executors, administrators or successors and/or the rest of the legal heirs or the legal representatives of the deceased Participant;
- 6.11.7. The limitations, restrictions and provisions of this Constitutive Documents related to withdrawal of funds before retirement shall be applicable to withdrawals pursuant to this clause.

6.12. Nomination of the Heir/Survivor

The successors or nominated survivor(s) of the deceased Participant shall be the only persons recognized by the Trustee as having any title or interest in the Units held by such Participant in their Individual Pension Account, provided that the Registrar or the Pension Fund Manager or the Trustee may at their discretion request the nominated survivors or successors to provide succession certificates or other such mandate from a court of lawful authority, if they consider the same to be necessary.

6.13. Instruction from the Participants

All the instructions received from an participant or his/her successor according to the succession certificate with regard to the Individual Income Payment Account shall be in writing, unless the Pension Fund Manager, with the approval of the Commission and satisfaction of the Trustee, has made other arrangements, as mentioned in this Offering Document or on its website from time to time.

6.14. Allocation Scheme

- 6.14.1. The Pension Fund Manager shall offer different Allocation Schemes to the Participants to choose from, allowing the Participants to adopt a focused investment strategy, according to their risk/return requirements, through Sub-Funds of the MAHAANA IGI ISLAMIC RETIREMENT FUND, managed by the Pension Fund Manager. The risk profile of each Allocation Scheme shall be dependent on the percentage allocation of that Scheme in the various Sub Fund. Each Allocation Scheme being offered can have exposure to the following sub-Funds:

- (a) **MAHAANA IGI ISLAMIC RETIREMENT FUND-Equity Sub Fund;**
- (b) **MAHAANA IGI ISLAMIC RETIREMENT FUND-Debt Sub Fund; and**

(c) MAHAANA IGI ISLAMIC RETIREMENT FUND-Money Market Sub Fund

The Contributions received from any Participant shall be allocated amongst the Sub-Funds in accordance with the Allocation Scheme selected by the Participant.

The Participant has the option to select any one from the Allocation Schemes or products being offered by the Pension Fund Manager at the date of opening of Individual Pension Account. The Participant may change the Allocation Scheme as and when required till retirement. Form for the change in Allocation Scheme must be sent by the Participant in writing or in such other form as may be acceptable to the Pension Fund Manager.

6.14.2. The Pension Fund Manager is offering the following four Allocation Schemes to allocate the Contributions received from the Participants in the Sub-Funds:

(a) High Volatility Allocation Scheme

This scheme shall allocate a major portion of the Contribution to the Equity Sub-Fund; the remaining portion will go to the Debt Sub-Fund, while there will be no allocation to the Money Market Sub-Fund.

The scheme is therefore suitable for participants with a high risk tolerance and preference for equity exposure.

Allocation Scheme	Equity Sub- Fund	Debt Sub- Fund	Money Market Sub-Fund
High Volatility	Minimum 65%	Minimum 20%	Nil

(b) Medium Volatility Allocation Scheme

This Scheme shall seek to allocate a major portion of the Contributions to the Equity Sub-Fund and Debt Sub-Fund and the remaining portion will be allocated to the Money Market Fund.

This Scheme aims to strike a balance between investments in equities and debt, thereby suiting Participants who have moderate risk tolerance.

Allocation Scheme	Equity Sub- Fund	Debt Sub- Fund	Money Market Sub-Fund
Medium Volatility	Minimum 35%	Minimum 40%	Minimum 10%

Low Volatility Allocation Scheme

This scheme shall allocate a major portion of the Contribution to the Debt Sub Fund and the remaining portion will be allocated between the Equity Sub-Fund and Money Market Sub-Fund. By placing a major portion of the funds in the Debt Sub-Fund, this scheme offers a low risk and less volatile avenue to Participants. It is therefore appropriate for individuals who are relatively risk averse in nature and prefer safer investments.

Allocation Scheme	Equity Sub- Fund	Debt Sub- Fund	Money Market Sub- Fund
Low Volatility	Minimum 10%	Minimum 60%	Minimum 15%

(c) Lower Volatility Allocation Scheme

This scheme shall not allocate any portion of the Contribution to the Equity Sub-Fund. The

MAHAANA IGI ISLAMIC RETIREMENT FUND

entire contribution will be allocated between the Debt Sub-Fund and the Money Market Sub-Fund. By investing only in debt and money market instruments, this scheme is thereby suiting Participants who have least risky tolerance.

Allocation Scheme	Equity Sub- Fund	Debt Sub- Fund	Money Market Sub- Fund
Lower Volatility	Nil	Minimum 40%	Minimum 40%

(d) Customized Allocation Scheme

Customized Allocation Scheme offers a personalized investment allocation between the equity and fixed income instruments through investments in Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund, Participants can choose varying allocations between the Sub-Funds in line with their own risk/return profile.

Allocation Scheme	Equity Sub- Fund	Debt Sub- Fund	Money Market Sub- Fund
Customized	0-100%	0-100%	0-100%

(e) Life Cycle Allocation Scheme

This Allocation Scheme provides the Participants with an option to allocate their contributions in a pre-planned allocation strategy as per their age. The younger the Participant the higher the allocation towards equity market due to his/ her risk-taking ability with reference to long term horizon.

Age	Equity Sub- Fund	Debt Sub- Fund	Money Market Sub- Fund
18-30 Years	75%	20%	5%
31-40 Years	70%	25%	5%
41-50 Years	60%	30%	10%
51-60 Years	50%	30%	20%
61 Years and above	0%	50%	50%

The exact exposure to each Sub Fund within the Allocation Scheme would be decided by the Pension Fund Manager from time to time. Changes to the percentage exposure under an Allocation Scheme shall be carried out in a manner as prescribed by the Commission from time to time.

6.14.3. In the event no choice is made by the Participant, a Pension Fund Manager, keeping in view the profile and age of the participant, shall allocate the Contributions preferably to an approved Lifecycle Allocation Scheme specified, and if such a scheme has not been offered, then allocate Contributions to either Low Volatility or Lower Volatility or as prescribed by the Commission.

6.14.4. If Pension Fund Manager want to provide additional allocation schemes or products, it may do so subject to the approval of the Commission.

6.14.5. The percentage allocations of each Allocation Scheme will be changed at least once in a given financial year as the Pension Fund Manager deems fit, if in the opinion of the Pension Fund

Manager the market conditions warrant such change and such change shall be intimated to the Participants in a manner that the Pension Fund Manager may deem appropriate. The range between which the percentage allocations of each Allocation Scheme may be changed, which are based on the guidelines and criteria as announced by the Commission from time to time.

6.14.6. The Participant shall have the option to change selection Allocation Scheme to another Allocation Scheme being offered by the Pension Fund Manager as and when required till retirement. The form for the change in Allocation Scheme shall be provided to the Pension Fund Manager by the Participant before the relevant date, in writing through submission of the Change of Allocation Scheme Form or in such form as may be acceptable to the Pension Fund Manager. On the relevant date, the Units shall be reallocated in accordance with the new Allocation Scheme and any subsequent allocations and reallocations shall be made according the new selected Allocation Scheme.

6.14.7. As a part of the Prescribed Application Form, each Participant shall provide an undertaking that participant has no objection to the investment/allocation policy determined by the Commission and offered by the Pension Fund Manager and participant is fully aware of the risks associated with them of Allocation Scheme.

6.15. Allocation among the Sub-Funds

6.15.1. Each Participant of the Pension Fund will in turn be the holder of Units of the Sub-Funds in proportions determined in accordance with the Allocation Scheme selected by the Participant as per clause 6.14.3 of this Offering Document or, In the event no choice is made by the Participant, a Pension Fund Manager, keeping in view the profile and age of the participant, shall allocate the Contributions preferably to an approved Lifecycle Allocation Scheme specified, and if such a scheme has not been offered, then allocate Contributions to either Low Volatility or Lower Volatility or as prescribed by the Commission.

6.15.2. The Pension Fund Manager shall manage the equity allocation within the prescribed limits of the scheme using various investment management tools. Increase or decrease in allocation to the Debt Sub Fund (normally higher-yielding than money market investments) in preference to the Money Market Sub Fund (normally lower risk and lower return investments) will be based on anticipated profit rates movements and risk-reward profile of underlying debt instruments.

6.15.3. The Pension Fund Manager will make reallocation of the Sub-Fund Units between the Sub-Funds at least once a year to ensure that the allocations of Sub-Fund Units of all the Participants are according percentages selected by the participants or where no selection has been made according to the prescribed allocation scheme.

6.15.4. All Participants of the Pension Fund will, in turn, be holders of Units of the Sub-Funds in various proportions or, in certain conditions, of cash held in an appropriate bank account in the name of the Trustee.

6.16. Allocation Policy

6.16.1. A Participant has the option to select any Allocation Scheme in relation to the Contributions and shall make such selection at the date of opening his/her Individual Pension Account. A Participant may change any Allocation Scheme selected in relation to his/her Contributions to a different Allocation Scheme selected by him by sending Form of the change to the Pension Fund Manager as per the Allocation Policy approved by the Commission.

6.16.2. The number of Units of any Sub-Fund purchased out of Contributions made by any Participant shall be determined in accordance with the Allocation Scheme selected by the Participant.

- 6.16.3.** The Pension Fund Manager may assist a Participant in the selection of a suitable Allocation Scheme but the final decision and responsibility as to which Allocation Scheme to choose shall lie with the Participant.
- 6.16.4.** The Pension Fund Manager or the Registrar shall ensure a built-in mechanism to facilitate the changes in asset allocation automatically between the Sub-Funds within the limits of the Prescribed Allocation Policy as and when required by the Pension Fund Manager.
- 6.16.5.** If any Participant fails to select an Allocation Scheme at the date of opening Individual Pension Account, the Pension Fund Manager shall allocate Contributions of the Participant as per clause 6.2(e).
- 6.16.6.** The Default Allocation Scheme mentioned in above sub-clause 6.15.5 above, shall then be deemed to be a Participant's selected Allocation Scheme in the event that the Participant fails to select an Allocation Scheme at the date of opening participant Individual Pension Account.
- 6.16.7.** The Pension Fund Manager shall make re-allocation of the Sub-Fund Units between the Sub-Funds at least once a year to ensure that allocations of Sub-Fund Units of all the Participants are according to the Allocation Schemes selected or deemed to be selected by the Participants.
- 6.16.8.** Individual Pension account shall not be subject to any lien, pledge or encumbrance, attachment in the execution of a decree, nor shall it be chargeable or assignable; and any agreement to charge or assign an allowance shall be void, and on the bankruptcy of a participant, no sum shall pass to any trustee or person acting on behalf of participant creditors "Provided that the individual Pension account can be subject to be pledge, lien or encumbrance against the loan or advance given by the employer to the employee.
- 6.16.9.** Each Participant shall provide an undertaking when establishing their Individual Pension Account or when selecting or deemed to be selecting an Allocation Scheme that they have no objection to the Investment Policy and the Approved Allocation Policy and that they are fully aware of the risks associated with the Allocation Scheme selected by them.
- 6.16.10.** The criteria of allocations may be subject to changes and modifications from time to time in accordance with the changes in the Investment Policy and the Prescribed Allocation Policy. All such changes shall be announced through Supplementary Offering Documents.

6.17. The Method of Determining Net Assets value of the Pension Fund

Net Assets of the Pension Fund will comprise of the Net Assets of all the Sub Funds, Individual Pension Account, Approved Income Payment Plan, and any other assets in any other account related to the Pension Fund.

Net Asset Value of the Unit of each Sub-Fund shall be calculated on the basis of the Sub Fund's total Net Asset divided by the number of outstanding Units in that Sub-Fund.

NET ASSET VALUE OF SUB FUNDS: Net asset value in relation to a Sub-Fund means the excess of total value of assets over total value of liabilities of the Sub -Funds. The values of assets and liabilities will be computed in the manner specified in the Rules or as may be specified by the Commission from time to time.

6.18. Frequency of Valuations of the Net Assets value and Dealings etc;

- 6.18.1.** The valuation of the Sub-Fund Units will be carried out on each Business Day and any other day determined by the pension fund manager.

- 6.18.2. The valuation shall be conducted as at the close of a Business Day.
- 6.18.3. Contributions from Participants and requests for withdrawals and transfer to other pension fund manager will be received on all Business Days.
- 6.18.4. The Dealing Days shall be all Business Days when banks and stock exchange both are open for normal business, or as notified otherwise by the Pension Fund Manager from time to time and made available on the website of the Pension Fund Manager. The cut off timing is disclosed in Annexure – C-1
- 6.18.5. The Net Asset Value of each Sub-Fund means the excess of assets over liabilities of the Sub-Fund, divided by the number of Units outstanding of the respective Sub-Funds, such excess being computed in the manner as specified in the Rules, from time to time. Such sum shall be rounded off to the nearest four decimal places.

6.19. Unit Pricing and the Circumstances under which it can Change

- (a) Units of the Sub-Funds will be priced at Net Asset Value per Unit determined at the close of the Business Day as per criteria given in the Rules and amendment therein from time to time.
- (b) Unit pricing may change from time to time subject to change in Rules without any need to register the supplementary Constitutive Documents.

6.20. The Mode of Announcement of Net Asset Value and unit price

The Net Asset Value of Units determined by the Pension Fund Manager shall be made available to the public at office of the Pension Fund Manager. The Pension Fund Manager shall also make it available on its website and website of Mutual Fund Association of Pakistan (MUFAP).

6.21. Payment of Proceeds on Withdrawals and Transfers

- 6.21.1. Payment of proceeds on withdrawals and transfers shall be determined as per the Rules and the Income Tax Ordinance, 2001.
- 6.21.2. The Trustee shall, at any time during the life of the Pension Fund, authorize withdrawal from the Individual Pension Account through withdrawal of Units of Sub Funds through the authorized Distribution Companies of the Fund.
- 6.21.3. The amount payable on withdrawal shall be paid to the Participant or, in accordance with the constitutive documents, to participant nominated successor(s), executors or administrators by crossed cheque, pay order, banker cheque or transfer to their designated banker or Takaful Company, as the case may be, provided that the documents are complete and have been found as satisfactory, not later than the sixth (6th) Business Day from the date of presentation of the duly completed “Early withdrawal Form” at any Authorized Branch.
- 6.21.4. On receiving the Early Withdrawal Form mentioned in above sub clause 6.21.3 above, complete in all respects, the Pension Fund Manager will withdraw the required Units of the Sub-Funds equal to the requested withdrawal amount at the Net Asset Value prevailing on the close of the Business Day on which the request was received.
- 6.21.5. In the event of notification of death, or retirement (through notice), the Pension Fund Manager shall automatically with draw all the Units from the Sub-Funds of the respective Participant

MAHAANA IGI ISLAMIC RETIREMENT FUND

on the close of the Business Day at which the date of retirement falls or death of a Participant has been notified. The proceeds of Units redeemed will be credited to the Participant's Individual Pension Account. The Participants or their nominated successor(s), executors or administrators, as the case may be, shall be entitled to withdraw amounts from the Pension Fund in accordance with the provisions of the Trust Deed, the Rules and any circulars and notices.

- 6.21.6. Participants may make transfer requests, by filling the "Change of Pension Fund Manager/Pension Fund Form and submitting the same with any authorized Distributor or designated offices of the Pension Fund Manager.
- 6.21.7. On receiving a transfer request application mentioned in above clause, complete in all respects, the Pension Fund Manager shall redeem all Units of the Sub-Funds in the Individual Pension Account of the respective Participant and shall transfer the requisite encashed withdrawal amount to the requested pension fund/pension fund manager.
- 6.21.8. For the purposes of purchasing (issuance) and withdrawing (encashment) of Units of the respective Sub Fund, the Pension Fund Manager shall announce the Net Asset Value of each Sub-Fund at the close of each Dealing Day.
- 6.21.9. The Distribution Companies, Pension Fund Manager and Registrar shall verify the particulars given in the applications for withdrawals and transfers.
- 6.21.10. In the event that any withdrawal request or request to transfer the whole or any part of a Participant's Individual Pension Account is incomplete in any respect, the Pension Fund Manager or the Registrar shall inform the Participant of the discrepancies within one week of the receipt of the request. The payment shall not be made unless all discrepancies have been removed.
- 6.21.11. In the event requests for transfer or withdrawal from the Pension Fund would result in withdrawal of Units on any day in excess of ten per cent (10%) of the issued Units of any Sub-Fund, the transfer or withdrawal requests so in excess may be deferred in accordance with the procedure set out in clause 5.23 of this Offering Document.
- 6.21.12. The receipt of a Participant or, in accordance with the Constitutive Document, of the participant nominated survivors, executors, administrators or successors, or banking documents showing transfer to the Participant or, in accordance with the Constitutive Document, to the participant nominated survivors, executors, administrators or successors, or in accordance with their instructions to any designated banker, Takaful Company or another pension fund, as the case may be, or proof of issue of a cheque and its mail to the Participant's or, in accordance with the Constitutive Document, to the participant nominated survivors', executors', administrators' or successors' address for or of any moneys payable in respect of the Participant's Individual Pension Account shall be a good discharge to the Trustee and the Pension Fund Manager in respect of such moneys.
- 6.21.13. The Pension Fund Manager will make arrangements, from time to time, for receiving withdrawal forms from outside Pakistan and payment of withdrawal amounts outside Pakistan, and will disclose these arrangements through its website and its Distributors and agents outside Pakistan.
- 6.21.14. The method for payment of proceeds shall be subject to change due to any changes prescribed by the Commission under the Rules and such changes shall be deemed to become part of the Constitutive Document without the need to execute any Supplementary Offering Document.
- 6.21.15. The Pension Fund Manager may avail financing from any Islamic Bank or Islamic Window of Commercial Bank, with the consent of the Trustee for meeting withdrawal requests or

transfer of funds to other Pension Fund Managers and such financing shall not exceed limits provided in the Rules.

6.22. Withholding Tax

The Trustee on the advice of the Pension Fund Manager shall withhold any tax or tax penalty from payments to the Participants or, in accordance with the Constitutive Document, to their nominated survivors, executors, administrators or successors, as the case may be, applicable under the Income Tax Ordinance, 2001 and shall deposit the same in the Government treasury.

6.23. Dealing, Suspension, and Deferral of Dealing

6.23.1. Temporary Change in the Method of Dealing ‘Or’ Suspension of Dealing

Under the circumstances mentioned in this Offering Document, the Pension Fund Manager may request the Trustee to consent to a temporary change in the method of dealing in Units of all or any of the Sub-Funds. The Pension Fund Manager may, at any stage with the consent of the Trustee and intimation to the Commission, suspend the dealing of Units and for such periods it may so decide. Such suspension shall be immediately communicated to the Participant through publication on the website of Pension Fund Manager and through respective emails of the participants.

6.23.2. Suspension of Fresh Issue of Units

The Pension Fund Manager may, with consent of the Trustee and under intimation to the Commission, at any time, subject to the Rules, suspend acceptance of all or any class of Contributions and suspend the issue of fresh Units in relation to such Contributions; provided that any such suspension shall not affect making of Contributions by the existing Participants. The Pension Fund Manager shall immediately notify the Commission if dealing in Units, as provided in Clause 6.23.1 is suspended and shall also have that fact published, immediately following such decision, on its website whereby the Net Asset Values of the Units affected by any suspension of Contributions are normally published. The Pension Fund Manager shall also inform the respective existing unitholders about the fact while communicating that such unitholders are still eligible to make their respective contributions.

6.23.3. Refusal to Accept the Contributions

The Pension Fund Manager or the Distributor may at any time refuse to accept any Contribution in any of the following cases:

- (a) In case the contribution is contrary to the Know-Your-Customer (KYC) rules or policy of the Pension Fund Manager or any other Applicable Laws relating to money laundering that the Pension Fund may be subject to or that the Pension Fund Manager may frame for self-regulation;
- (b) In case the contribution is made by an applicant who has not provided a valid CNIC or NICOP Number;
- (c) In case the contribution is contrary to the Applicable Laws of the foreign jurisdiction that the Pension Fund or the Participant or prospective Participant may be subject to or if accepting the contribution may subject the Fund or the Pension Fund Manager to additional regulations under the foreign jurisdiction;
- (d) If accepting the contribution would in any case be contrary to the interests of the Pension Fund Manager or the Pension Fund or the Participants; or

- (e) If advised by the Commission to do so.

6.23.4. Suspension of withdrawal of Units/ Withdrawal of Funds

The Pension Fund Manager may with the consent of the Trustee and intimation to the Commission suspend withdrawal from any of the Sub Funds, subject to the Rules at any time during:

- (a) Extraordinary circumstances including war (declared or otherwise), natural disasters, a major breakdown in law and order, breakdown of the communication system, closure of Stock Exchange on which any of the Securities invested in by the Pension Fund are listed, closure of banking system or strikes or other events that render the Pension Fund Manager or the Distributors unable to function;
- (b) The existence of a state of affairs, which in the opinion of the Pension Fund Manager, constitutes an emergency as a result of which disposal of any Investment would not be reasonably practicable or might seriously prejudice the interests of the Pension Fund or of the Participants;
- (c) Break down in the means of communication normally employed in determining the price of any Investment; or
- (d) When remittance of money cannot be carried out in reasonable time and if the Pension Fund Manager is of the view that it would be detrimental to the remaining Participants to withdraw Units at a price so determined in accordance with the Net Asset Value (NAV); and
- (e) Execution of withdrawal of Units on any Dealing Day would result in more than ten percent (10%) of the issued Units of any Sub-Fund being withdrawn; provided that any suspension or deferral of withdrawal of Units shall not affect any Approved Income Payment Plans.

The Pension Fund Manager may announce, with the consent of the Trustee and intimation to the Commission, a suspension or deferral of withdrawal and such a measure shall be taken to protect the interest of the Participants in the event of extraordinary circumstances or in the event withdrawal requests accumulate in excess of ten (10) per cent of the Units of the pertinent Sub-Fund in issue or ten (10) per cent of the pertinent Sub-Fund's NAV. In the event of a large number of withdrawal requests accumulating, the requests may be processed in a Queue System and under extreme circumstances the Pension Fund Manager may decide to wind up the Pension Fund by transferring the assets and records to another Pension Fund Manager with the Prior approval of the Commission.

Such suspension or queue system shall end on the day following the first Business Day on which the conditions giving rise to the suspension or queue system shall in the opinion of the Pension Fund Manager have ceased to exist and no other condition under which suspension or queue system is authorized under the Constitutive Documents exists. In case of suspension and invoking of a queue system and end of suspension and queue system the Pension Fund Manager shall immediately notify the Commission and the Trustee and inform the Participant through its website and participant's respective email addresses.

6.24. Queue system

If the Pension Fund Manager suspends or defers the withdrawal of Units of any Sub Fund, the Pension Fund Manager shall invoke a queue system whereby withdrawals initiated for

the affected Units shall be processed on first come- first-served basis for such of the affected Units as do not exceed ten percent (10%) of the issued Units of the relevant Sub-Fund. Where it is not practical to determine the chronological ranking of any initiated withdrawals in comparison to other withdrawals initiated on the same Business Day, such initiated shall be processed on a proportional basis proportionate to the size of each initiated withdrawal. Withdrawals of Units in excess of 10% of the issued Units of the relevant Sub-Fund shall be treated as initiated on the next Dealing Day; provided that if the carried over withdrawals or the carried over withdrawals together with the fresh withdrawals initiated on such next Dealing Day together exceed ten per cent (10%) of the issued Units of the relevant Sub Fund, such withdrawals shall once again be processed on a first-come-first-served basis and the process for withdrawals Units as described in this Clause 6.23.4 shall be repeated and shall continue till such time the outstanding initiated withdrawals come down to a level below ten percent (10%) of the then issued Units of the relevant Sub Fund. -

6.25. De-authorization and winding up of the Pension Fund

- 6.25.1.** The duration of the Pension Fund shall be perpetual and shall not be wound up by way of liquidation.
- 6.25.2.** If the Pension Fund Manager does not wish to maintain the authorization of the Pension Fund, it shall apply to the Commission to de-authorize the Pension Fund by giving at least three (03) months or such other notice as allowed by the Commission in writing to the Participants, the Trustee and the Commission, subject to conditions of the Rules.
- 6.25.3.** In the event the Pension Fund Manager is of the view that the quantum of withdrawal requests that have built up shall result in the Sub-Funds or the Pension Fund being run down to an unmanageable level or it is of the view that the sell-off of assets is likely to result in a significant loss in value for the Participants who are not withdrawing, it may apply to the Commission to de-authorize the Pension Fund. In such an event, the queue system, if already invoked, shall cease to apply.
- 6.25.4.** The Pension Fund may also be de-authorized by the Commission on the grounds provided in the Rules.
- 6.25.5.** Upon the Pension Fund being de-authorized, the Pension Fund Manager shall suspend receiving contributions forthwith from any of the Participants from the date of issue of the notice under this clause, proceed to transfer all the records of Individual Pension Accounts and books of accounts of the Pension Fund to another pension fund manager.
- 6.25.6.** The Trustee shall ensure that accounts of the Pension Fund till the day of the transfer to the new Pension Fund Manager are audited by the Auditor of the Fund and the audit and Trustee report is submitted within one month from the date of such appointment, to the Commission, the new pension fund manager and the trustee (in case of any new appointment). The Trustee with the prior approval of the Commission shall decide the cost of such interim audit and the same shall be charged to the Pension Fund with the prior approval of the Commission.
- 6.25.7.** Once the Pension Fund has been de-authorized by the Commission, the Pension Fund Manager may, after transferring all the records of Individual Pension Accounts and books of accounts of the Pension Fund to the new pension fund manager, wind up the Pension Fund under the provisions of the Rules and in the court of jurisdiction.

6.26. Features of Health / Group Takaful in the Pension Fund

- 6.26.1. The Pension Fund may be marketed in conjunction with Health or Group Takaful or any other Takaful scheme and the Trustee shall be authorized to deduct any Takaful contribution or Takaful premium only from the contributions of those participants who have opted to join and contribute to such schemes and. However, it should be clearly understood that it is not mandatory for the Participants to opt for the Takaful scheme. Details of these have been disclosed in Annexure 'G'.
- 6.26.2. In the event the Subscriber opts for a Takaful coverage with Pension Fund Manager, the Subscriber will send the amount of the applicable Takaful premium along with participant contribution. The Trustee will pass on the Takaful contribution or Takaful premium to the Pension Fund Manager concerned as a free service to the Subscriber.
- 6.26.3. The Pension Fund Manager may also offer free Takaful cover for accidental death, disability etc. Such free service may be terminated by the Pension Fund Manager at its discretion.
- 6.26.4. Complete details of Takaful benefits will be shared on the website of the Pension Fund Manager.
- 6.26.5. Pension Fund Manager may from time to time revise the offerings for the benefit of unit holders.

7. FEES, CHARGES AND EXPENSES

All the following fees and charges are subject to change with prior approval of Commission without any need to alter this Offering Document.

7.1. Front-end fee (Sale Charges) Out of the Contributions

- 7.1.1. The Pension Fund Manager may charge front-end fee (Sale Charges) upto maximum limit prescribed by the commission from time to time. Currently the limit is of front-end fee (sale charges) is up to 3% on all the contribution received from any participant of the pension fund. Unless such contribution is exempted from front end fee as prescribed in the rule.
- 7.1.2. The following contributions are exempt from Front-end fee (Sale Charges):
- 7.1.3. Incoming transfer of the Individual Pension Account from another pension fund manager to Mahaana IGI Islamic Retirement Fund;
- 7.1.4. Incoming transfer from pension policies approved under section 63 of the Income Tax Ordinance, 2001 and issued by Life /Takaful Companies before 30th June 2005; or
- 7.1.5. Such other contributions/transfers as may be declared by the Commission from time to time to be exempt from Front-end fee (sale charges).
- 7.1.6. The remuneration of Distributors and Investment Facilitator / Sales Agents shall be paid from any Front-end fee (Sale charges) received by the Trustee and/or may be paid by the Pension Fund Manager when the Trustee pays the Front-end fee (Sale charges) to the Pension Fund Manager for onward payments to Distributors or Sales Agents..
- 7.1.7. Payments mentioned above shall be made by the Trustee on the instruction of Pension Fund Manager to the Distribution Companies, Sales Agents and the Pension Fund Manager or, as the case may be, by the Pension Fund Manager to the Trustee, on monthly basis in arrears within thirty days following the end of the calendar month.

7.1.7.1.1. Any Distributor or Sales Agents, whether in Pakistan or overseas, shall not receive any amount of Contributions in his/her own account (so he/she will not be able to deduct any distribution fee on his/her own). Every cheque/demand draft /instrument shall be in the name of the Pension Fund and then the Trustee shall, on the instruction of the Pension Fund Manager, remit the commission to the Distributor/ Sales Agents as the case may be.

7.1.8. The Pension Fund Manager, at its sole discretion, may choose to reduce or altogether waive the Front-end fee (sale charges) to any Participant. Once the Pension Fund Manager has made an exception to reduce or waive the Front-end fee (Sale Charges) for a contribution, accepted that contribution without imposing a Front-end fee (Sale Charges), the Pension Fund Manager may not later recharge that Front-end fee (Sale Charge). However, the decision by a Pension Fund Manager to reduce or waive a Front-end fee (Sale Charges) for one Participant or for one contribution of a single Participant does not obligate the Pension Fund Manager to reduce or waive the Front-end fee (Sale Charges) for other Participants' contributions or for future contributions of the same Participant.

7.1.9. The Front-end fee (Sale Charge) of upto 3% contribution may be subject to change due to any review by the Commission and any change shall be deemed to become part of Constitutive document.

7.2. Remuneration of the Pension Fund Manager

7.2.1. The Pension Fund Manager shall be entitled to remuneration for its services out of the Trust Property by way of an annual management fee up to 3% on MAHAANA IGI ISLAMIC RETIREMENT FUND-Equity Sub Fund (the Equity Sub Fund), 1.5% on MAHAANA IGI ISLAMIC RETIREMENT FUND-Debt Sub Fund (the Debt Sub Fund), and 1.5% on MAHAANA IGI ISLAMIC RETIREMENT FUND-Money Market Sub Fund (the Money Market Sub Fund) of the average values of the Net Assets of each Sub-Funds calculated during the year for determining the prices of the units of the Sub-Funds. The current level of management Fee is disclosed in the Annexure C-1 to the Offering document

7.2.2. The remuneration due to the Pension Fund Manager shall be accrued on daily basis and paid on monthly basis, within fifteen (15) Business Days after the close of each month.

7.2.3. The Pension Fund Manager shall be responsible for the payment of all expenses it incurs from time to time in connection with its responsibilities as Pension Fund Manager. Pension Fund Manager shall not make any charge against the Participants or against the Fund Property or against any individual pension account for its services or for its expenses, except such expenses as are expressly authorized under the provisions of the Rules and the constitutive documents to be payable out of Fund Property. In consideration of the foregoing and save as aforesaid and as provided the Pension Fund Manager shall be responsible for the payment of all expenses incurred by the Pension Fund Manager from time to time in connection with its duties as Pension Fund Manager of the Trust. The Pension Fund Manager shall also bear all expenditures in respect of its secretarial and office space and professional management, including all accounting and administrative services provided in accordance with the provision of the constitutive documents. In the event that a Pension Fund Manager erroneously makes an incorrect charge, The Pension Fund Manager shall immediately notify the Trustee and the Commission and credit the incorrectly charged amount to the respective Sub-Funds, at its own expense.

7.2.4. The remuneration shall begin to accrue from the date of payment in full for all the Seed Capital Units subscribed by the Seed Investors in such manner as to achieve compliance with the undertaking given to the Commission by the Pension Fund Manager pursuant to **Rule 9(3)(b)** of the Rules (the “**Contribution Date**”). In respect of the first and the last Accounting Periods, such remuneration shall be prorated on the basis of the actual number of days during such period for which such remuneration has accrued against the total number of days during such period.

7.3. Remuneration of the Trustee

- 7.3.1. The Trustee shall be entitled to a monthly remuneration out of the Fund Property based on an annual tariff of charges annexed hereto (**Annexure "A-2"**), which shall be applied to the average daily Net Assets of the Pension Fund during such calendar month.
- 7.3.2. Such remuneration shall be paid to the Trustee in arrears within fifteen Business Days after the end of each calendar month.
- 7.3.3. The Trustee shall bear all expenditures in respect of its secretarial and office space and professional management, in accordance with the provisions of the Constitutive document.
- 7.3.4. The remuneration shall begin to accrue from the date of payment in full of the Seed Capital units subscribed by the Seed Investors. For any period other than a full calendar month such remuneration will be prorated on the basis of the actual number of days for which such remuneration has accrued for the total number of days in the calendar month concerned.
- 7.3.5. In consideration of the foregoing and save as aforesaid the Trustee shall be responsible for the payment of all expenses incurred by the Trustee from time to time in connection with their duties as Trustee of the Trust. The Trustee shall not make any charge against the Participants or against the Trust Property or against the Distribution Account for their services or for their expenses, except such expenses as are expressly authorized to be paid out of the Trust Property under the provisions of the Rules and the constitutive document.
- 7.3.6. Any change in the remuneration of the Trustee agreed to by the Pension Fund Manager shall require the prior approval of the Commission.

7.4. Remuneration of Investment Advisor

7.4.1. Remuneration

Investment advisor's fee shall be paid by the Pension Fund Manager from his own account and it shall not be charged to the pension fund.

7.5. Formation Cost

Formation Costs, not exceeding 1.5 % of the Seed Capital of each Sub-Fund, can be charged to the Pension Fund and shall be amortized over a period of five years and shall not include any marketing, sales, promotional or educational, communication or any form of advertisement cost.

7.6. Other expenses

Other expenses that shall be chargeable to the Pension Fund shall include:

- (a) brokerage and transaction costs solely related to investment purchases and sales of the Trust Property;
- (b) legal and other related costs incurred in protecting the interests of the Pension Fund or the collective interest of the Participants;
- (c) bank charges and financial costs related to financing for withdrawals or transfers in relation to the Pension Fund as permissible under the rules, shall not be higher than the normal prevailing bank charges or normal market rates;
- (d) audit fees in relation to the Pension Fund and out of pocket expenses;

- (e) annual fee payable to the Commission but not any fines, charges, sanctions or penalties asserted by the Commission against the Pension Fund Manager or any of its related companies, in each case in relation to the Pension Fund;
- (f) Taxes fees, duties if any applicable to the Pension Fund on its income, turnover, assets or otherwise, if any, but not any fines, charges, sanctions or penalties asserted by the Commission against the Pension Fund Manager or any of its related companies in relation to the Pension Fund;
- (g) charges and levies of stock exchange, national clearing and settlement company and custody charges, including Central Depository Company of Pakistan Limited charges, if any;
- (h) hedging costs including forward cover, forward purchase or option purchase costs;
- (i) printing costs and related expenses for issuing the quarterly, half-yearly and annual reports;
- (j) All expenses incurred by the Trustee in effecting the registration of all registerable property in the Trustee's name;
- (k) Any amount which the Shariah Advisor may declare to be Haram and to be paid to Charity;
- (l) Fund rating fee payable to approved rating agency
- (m) Listing Fee including renewals payable to the Stock Exchange(s);
- (n) Shariah Advisory Fee.
- (o) any other expense as may be allowed by the Commission and/or NBFC property in the Trustee's name.
- (p) Total Expense ratio of the Pension Fund shall be in accordance with the Regulations as may be directed by SECP from time to time.

7.7. Fees, Charges, Costs, etc. To be charged to the Sub-Funds

- 7.7.1. The Pension Fund Manager's management fee and the Trustee's remuneration shall be charged each Sub Fund in proportion to the Net Assets of each Sub-Fund.
- 7.7.2. Formation Cost shall be divided equally among all the Sub-Funds.
- 7.7.3. Brokerage and transaction costs, bank charges and financial costs, custody charges and Taxes, and all direct expenses of Sub Fund, shall be charged to the pertinent Sub-Funds. Legal costs, audit fees and annual fees payable to the Commission and any other common expenses in accordance with the Rules and Regulations, shall be charged to the pertinent Sub-Funds in proportion to their respective Net Assets.

8. INVESTMENT POLICY, RESTRICTIONS, RISK DISCLOSURE AND DISCLAIMER

8.1.Objective of the MAHAANA IGI ISLAMIC RETIREMENT FUND

The objective of MAHAANA IGI ISLAMIC RETIREMENT FUND is to provide individuals with a portable, individualized, funded (based on defined contribution) as well as flexible pension scheme which is managed by professional investment managers to assist them to plan and provide for their retirement. The design of the scheme empowers the participants to invest in their pensions and how to invest it, as well as to continue investing in their pension accounts even if they change jobs.

8.2. Investment Policy of the Pension Fund

- 8.2.1. The Pension Fund Manager shall invest assets of the Pension Fund in those securities which are declared eligible by the Shariah Advisor of the Pension Fund.

MAHAANA IGI ISLAMIC RETIREMENT FUND

- 8.2.2. The Pension Fund Manager shall make investment of the Pension Fund in a transparent, efficacious, prudent and sound manner. The Pension Fund will initially consist of three Sub Funds.
- 8.2.3. Prior to the Contribution Date the Trustee shall hold the Trust Property in respect of each Sub-Fund in cash in a separate account for each Sub-Fund with an Islamic Bank or Islamic window of conventional Bank having at least the minimum rating by a credit rating agency as specified by the Commission or shall invest such cash in short term Shariah Compliant money market investments, as advised by the Pension Fund Manager. Any income from such investments shall accrue to the Sub Fund to which it pertains. After the Contribution Date all cash shall be invested by the Trustee strictly in compliance with the Investment Policy at the direction of the Pension Fund Manager, in Authorized Investments or in cash
- 8.2.4. All the investments of the MAHAANA IGI ISLAMIC RETIREMENT FUND shall be strictly in compliance with the Prescribed Investment Policy (subject to relaxations if any, granted by the Commission from time to time). Subject to prior approval of the Commission and Shariah Advisor, the Pension Fund may invest in foreign Shariah Compliant securities issued, listed or otherwise and traded outside Pakistan on such terms, guidelines and directions as may be prescribed by the Commission and the State Bank of Pakistan from time to time.

8.3. Investment Objective and Investment Policy of the MAHAANA IGI ISLAMIC RETIREMENT FUND - Equity Sub Fund

- 8.3.1. The Investment Objective of the Equity Sub Fund of the Pension Fund is to earn returns from investments in Pakistani Capital Markets.
- 8.3.2. The Investment limits of the Equity Sub Fund are determined by the Commission. The current Investment policy/limits for equity sub-fund as stated below:
- (a) Assets of an Equity Sub-fund shall be invested in Shariah Compliant equity securities which are listed on a Stock Exchange or for the listing of which an application has been approved by a Stock Exchange and Equity sub-fund shall be eligible to invest in units of Shariah Compliant Real Estate Investment Trusts and Exchange Traded Funds provided that entity/sector/group exposure limits as prescribed are complied with;
 - (b) At least ninety percent (90%) of Net Assets of an Equity Sub-fund shall remain invested in listed Shariah Compliant equity securities during the year based on rolling average investment of last ninety (90) days calculated on daily basis;
 - (c) Pension fund manager may make investment maximum up to 5% of net assets of Equity Sub-Fund in units of Shariah Compliant Private Equity and Venture Capital Funds registered under Private Funds Regulations 2015;
 - (d) Pension fund manager may make investment maximum up to 10% of net asset; of Equity Sub-Fund in public offering and pre-initial public offering of equity securities;
 - (e) Investment in equity securities of any single company shall not exceed fifteen percent (15%) of Net Assets for shariah compliant Equity Sub-Fund or paid-up capital of that single company, whichever is lower;
 - (f) Pension fund manager may invest up to thirty five percent (35%) or the index weight, whichever is higher, subject to maximum of Forty percent (40%) of net assets of an Equity Sub-Fund in Shariah Compliant equity securities of companies belonging to a single sector as classified by Pakistan Stock Exchange;

- (g) Pension Fund Manager may invest any surplus (un-invested) funds in government securities having less than one-year time to maturity or keep as deposits with scheduled commercial banks which are rated not less than "A"; and
- (h) Pension Fund Manager shall ensure that the investment in Shariah Compliant equity securities of the following, companies shall not exceed 10% of the net assets of the equity sub fund on monthly average basis:
 - i. Company is not traded on regular trading counter of the Pakistan Stock Exchange;
 - ii. The minimum free float of the company is less than 15% of total outstanding shares;
 - iii. Provided that this clause shall not be applicable on equity securities which are part of KMI-30 index at the time of investment. However, in case an equity security is subsequently excluded from KMI-30 index, the Pension Fund Manager shall rebalance the portfolio and ensure compliance within six months of such index re-composition.
 - iv. The securities of the company are traded less than 50% of the total trading days during the last six months or from the date of listing as the case may be; and
 - v. Company's paid up capital is fully eroded owing to accumulated losses as per the annual audited account or half yearly limited scoped reviewed accounts, whichever is latest.
 - vi. The Pension Fund Manager shall not invest the net assets of the equity sub-fund in any company against which winding-up proceedings have been initiated and / or qualified opinion on the going concern assumption has been issued by its statutory auditor.
 - The following shall be considered as winding-up events:
 - i. A show-cause notice for winding up has been issued to the Company by the Commission.
 - ii. Winding-up petition is filed by creditors with a claim equivalent to at least 10% of the equity of the company as per latest accounts.
 - iii. Winding-up petition is filed by the shareholders who own at least 10% of the company's paid-up capital.
 - iv. Voluntary winding-up proceedings have commenced through passing of special resolution.

8.4. Investment Objective and Investment Policy of the MAHAANA ISLAMIC RETIREMENT FUND - Debt Sub Fund

- 8.4.1. The investment objective of the Debt Sub Fund is to earn returns from investments in debt markets of Pakistan, thus incurring a relatively lower risk than equity sub fund.
- 8.4.2. The investment limits of the Debt Sub Fund are determined by the Commission. The current Investment policy/limit for debt sub-fund as stated below:
 - (a) The Debt Sub-fund shall consist of Shariah Compliant government securities, cash in bank account placement in the Islamic banks or Islamic windows of commercial banks, money market placements, deposits, certificate of deposits (COD), certificate of musharakas (COM), TDRs, commercial paper, TFC/ Sukuk or any other Islamic mode of placement, , deposits/placements with Microfinance Banks and any other approved debt/money market security issued from time to time;
 - (b) Rating of any security in the portfolio shall not be lower than A+;
 - (c) Rating of any bank and DFI with which funds are placed should not be lower than A+;

- (d) Rating of any NBFC and Modaraba with which funds are placed shall not be lower than AA;
- (e) At least 25% of the net assets shall be invested in deposit with scheduled placement in the Islamic banks or Islamic windows of commercial banks (excluding TDRs) or shariah compliant government securities not exceeding 90 days' maturity;
- (f) Exposure to any single entity shall not exceed 15% of net assets of Shariah compliant debt sub fund;
- (g) Exposure in debt security of an entity shall not exceed 15% of net assets for debt sub fund or 10% of size of the issue of that debt security, whichever is lower;
- (h) The limits specified in clause (f) and (g) above are applicable to all securities mentioned other than the securities issued by Federal Government;
- (i) Exposure to securities issued by entities of a single sector shall not exceed twenty five percent (25%) of Net Assets of a Debt Sub-fund;
- (j) A pension fund manager shall not place funds (including TDR, PLS Saving Deposit, COD, COM, COI, money market placements and other clean placements of funds) of more than 25% of net assets of debt sub-fund with all microfinance banks, non-bank finance companies and Modarabas;
- (k) The weighted average time to maturity of Debt Sub-fund shall not exceed five (5) years and this condition shall not apply to securities issued by the Federal Government; and
- (l) Rating of microfinance banks with which funds are placed shall not be lower than A+

8.5. Investment Objective and Investment Policy of the MAHAANA IGI ISLAMIC RETIREMENT FUND - Money Market Sub Fund

- 8.5.1. The Investment Objective of the Money Market Sub-Fund is to earn returns from investments in Money Markets of Pakistan, thus incurring a relatively lower risk than debt sub-fund.
- 8.5.2. The Investment policy/limits of the Money Market Sub Fund are determined by the Commission. The current Investment policy/limits for money market sub-funds as stated below:
- (a) Investment avenues - government securities, cash and near cash instruments which include cash in bank accounts (excluding TDRs), treasury bills, money market placements, deposits, certificate of deposits (COD), certificate of musharakas (COM) or any other Islamic mode of placement, TDRs, commercial papers, reverse repo;
 - (b) Rating of any security in the portfolio shall not be lower than AA;
 - (c) Rating of any bank and DFI with which funds are placed should not be lower than AA ;
 - (d) Rating of any NBFC and Modaraba with which funds are placed shall not be lower than AAA:
 - (e) At least 10%, of the net assets shall be invested in deposit with scheduled commercial bank (excluding TDRs) or government securities not exceeding 90 days' maturity;

- (f) Exposure to any single entity shall not exceed 15% of net assets for Shariah compliant money market sub fund;
- (g) Exposure in security of an entity shall not exceed 15% of net assets for Shariah compliant money market sub fund or 10% of size of the issue of that security;
- (h) The limits specified in clause (f) and (g) above are applicable to all securities mentioned other than the securities issued by Federal Government;
- (i) Exposure to securities issued by entities of a single sector shall not exceed twenty five percent (25%) of Net Assets of a money market Sub-fund;
- (j) A pension fund manager shall not place funds (including TDR, PLS Saving Deposit, COD, COM, COI, money market placements and other clean placements of funds) of more than 25% of net assets of money market sub-fund with all microfinance banks, non-bank finance companies and Modarabas;
- (k) The weighted average time to maturity of assets of a Money Market Sub-fund shall not exceed ninety (90) days, except for assets of Shariah compliant Money market Sub-fund, where time to maturity may be up-to one year, and
- (l) Time to maturity of any asset in the portfolio of Money Market Sub-fund shall not exceed six (6) months, except in the case of a Shariah compliant Money Market Sub-fund, where the time to maturity of Shariah compliant Government securities such as Government Ijarah Sukuks maybe upto five (5) years.

8.6. Investment Restrictions

8.6.1. The Fund Property shall be subject to such exposure limits as are provided in the Rules, subject to relaxations granted by the Commission from time to time.

8.6.2. The Fund shall not at any time:

8.6.2.1. Merge with, acquire or take over management of any other pension fund or pension fund manager unless it has obtained the prior approval of the Commission in writing for such merger, acquisition, or takeover;

8.6.2.2. Pledge any of the securities held or beneficially owned by the Pension Fund except for the benefit of the Pension Fund;

8.6.2.3. Purchase from or sell any security to any connected person or employee except with the approval of its Board of Directors in writing and consent of the Trustee;

8.6.2.4. participate in a joint account with others in any transaction; except for placement of orders under a single Universal Identification Number (UIN) subject to mechanism approved by the commission

8.6.2.5. make any investment with the purpose of having the effect of vesting the management or control in the Pension Fund; or

8.6.2.6. employ as a broker, directly or indirectly, any of its directors, officers or employees or a member of a family of such person which shall include spouse, parents, children, brothers

and sisters and enter into transactions with any broker who is a Connected Person where such transactions shall equal or exceed twenty-five per cent or more of the brokerage or commission paid by the Pension Fund in any one Accounting Period;

8.6.2.7. Enter into a short sale transaction in any security.

8.6.2.8. Invest in any non-shariah compliant investment avenue.

8.6.3. A Pension Fund Manager shall be responsible for managing and meeting the liquidity requirements of the Pension Fund and the Participants thereof.

8.6.4. A Pension Fund Manager on behalf of a Pension fund shall not take exposure of more than 20% of net assets in any single group and the term "group" means persons having at least 30% of more shareholding in any other company, as per publicly disclosed information.

8.6.5. A Pension Fund Manager shall not invest assets of Pension Fund in securities of a company if equity is less than paid-up capital of the company, irrespective of the limits stated in the Investment Policy.

8.6.6. A Pension Fund Manager shall not invest or deposit or place assets of pension fund if the issuer or the bank or the security does not fulfill the minimum rating specified in the investment policy.

8.6.7. A Pension Fund Manager shall adhere to the limits stipulated herein below; however, if the limits are breached merely due to corporate actions including take up of right or bonus issue(s) or due to change in Net Assets resulting; from fluctuation in price of securities or due to withdrawals, the Pension Fund Manager shall regularize the deviation within four months of the breach.

8.6.8. The investment of properties of the Sub-Funds shall be subject to the restrictions/limitations prescribed by the Commission vide its Prescribed Investment Policy from time to time.

8.7. Financing Restriction

(a) Subject to any statutory requirements for the time being in force and to the terms and conditions herein contained, the Trustee may at any time at the request of the Pension Fund Manager concur with the Pension Fund Manager in making and varying arrangements with Islamic Banks or Islamic Financial Institutions for Shariah Compliant financing by the Trustee for the account of the Pension Fund; provided that the financing shall not be resorted to, except for meeting the withdrawal requests or transfer of funds to other Pension Fund Managers.

(b) Financing shall not be resorted to except for meeting withdrawal requests or transfer of funds to other Pension Fund Managers and such financing shall not exceed fifteen percent of the total net assets value of the pension fund at any time, and shall be repayable within a period of ninety days.

(c) The charges payable to any Bank or Financial Institution against financings on account of the Trust as permissible above shall not be higher than the normal prevailing bank charges or normal market rates for similar service and/or facility.

(d) The maximum financing for the account of the Trust shall not exceed fifteen per cent of the total Net Asset Value of the Pension Fund and the maximum financing for the account of

any Sub-Fund shall not exceed fifteen per cent of the total Net Asset Value of such Sub-Fund or such other limit as may be provided in the Rules. If subsequent to such financing, the Net Assets are reduced as a result of depreciation in the market value of the Fund Property or withdrawal of funds, the Pension Fund Manager or the Trustee shall not be under any obligation to reduce such financing.

- (e) Neither the Trustee, nor the Pension Fund Manager shall be required to issue any guarantee or provide security over their own assets for securing such financing s from Islamic Banks and Islamic Financial Institutions. The Trustee or the Pension Fund Manager shall not in any manner be liable in their personal capacities for settlement of such financing.
- (f) For the purposes of securing any such financing the Trustee may upon instruction of the Pension Fund Manager mortgage, charge or pledge in any manner all or any part of the Fund Property provided that the aggregate amount secured by such mortgage, charge or pledge shall not exceed the limits provided under the Rules.
- (g) Neither the Trustee nor the Pension Fund Manager shall incur any liability by reason of any loss to the Trust or any loss that a Participant may suffer by reason of any depletion in the Net Asset Value that may result from any financing arrangement made in accordance with the Trust Deed.

8.8. Participants Rights in terms of Investment Choice

The Participant has a right to allocate their Contributions between the three Sub Funds in a manner to allow them to adopt a focused investment strategy, according to their risk/return requirements. Each Allocation Scheme being offered shall have a different percentage allocation in Sub-Funds based on which their risk/return may be assessed. Please refer to Para 6.5 for further details.

8.9. Risk Disclosure

The Pension Fund Manager shall ensure that effective risk control measures are in place for the protection of the participants.

Participants must realize that all investments in Islamic pension Fund and securities are subject to market risks. Our target return cannot be guaranteed and it should be clearly understood that the portfolio of the Fund is subject to market price fluctuations and other risks inherent in all such investments. The risks emanate from various factors that include, but are not limited to:

1. **Equity Risk:** Share prices are generally volatile and may go up or down because of their dependence on market sentiments, speculative activity, supply and demand for the shares and liquidity in the market. Mutual funds that purchase shares become part owners in the companies. The companies' performance, domestic and/or industry outlook with respect to technological and consumer behavior dynamics, market activity and the larger economic scenario influence the price of these shares. Moreover, lack of trading in the investee companies' securities may result in liquidity crisis. When the economy is expanding, the outlook for many companies is positive and the value of these shares may rise, and vice versa. Share prices are also affected by the quality of the management of investee companies.
2. **Government Regulation Risk -** Government policies or regulations are more prevalent in some securities and financial instruments than in others. Funds that invest in such securities may be affected due to change in these regulations or policies, which directly or indirectly affect the structure of the security and/or in extreme cases a governmental or court order could restrain payment of capital, principal or income.

3. **Credit Risk** - Credit Risk comprises default risk, credit spread risk and down grade risk. Each can have negative impact on the value of the income and money market instruments including Sukuks etc.
4. **Default Risk** - The risk that the issuer of the security will not be able to pay the obligation, either on time or at all;
5. **Country or Political Risk** – The uncertainty of returns caused by the possibility of a major change in the political or economic environment of the country such as break down of law and order, war, natural disasters, etc. and any governmental actions or legislative changes or court orders restraining payment of principal or income.
6. **Price Risk** - The price risk is defined as when the value of the Fund, due to its holdings in such securities rises and falls as a result of change in interest rates.
7. **Liquidity Risk** – Liquidity risk is the possibility of deterioration in the price of a security in the Fund when it is offered for sale in the secondary market.
8. **Settlement Risk** – At times, the Fund may encounter settlement risk in purchasing / investing and maturing / selling its investments which may affect the Fund's performance etc.
9. **Reinvestment Rate Risk** – In a declining interest/ markup rate economic environment, there is a risk that maturing securities or coupon payments will be reinvested at lower rates, which shall reduce the return of the Fund compared to return earned in the preceding quarters.
10. **Sovereign Risk** - Payment of bonds/ notes may be affected by the economic and political events in the country of the relevant issuer. The occurrence of a sovereign risk event could result in the loss of all or a portion of the principal invested, as a result of any economic or political circumstance.
11. **Events Risk** - There may be adjustments to the performance of the Fund due to events including but not limited to, natural calamities, market disruptions, mergers, nationalization, insolvency and changes in tax law.
12. **Withdrawal Risk** - There may be special circumstances in which the withdrawal of Units may be suspended or the withdrawal payment may not occur within six working days of receiving a request for withdrawal from the participant.
13. **Shariah non-compliance Risk:** The risk associated with employing funds in investments that are not consistent with the Principles of Shariah.

8.10. Other Risks Involved:

- (a) Mismanagement of the investee company, third party liability whether through class action or otherwise or occurrence of other events such as strikes, fraud etc., in the company in which the investment is made.
 - (b) Breakdown of law and order, war, terrorist activity, natural disasters etc.
 - (c) Senior rights of some stake holders over other stake holders in the event of winding up.
- 8.10.1. Under exceptional (extraordinary) circumstances, the Pension Fund Manager may suspend withdrawal, invoke a queue system or announce winding-up of the Fund. In such events, the participant will probably have to wait for payment beyond the normal period and the withdrawal amount so determined may be lower than the price at the time the withdrawal request was lodged. Participants are advised to read the relevant clauses of the Fund's Trust Deed for more detailed information regarding this clause.
- 8.10.2. Risk specific to foreign investments: The Fund may invest outside Pakistan & such investments may be exposed to additional risks including political, economic & exchange rate risks that may reduce the value of the investments. However, evidence shows that

diversifying internationally tends to reduce the overall volatility of the portfolio and thus may reduce risks for participants.

- 8.10.3. Investment in the Islamic Pension Fund is suitable for participants who have the ability to take the risks associated with financial and capital market investments. Capital invested in the financial and capital markets could, in extreme circumstances, lose its entire value. However, diversification of the investment into a number of highly liquid equities, income securities and repurchase transactions tends to reduce the risk substantially. The historical performance of the Funds, the financial and capital market or that of any one security or transaction included in the Fund's portfolio does not indicate the future performance.
- 8.10.4. 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 non-compliance may be due to various reasons including, adverse market conditions, liquidity constraints or investment-specific issues. Participants 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 Category. The latest monthly Fund Manager Report as per the format prescribed by Mutual Funds Association of Pakistan (MUFAP) is available on the website of the Pension Fund Manager (PFM) and can be obtained by calling / writing to the PFM.
- 8.10.5. There may be times that one or more investments made by the fund may cease to be, either temporarily or permanently, compliant with the requirements of Shariah. In this case, such investments will immediately be brought in the knowledge of the Shariah Advisor and steps will be taken to dispose-off or otherwise make the portfolio compliant with the requirements of Shariah as per the guidance of the Shariah Advisor.

8.11. Disclaimer

- (a) The Units of the Sub Funds of the Pension Fund are not bank deposits and are neither issued by, insured by, obligations of, nor otherwise supported by the Commission, the Stock Exchanges, any government agency, the Trustee or any of the sponsors, shareholders or employees of the Pension Fund Manager or any of the investors of the Seed Capital Units or any other Islamic Bank or financial institution.
- (b) Investment Risks and Tax Implication: All investments in the Pension Fund are subject to market risks. The value of such investments varies subject to market fluctuations and risks inherent in all such investments. Participants should read this Offering Document carefully to understand the investment policies, risks and tax implication and should consult legal, financial or tax advisors before making any investment decision.
- (c) Withdrawals from the Pension Fund before the retirement age subject to tax under the provisions of the Income Tax Ordinance, 2001 and the Rules.
- (d) The target return of the Sub-Funds cannot be guaranteed. It should be clearly understood that the portfolio of the Sub-Funds is subject to market fluctuations and risks inherent in all such investments.
- (e) It should be noted that the value/price of Units of the Sub-Funds can fall as well as rise.
- (f) It should be noted that under certain circumstances the withdrawal from the Pension Fund may be restricted or subject to tax penalties.
- (g) It should be noted that there will be no dividend distribution by the Sub-Funds.

9. CHANGE OF THE PENSION FUND MANAGER / PENSION FUND

- (a) Participants shall be allowed to transfer the entire or part of his/her Individual Pension Account with the MAHAANA IGI ISLAMIC RETIREMENT FUND to another pension fund manager/pension fund by completing the Forms. For this purpose, the Units shall be en-cashed at the Net Asset Value of each Sub-Fund notified on the working day prior to the date of transfer.
- (b) No charge whatsoever called shall be deducted for transfer of the Individual Pension Account from MAHAANA IGI ISLAMIC RETIREMENT FUND to another pension fund manager/pension fund.
- (c) The transfer of individual pension account from one Pension Fund Manager to another Pension Fund Manager or from one pension fund to another pension fund. For this purpose the units shall be encashed at the net asset value of each sub notified on the working day prior to the date of transfer.
- (d) The application for transfer of the account, specifying the name of the new pension fund manager/pension fund and Individual Pension Account number with the new pension fund manager must be sent by the Participant at least seven days before the effective date of the proposed change.
- (e) On receiving a transfer application mentioned in clause 8 (d) above, complete in all respects, the Pension Fund Manager shall redeem the requested amount out of the balance available in Individual Pension Account of the Participant at the close of first Business Day that falls on or after the effective date of the proposed change and transfer the requisite amount to the requested pension fund.
- (f) pension fund manager or discontinues the authorization of the Pension Fund, in each case in accordance with the Rules and other Applicable Laws, the Pension Fund Manager shall, as soon as practicably possible thereafter, transfer the Individual Pension Accounts of the Participants to pension funds managed by other pension fund managers as selected by the Participants or as directed by the Commission.
- (g) Above procedures will be followed both in case of Transfer in and Transfer out of the MAHAANA IGI ISLAMIC RETIREMENT FUND. However, in case of transfer in, units shall only be issued upon realization of amount.
- (h) Policyholders having pension policies approved by the Commission under Section 63 of the Income Tax Ordinance, 2001 and issued by Takaful Companies before 30 June 2005 would also be eligible to redeem their Units and transfer the balance to an Individual Pension Account with the MAHAANA IGI ISLAMIC RETIREMENT FUND, subject to the Trust Deed and the Rules. This may be subject to change due to any changes in or substitutions of the Income Tax Ordinance, 2001 and shall be deemed to become part of the constitutive document without the need to execute any Supplementary constitutive document.

10. SAFEGUARD OF MONEY

No contribution should be paid to an intermediary, except to the Pension Fund Manager or its authorized representatives as prescribed. Contributions should be in the form of “Account Payee

Only” cheques, payment orders or demand drafts, direct bank transfers or online transfer to the account of “**CDC Trustee MAHAANA IGI ISLAMIC RETIREMENT FUND**”. No contribution should be made in the form of cash or any bearer instrument.

11. DISTRIBUTION RESTRICTION POLICY

No distribution of Income or dividend shall be allowed from any of the sub-funds. Any income earned shall be accumulated and retained in the respective sub-funds.

12. TAXATION

12.1. Tax Credit for Contributions to the Pension Fund

An eligible person, as defined in sub-section (19A) of section 2 of the Income Tax Ordinance, 2001, deriving income chargeable to tax under the head “Salary” or the head “Income from Business”, will be entitled to a Tax Credit for a Tax Year in respect of any contribution or premium paid in the year by the person to the Pension Fund.

12.1.1 The Pension Fund Manager shall provide an Investment Certificate to the participant on 30 June of every year for the purpose of calculating the income tax credit.

12.2. Tax Exemptions

Total income of the Pension Fund approved by the SECP under the VPS Rules, 2005, will be exempt under the Second Schedule of the Income Tax Ordinance, 2001.

12.3. Withholding Tax

The Trustee on the advice of the Pension Fund Manager shall withhold any tax or tax penalty from payments to the Participants or, in accordance with the Constitutive Document, to their executors, administrators or successors, as the case may be, applicable under the Income Tax Ordinance, 2001 and shall deposit the same in the Government treasury

12.4. Zakat

Units held by resident Pakistani Participants shall be subject to Zakat at two and a half per cent (2.5%) on lower of the par value of Units and withdrawal price under Zakat and Ushr Ordinance, 1980, (XVII of 1980), except those exempted under the said Ordinance. Zakat will be deducted at source from withdrawal payment, and paid into the Government Treasury.

12.5. Disclaimer

The tax and Zakat information given above is based on the Pension Fund Manager’s interpretation of the law which, to the best of the Pension Fund Manager’s understanding, is correct but Participants are requested to seek independent advice from their tax advisors so as to determine the taxability arising from their Contributions to the Pension Fund.

13. INCOME PAYMENT PLAN

13.1 Introduction

MAHAANA IGI ISLAMIC RETIREMENT INCOME PAYMENT PLAN

- a) Mahaana IGI Islamic Retirement Income Payment Plan (MIIR-IPP) is a plan offered by IGI Life Insurance Limited (the “Pension Fund Manager”) to the participants of Mahaana IGI Islamic Retirement (MIIRF) or other pension schemes managed by Approved Pension Fund Managers in Pakistan, effective after the retirement of the Participants.
- b) MIIR-IPP intends to provide Participants monthly pension income from outstanding balance in his/her individual pension account or amount transferred from other Pension Fund Manager on or after retirement.

- c) The balance in the Participants Individual Pension Account on retirement after a lump-sum withdrawal (if any) will be allocated between “Growth Segment” and “Income Segment” (as per choice of Participants).
 - d) The Monthly Income Payment Plan will commence from the date Participant opts for Mahaana IGI Islamic Retirement Income Payment Plan. However, monthly income payment will be made within six (6) Business Days from the date of last day of every month.
 - e) At the expiry of the Income Payment Plan, the participant shall have option to use the outstanding balance in his Individual Pension Account to subscribe for an annuity or opt an Income Payment Plan for another term or withdraw the amount from his account.
 - f) All transactions under this arrangement are governed by the Trust Deed and Offering Document of MIIR-IPP, NBFC & NE Regulations 2008 and VPS Rules 2005, as amended from time to time.
 - g) The Shariah Advisor of the Fund has reviewed this Income Payment Plan and provided consent that this Document adheres to the principles of Shariah.
 - h) Words and expressions used but not defined in this document shall have the same meaning unless contrary to the context as assigned to them in the Trust Deed.
- 2) Please note that clause 11.1 (a) to (h) shall be effective subject to the execution of the agreement between the Pension Fund Manager and the Participant based on the clauses agreed therein.

13.2 RETIREMENT

Retirement Age: The Participants may choose their age of retirement between sixty and seventy years or twenty-five years since the age of first contribution to a Pension Fund, whichever is earlier, (or in case of disability, as per the procedure laid down in this document or as may be allowed by the Commission under the VPS Rules 2005).

Provided that the participant may change his retirement age between sixty and seventy years by giving notice in writing to the Pension Fund Manager.

Date of Retirement: Pension Fund Manager shall send a notice to a participant at least thirty days before the chosen date of retirement informing him/her the options available to him/her on retirement. The notice may be sent physically on the registered mailing address of the Participant as well as through electronic means.

13.3 ELIGIBILITY TO SUBSCRIBE MIIR-IPP

- a) MIIR-IPP is offered to the participants of the MIIRF on or after reaching the Retirement Date, as decided by the Participant.

MIIR-IPP is also offered to the Participants of other approved voluntary pension schemes, after the Retirement Date of Participant.

13.4 OPTIONS AVAILABLE WITH MIIR-IPP:

- After the retirement the Participant can withdraw any amount from the total accumulated balance, subject to tax under the provisions of the Income Tax Ordinance, 2001 and the Rules.
- To use the balance amount after the withdrawal as mentioned in above para; invest the amount either to subscribe the approved annuity plan or in any approved Income

MAHAANA IGI ISLAMIC RETIREMENT FUND

Payment Plan from Pension Fund Manager.

Upon selecting the MIIR-IPP, the fund will be allocated into two segments, “**Growth Segment**” and “**Income Segment**”, the participants will have following options:

Amount Allocated in Growth Segment:

The **Growth Segment** of MIIR-IPP is allowing potential long-term capital appreciation through investment of funds based on desired risk exposure of Participants.

The Participant may allocate any amount (0% to 35% of available balance), which shall be invested in the sub-funds of Mahaana IGI Islamic Retirement Fund according to the Participant’s desired risk exposure, within the following prescribed allocation limits.

Age / Risk Tolerance	High	Medium	Low	Customized
60-65 Years				
Equity Sub Fund:	40%	30%	20%	___%
Debt Sub Fund:	50%	40%	30%	___%
Money Market Sub Fund:	10%	30%	50%	___%
65-70 Years				
Equity Sub Fund:	30%	20%	10%	___%
Debt Sub Fund:	40%	30%	20%	___%
Money Market Sub Fund:	30%	50%	70%	___%
70 Years till maturity				
Equity Sub Fund:	20%	10%	0%	___%
Debt Sub Fund:	30%	20%	10%	___%
Money Market Sub Fund:	50%	70%	90%	___%

Note: Risk Tolerance will be determined by the Pension Fund Manager according to parameters mentioned in the IPP form and shall be signed by the Participant. Participant can also opt for customized allocation. By selecting customized allocation scheme, risk tolerance will be compromised.

Amount Allocated for Income Segment:

The **Income Segment** of MIIR-IPP refers to the portion of the investment where Participants will generate regular income. This segment typically invests in debt securities, fixed-income instruments, which provide a relatively stable source of income.

The remaining amount after the allocation of funds for Growth Segment, will be invested in

MAHAANA IGI ISLAMIC RETIREMENT FUND

sub-funds in one of the following Allocation.

	Debt Sub Fund	Money Market Sub Fund
Low Volatility	40%	60%
Lower Volatility	20%	80%
Customized	___%	___%

Frequency of Change of Allocation

The Participant may increase or decrease the portion of Growth Segment between 0% to 35% and may also revisit the desired risk exposure for Growth Segment allocation by informing the Pension Fund Manager through prescribed Form, only once in a year.

Further the Participant may also change the allocation of investment in Income Segment by informing the Pension Fund Manager through prescribed Form, only once in a year.

Withdrawal of Amounts

The Participant may withdraw the entire balance or any amount from his/her account during the term or at the expiry of the MIIR-IPP, as allowed under the VPS Rules and subject to relevant tax laws under the Income Tax Ordinance, 2001.

Monthly Pension Payment:

Following option are available to the Participant in income payment plan.

i) Option 1:

Upon entering the plan, remaining balance in MIIR-IPP Income Segment shall be divided into the number of months as per the term of the plan opted by the Participant, with an objective of redeeming such number of units of the respective sub-funds of MIIRF equal in value to the pension for the month at the prevailing NAV of the respective sub fund of MIIRF at the close of the last business day. This exercise shall be undertaken at the end of each year by dividing balance amount with the remaining number of years. Pension Fund Manager may revise Participant's monthly pension payments (based on number of units redeemed), in case of any partial withdrawals or any other related transactions affecting account balance.

ii) Option 2:

Balance to remaining number of Months Methodology, the total remaining balance at the end of each month shall be divided into the remaining number of months of the selected plan.

Note: The invested amount may deplete before the term of the Plan depending on the capital market conditions and level of interest rates.

The pension amount shall be paid to the Participant by direct transfer to the Participant's designated bank account or a crossed cheque/ demand draft for the amount will be dispatched to the registered address of the Participant, within six (6) Business Days from the date of last day of every month until the end of MIIR-IPP.

However, in case of any exceptional circumstances, which may arise due to major law and

order situation, closure of one or more Stock Exchanges on which any of the securities invested in by the MIIRF are listed, closure of the banking system, strikes or other events that render the Pension Fund Manager or Trustee unable to function, or the existence of a state of affairs as a result of which disposal of any investment would not be reasonably practicable or might seriously prejudice the interest of the investors, the Pension Fund Manager may redeem such units at the close of the next Business Day when the said circumstances have ceased to exist.

13.5 PROCEDURE TO JOIN MAHAANA IGI ISLAMIC RETIREMENT INCOME PAYMENT PLAN

- a) In case of existing Participants of MIIRF, who wish to subscribe to MIIR-IPP will be required to sign up for it by filling out a IPP Investment Form and submitting the required documents.
- b) In case of the Participants of other approved voluntary pension schemes, the Participant will be required to fill the MIIR-IPP application Form, giving details of his/her approved voluntary pension fund and submitting the required documents. Afterwards, the Participant will be required to transfer funds from his/her existing voluntary pension fund or Income Payment Plan into MIIR-IPP.
- c) The Participant shall submit the completed MIIR-IPP Application Form to any of the authorized branches of the Distribution Companies or send directly to IGI Life Insurance Limited. Only the Pension Fund Manager and authorized branches of Distribution Companies are authorized to collect Application Forms for MIIR-IPP.

13.6 INVESTMENT POLICY

The investment in sub-funds of MIIRF shall be subject to the Trust Deed, Supplementary Trust Deeds, Offering Document and Supplementary Offering Documents of MIIRF. The investments in the sub-funds of MIIRF under the MIIRF will be in accordance with the Investment Policy prescribed by the SECP as per the Voluntary Pension System Rules, 2005 as amended or substituted from time to time, including any directives given by the SECP.

13.7 FEES AND CHARGES

- a) No front-end load shall be charged for transfer of accumulated balance from the Individual Pension Account of the Participants to the MIIR-IPP. Front-end load shall also not be applicable on Participants on transferring their balance from any other approved voluntary pension fund or such other schemes/type of Participants, as allowed in the VPS Rules. There will also be no back-end load/charges on the withdrawal/ payment of monthly pension.
- b) No front-end load shall be charged on change of allocation of investment in Growth Segment and Income Segment as allowed under this section of Offering Document.
- c) The Pension Fund Manager shall not be entitled to an additional annual management fee from this plan.

13.8 DEATH OF PARTICIPANT

In the unfortunate event of the death of any Participants, the nominated survivors (according to the succession certificate issued in accordance with law for the time being in force) shall be the person(s) recognized as having any entitlement to the remaining balance of the deceased Participants. In case no nominations have been made, the executors, administrators or succession certificate holder of the deceased Participants shall be the only person recognized

as having entitlement to the outstanding balance.

13.9 ROLE OF TRUSTEE OF MAHAANA IGI ISLAMIC RETIREMENT FUND

- a) The balance of the Participants joining MIIR-IPP will be invested in the sub-funds under MIIRF and all assets of the sub funds will be under the custody of the Trustee of MIIRF.
- b) The Trustee of MIIRF shall ensure that units of the sub funds of MIIRF allotted to the Participants joining MIIR-IPP are allocated at the prevailing NAV of the respective sub-funds at the day end on which the balance of the Participants is credited into the bank account of MIIR-IPP. Similarly, the Trustee of MIIRF shall also ensure that for the payment of monthly pension units are redeemed at the prevailing NAV of respective sub-fund of MIIRF at the close of the last Business Day of each month. However, in case of exceptional circumstances the units will be redeemed at the prevailing NAV as of the close of the next Business Day when the exceptional circumstances have ceased to exist.

Since all the amounts of the Participants joining MIIR-IPP will be invested in sub-funds of MIIRF, the role and duties of the Trustee of MIIRF, as mentioned under the relevant clause(s) of the Constitutive Documents of MIIRF and as defined under the VPS Rules shall also apply.

13.10 SERVICES TO THE PARTICIPANT

- a) Availability of Forms - All the forms relating to the MIIR-IPP will be available at all the Authorized Branches of all Distribution Companies as well as from the Pension Fund Manager and from its web site i.e. www.igilife.com.pk

b) Register of the Participants

- i) The Pension Fund Manager has the responsibility to maintain Participant's records and for this purpose it may, under intimation to the Trustee, appoint a Registrar, who would be responsible for maintaining Participants' records and providing related services. The Registrar shall perform the Registrar Functions and all other related activities. The Pension Fund Manager shall ensure that the Registrar shall comply with all relevant provisions of the Trust Deed and the relevant Rules.
- ii) A Register of the Participant shall be maintained by the Pension Fund Manager or the Registrar at its place of business and inform the Commission of the address where the register is kept. The Register will contain at least such minimum information as required as per the guidelines of the Commission. Such Register shall also be accessible by the Trustee. Register shall be conclusive evidence as to the MIIR-IPP account balance held by each Participant. The Register shall also contain the information as prescribed by the Commission. The Register shall be maintained in electronic form and be password protected. The Pension Fund Manager would grant access to all the Participants to view the account information. The record keeping system shall contain the computerized transaction log which shall record Participant Account changes, who made them and when they were made. The Registrar and the Pension Fund Manager shall make sufficient provision for back up of the Register and its storage at an off-site location. The Pension Fund Manager shall ensure that the Registrar 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 any charge. The Registrar shall, within three Dealing Days of receiving a written request from any Participant, post (or send by courier or through electronic means) to such Participant details of such Participant's account in the Register. Such service shall be provided free of charge to any Participant requesting so once in any financial year. The Pension Fund Manager may prescribe charges for servicing of any additional requests with the approval of the Commission. The details of charges if any shall be disclosed in the Offering Document. The Participant shall notify, in writing, or in any such

form as may be acceptable to the Pension Fund Manager, any change of name or address or any other particular to the relevant Authorized Branch of the Distribution Office, or to the Pension Fund Manager. The Distribution Office will forward such application to Pension Fund Manager or Registrar, who on being satisfied therewith and on compliance with such formalities shall alter the Register or cause it to be altered accordingly and in the case of a change of name shall, if requested, issue new Account Statement to such Participant, subject to fulfillment of formalities evidencing change of name satisfactory to the Registrar.

- iii) The Participant shall be the only person to be recognized by the Trustee, the Pension Fund Manager and the Registrar as having any right, title or interest in or to such Units held in his/her name in each sub-fund of the MIIR-IIPP, and the Trustee, the Pension Fund Manager and the Registrar may recognize the Participant as the absolute owner thereof and shall not be bound by any notice to the contrary and shall not be bound to take notice of or to see to the execution of any trust except where required by competent authority or any court of competent jurisdiction.

13.11 DISCONTINUATION OF THE MAHAANA IGI ISLAMIC RETIREMENT INCOME PAYMENT PLAN

In case of discontinuation/winding up of the MIIR-IIPP, the Participant shall have the option to redeem the Units standing to his/her credit in the sub-funds of MIIR-IIPP (subject to relevant tax laws) or to transfer the outstanding balance in his / her MIIR-IIPP to any other Approved Income Payment Plan or Approved Annuity Plan offered by any other Pension Fund Manager or an Approved Annuity Plan offered by Life Insurance Company or Takaful Company or as allowed in the VPS Rules and by the Commission from time to time.

13.12 VALIDITY OF THE TERMS OF THE MAHAANA ISLAMIC RETIREMENT INCOME PAYMENT PLAN

The terms and conditions of the MIIR-IIPP may vary as per changes in the Income Tax Ordinance 2001, VPS Rules and/or due to any directives given by the Securities and Exchange Commission of Pakistan (SECP) from time to time.

13.13 TAXATION ON PARTICIPANTS OF INCOME PAYMENT PLAN

- a) No withholding tax will be deducted from monthly payments to the Participants.
- b) Premature withdrawal from growth or income segment are subject to applicable taxes.
- c) Balances available in growth and income segments at the end of the tenure of the plan are subject to applicable taxes.
- d) The taxability and tax rates are subject to change from time to time, as may be announced by the Government. The following statements do not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to participate in the MIIR-IIPP or to subscribe to the Units of the MIIR-IIPP and may not apply equally to all persons. It is recommended that the Participants of MIIR-IIPP should seek professional tax advice from an independent tax consultant regarding their own personal circumstances.
- e) The transfer of any accumulated balance from Participant's Individual Pension Fund Account to MIIR-IIPP offered by the Pension Fund Manager shall not be subject to withholding tax.

13.14 RISK FACTORS AND DISCLAIMER

The investments under MIIR-IPP will be in the sub-funds of the MIIR-IPP. The sub-funds of MIIR-IPP, according to their nature, will be investing in equity securities and also in fixed income securities including deposits with approved banks. Such investments are subject to varying degree of risks as mentioned in the Offering Document of MIIR-IPP.

- a) The return of the MIIR-IPP may be affected by changes in the general market conditions, factors and forces affecting capital market, in particular, level of interest rates, various markets related factors and trading volumes, settlement periods and transfer procedures.
- b) The liquidity of the MIIR-IPP investments is inherently restricted by the trading volumes in the securities in which the MIIR-IPP invests.
- c) investors of the Plan are not offered any guaranteed returns.
- d) The Fund is subject to being wound up under certain circumstances as explained in the Offering Document. In the event of the MIIR-IPP being wound up, the MIIR-IPP shall be discontinued and the Units standing to the credit of the investor shall be redeemed subject to applicable taxes or may be transferred to another Income payment plan or annuity.
- e) The balance amount in the Growth Segment, may vary depending on the capital market conditions and level of interest rates.
- f) The principal balance in the Income Segment, may be used for monthly payment to the Participants, in case available profit is less than the monthly payment.

13.15 Risk Factor/Disclaimer

- a) The investments under MIIR-IPP will be in the Sub-Fund(s) of the MIIRF. The sub -funds of MIIRF will be investing in equity securities and also in fixed income securities including deposits with approved banks. Such investments are subject to varying degree of risks as mentioned in the Offering Document of MIIRF.
- b) The return of the MIIR-IPP may be affected by changes in the general market conditions, factors and forces affecting capital market, in particular, level of interest rates, various markets related factors and trading volumes, settlement periods and transfer procedures.
- c) The liquidity of the MIIR-IPP investments is inherently restricted by the trading volumes in the securities in which the MIIRF invests.
- d) Investors of the Plan are not offered any guaranteed returns.
- e) The Fund is subject to being wound up under certain circumstances as explained in the Offering Document. In the event of the MIIRF being wound up, the MIIR-IPP shall be discontinued and the Units standing to the credit of the investor shall be redeemed subject to applicable taxes or may be transferred to another Income payment plan or annuity.
- f) The amount set aside at the start of the plan, if any, out of the investor's total invested amount to be paid as a bullet payment at the end of the plan, may deplete depending on the capital market conditions and level of interest rates.

- g) The principal balance in the Income Segment, may be used for monthly payment to the Participants, in case available profit is less than the monthly payment.

Disclaimer:

All investments through MIIR-IPP are subject to market risks. The value of such investments may depreciate as well as appreciate, subject to market fluctuations and risks inherent in all such investments. Investors should read the Offering Document and there supplements carefully to understand the investment policies, risks and tax implication and should consult their legal, financial or tax adviser before making any investment decisions.

- h) The tax information given in this document is based on the Pension Fund Manager's interpretation of the law. However, you are advised to seek independent advice from your tax advisors to determine the tax related issues arising from your investment through MIIR-IPP.

14. REPORTS AND ACCOUNTS

14.1. Fund Accounts

Pension Fund Manager shall prepare Financial Accounts and Reports required under Rules for MAHAANA IGI ISLAMIC RETIREMENT FUND including Sub-Funds as prescribed by the Commission from time to time.

14.2. Annual Accounting Period

The Annual Accounting Period shall commence on 1st July and shall end on 30th June of the succeeding calendar year.

Accounting Date shall be the 30th day of June in each year and any interim dates at which the financial statements of the Fund are drawn up. Provided, however, that the Pension Fund Manager may, with the consent of the Trustee and after obtaining approval of the Commission and the Commissioner of Income Tax, change such date to any other date.

Accounting Period shall be the period ending on and including an Accounting Date and commencing (in case of the first such period) on the date on which the full amount of Seed Capital is received and in any other case from the end of the preceding Accounting Period.

14.3. Periodic Reports to be sent to Participants

Annual report and quarterly reports will be prepared and sent to the Participants. For details, please refer to Obligations of Pension Fund Manager.

The balance sheet and income and expenditure accounts mentioned above shall be prepared separately for each Sub-Fund and in addition thereto consolidated accounts shall be prepared for the entire Fund.

14.4. Periodic Reports to be sent to Commission

Annual report and quarterly reports will be prepared and sent to the Commission. For details, please refer to Obligations of Pension Fund Manager, clause 4.5 (e) and (f).

15. SERVICE TO PARTICIPANTS

15.1. Availability of Forms

All forms mentioned and/or included in this Offering Document will be available at all the Authorized Branches of the Distribution Companies, the Pension Fund Manager's website and may also be requested via post. Sales Agents will also have sufficient stocks of such forms.

15.2. Register of Participants

- 15.2.1. The Pension Fund Manager shall perform the Registrar Functions directly or it may appoint a Registrar for such purpose, but in each case the responsibility for performing the Registrar Functions shall be that of the Pension Fund Manager itself. Where the Pension Fund Manager appoints a Registrar for performing the Registrar Functions, the Pension Fund Manager shall ensure that the Registrar complies with all relevant provisions of the constitutive document and the Rules.
- 15.2.2. The Pension Fund Manager or the Registrar, as the case may be, the Registrar shall maintain the Register at their respective registered office.
- 15.2.3. The Pension Fund Manager shall ensure that the Registrar 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 any charge. The Commission may however at any time inspect, remove or take possession of the register without any prior notice.
- 15.2.4. The Registrar shall within three working days of receiving a written request from any Participant, provide to such Participant (whether by post, courier or through electronic means) details of the Participant's account in the Register. Such service shall be provided free of charge any Participant so requesting once in any financial year. The Pension Fund Manager may, with the approval of the Commission, prescribe charges for servicing and additional requests. The details of the charges, if any, shall be disclosed in the Offering Document or in any Supplementary Offering Document from time to time.
- 15.2.5. The Register shall, in respect of each Participant, contain the information required by or under the Rules and shall be maintained in line with the Guidelines on record keeping issued by the Commission from time to time and shall, at the minimum contain the following information:
- (a) Registration Number
 - (b) Individual Pension Account Number
 - (c) Full name, father's name, residency status, CNIC number (in respect of Pakistan nationals or NICOP number (in respect of overseas Pakistanis), National Tax Number and addresses of Participants;
 - (d) If the Participant is registered through an employer:
 - i. Employer's number
 - ii. Registered address
 - iii. National Tax Number
 - iv. Number of employees contributing in VPS; and

- v. Employer's contact details
- (e) Date of birth and gender of the Participant
 - (f) Complete record of the amount and date of each Contributions paid by the Participant;
 - (g) Complete record of the amount and date of each Contributions paid on behalf of the Participant by the employer;
 - (h) Date and amount of incoming and outgoing transfers to and from the Participant's Individual Pension Account;
 - (i) The number of Sub-Fund Units allocated and held in the name of the Participant in the Individual Pension Account or balance of the Participant's Approved Income Payment Plan;
 - (j) The date on which the name of every Participant was entered in respect of the Sub-Fund Units standing in his name;
 - (k) Tax/Zakat status of the Participants;
 - (l) Nominee(s);
 - (m) Record of specimen signatures of the Participant and Nominee(s);
 - (n) Information on retirement of Participant and the payments made or to be made;
 - (o) Information on death of Participant and transfers made to the Participant's heirs; and
 - (p) Such other information as may be specified by the Commission or Pension Fund Manager may require.
- 15.2.6. The Register shall be conclusive evidence as to the Units of Sub-Funds held in a Participant's Individual Pension Account or balances of the Participant's Approved Income Payment Plan Account balances held by each participant.
- 15.2.7. Any change of address or status of any Participant shall forthwith be notified in writing to the Registrar who, upon being satisfied with the supporting evidence provided therefor, shall update the Register with the change accordingly.
- 15.2.8. The Participant or their successors (in case of death of the Participant), as the case may be, shall be the only persons to be recognized by the Trustee, the Pension Fund Manager and the Registrar as having any right, title or interest in or to the Units held by the Participant and the Trustee, the Pension Fund Manager and the Registrar may recognize the Participant as the absolute owner thereof and shall not be bound by any notice to the contrary and shall not be bound to take notice of or to see to the execution of any trust, except where required by any court of competent jurisdiction.
- 15.2.9. Upon being satisfied that any Contribution has been received by the Trustee in cleared funds from any Participant, the Registrar shall, within one week (seven days) of the receipt of the Contribution, issue a receipt therefor together with an account statement that shall constitute evidence of the number of Sub-Fund Units or Individual Pension Account or Approved Income Payment Plan balances registered in the name of the Participant and shall contain such other information as may be prescribed by the Commission from time to time. However, for contributions routed through the employers only the acknowledgement receipt of documents provided to the employers shall suffice as an acknowledgement.

15.2.10. While making payment of the benefits from the Pension Fund to any Participant, the Pension Fund Manager shall ensure that adequate description of the reasons for the payment (for example, retirement, disability, death benefit) is mentioned in the Register.

15.2.11. The Pension Fund Manager shall ensure that the information on the Register shall remain accessible for three years after the last amount in relation to the Pension Fund payable to the Participant, to any other Pension fund manager nominated by the Participant to which the Individual Pension Account has been transferred or to any heirs or nominated survivors of the Participant, has been paid.

15.3. Statement of Accounts

Upon being satisfied that the Contribution to the Fund has been received, in full, from the Participants, the Registrar will send directly to each Participant Account Statement that will constitute evidence of the number of Sub-Fund Units or Individual Pension Account or periodic payment account balances registered in the name of the Participant.

The Registrar will issue an Account Statement, each time there is a transaction in the Individual Pension Account and it will be posted or electronically transmitted to the Participant within six (6) Business Days of each transaction.

16. WARNINGS

INVESTMENT RISKS AND TAX IMPLICATION: All investments in MAHAANA IGI ISLAMIC RETIREMENT FUND are subject to market risks. The value of such investments may depreciate as well as appreciate, subject to market fluctuations and risks inherent in all such investments. Participants should read the Offering Document carefully to understand the investment policies, risks and tax implications and should consult their legal, financial or tax advisors before making any investment decisions. Withdrawals from the Pension Fund before the retirement age are subject to tax under the provisions of the Income Tax Ordinance, 2001.

17. COMPLAINTS

Any unresolved complaint or dispute between a Participant and the Pension Fund Manager under the VPS Rules, it shall be referred to the Insurance/Takaful Ombudsman appointed under Section 125 of the Insurance/Takaful Ordinance, 2000. (XXXIX of 2000). The Insurance/Takaful Ombudsman shall have all the powers and shall follow the procedures as required under PART XVI of the Insurance/Takaful Ordinance, 2000.

17.1. Procedure for lodging a complaint with the Federal Insurance Ombudsman

The procedure for lodging a complaint with the Insurance/ Takaful Ombudsman shall be as provided in Section 129 of the Takaful Ordinance, 2000 and reproduced below:

- (a) A complaint shall be made in writing, addressed to the Insurance/ Takaful Ombudsman. The complaint shall set out the full particulars of the transaction complained of and the name and address of the Participant (complainant).
- (b) Prior to making a complaint, the Participant (complainant) shall intimate in writing to the Pension Fund Manager regarding their intention of filing a complaint and if the Pension Fund Manager either fails to respond, or makes a reply which is unsatisfactory to the complainant, within a period of one month, the Participant (complainant) may file a complaint, at any time thereafter, within a further period of three (3) months:

Provided that the Insurance/ Takaful Ombudsman may, if satisfied that there were reasonable grounds for the delay in filing the complaint, condone the delay and entertain the complaint.

- (c) The Insurance/ Takaful Ombudsman may adopt any procedure he considers appropriate for investigating a complaint.

Provided that he shall not pass any order against the Pension Fund Manager without first giving it a notice and an opportunity to be heard.

- (d) Subject to Section 128 of Insurance/ Takaful Ordinance, 2000, the Insurance/ Takaful Ombudsman shall not have any power to issue an order in the nature of a stay order or to entertain any complaints if the matter is pending before a Court, Tribunal or other legal forum.
- (e) The Insurance/ Takaful Ombudsman may reject a complaint summarily or he may accept the same or pass any other order he deems fit.

Provided that in each case he shall pass a reasoned order for participant decision.

- (f) The Federal Government may further prescribe rules for the conduct of proceedings in relation to complaints brought before the Insurance/ Takaful Ombudsman.

Note: The Pension Fund Manager will not be responsible or liable for maintaining service levels and /or any delay in processing claims arising out of this facility. The Pension Fund Manager, the Trustee and the underlying Fund shall not be held liable for honoring any Takaful claims.

17.2. Contact Details of Office of Federal Insurance Ombudsman

The Present Insurance Ombudsman and participant contact details are as follows:
Federal Insurance Ombudsman Office 2nd Floor, Pakistan Red Crescent Society, Annexe Building, Plot # 197/5, Dr. Daud Pota Road, Karachi. Phone: 021-99207761-62

18. TRANSACTIONS WITH CONNECTED PERSONS

- (a) No Pension Fund Manager on behalf of the Pension Fund shall take exposure in any form or invest in debt or equity securities of connected persons or purchase from or sell any security to any of the Connected Person except with the approval of its Board of Directors in writing and consent of Trustee

ARBITRATION IN CASE OF DISPUTES BETWEEN THE PENSION FUND MANAGER AND THE TRUSTEE

In the event of any disputes arising out of Constitutive Documents between the Pension Fund Manager on the one part and the Trustee on the other part, including as to the respective rights and obligations of the Parties hereto, as well as those relating to the interpretation of the terms and conditions of the constitutive document and/or the Supplementary Offering Documents, relating to the Fund, the same shall be referred first to the Commission and thereafter, if the dispute still continues, for arbitration by two arbitrators, one to be appointed by the Pension Fund Manager and the other to be appointed by the Trustee. In the event of lack of consensus between the two arbitrators, the matter shall be referred to an umpire, to be selected by the two arbitrators before commencement of the reference. The unanimous decision of both the

arbitrators, or the decision of the umpire, as the case may be, shall be final and binding upon both the Parties. The arbitrators and the umpire shall be selected from amongst, senior partners of renowned firms of chartered accountants, or senior partners of renowned Law Firms, or senior bankers, or senior members of any Stock Exchange (who may even be the heads of corporate members of any Stock Exchange). The venue of the arbitration shall be Karachi. The arbitration shall be conducted in accordance with the Arbitration Act, 1940.

19. DISPUTES BETWEEN THE PARTICIPANTS AND THE PENSION FUND MANAGER

If any complaint or dispute arises between the any Participant or any of its any nominated survivors, executors, administrators or successors and Pension Fund Manager under this the constitutive document or the Rules, it shall be referred to an authority as provided in the Rules.

20. GENERAL INFORMATION

The Constitutive Documents concerning the MAHAANA IGI ISLAMIC RETIREMENT FUND may be inspected at the registered office of the Pension Fund Manager at, **IGI Life Insurance Company, its registered office at 7th Floor, The Forum, Suite No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi, Pakistan** or at any other address which may be notified by the Pension Fund Manager to the general public through newspapers.

21. STATEMENT OF RESPONSIBILITY

Mahaana IGI Islamic retirement fund accepts responsibility for the accuracy of the information herein contained as of the date of publication.

22. TERMINATION OF THE PENSION FUND

22.1. TERMINATION AND LIQUIDATION OF THE TRUST

- (a) The Pension Fund Manager subject to conditions of the Rules, the Trust Deed and approval of the Commission, may terminate the Pension Fund by giving at least three (03) months' notice, in writing, to the Participants, the Trustee and the Commission.
- (b) The Trust may also be terminated by the Commission on the grounds provided in the Rules.
- (c) The Trust Deed of the Pension Fund may be terminated in accordance with the conditions specified in the Rules if there is any breach of the provisions of the Trust Deed or any other agreement or arrangement entered into between the Trustee and the Pension Fund Manager regarding the Pension Fund. Both parties shall act in a manner that causes the least degree of inconvenience to the Participants and is the most cost efficient for the Pension Fund and the Pension Fund Manager.
- (d) Upon the Trust being terminated, The Pension Fund Manager will suspend the acceptance of registration, Contribution(s) and withdrawals, forthwith, and proceed to transfer all assets and liabilities and records of the Pension Fund and each Sub-Fund to another pension fund manager under a scheme of arrangement to be approved by the Commission.
- (e) The Pension Fund Manager shall ensure that accounts of the Pension Fund, till the day of the transfer to the new Pension Fund Manager, are audited by the Auditors of the Fund and the Audit and Trustee Report is submitted, within one month from the date of such appointment, to the Commission, the new pension fund manager and the Trustee. Pension

Fund Manager, with the approval of the Commission, will decide the cost of such interim audit and the same may be charged to the Pension Fund with the prior approval of the Commission.

- (f) The Trustee, subject to clauses 21.1.(d) and 21.1.(e), on the recommendation of Pension Fund Manager and approval of the Commission, shall transfer all the assets and liabilities and records of the Pension Fund and each Sub-Fund, including Individual Pension Accounts of Participants, to the other Pension Fund managed by the other Pension Fund Manager.
- (g) Thereafter, the Pension Fund Manager shall proceed to dissolve the Pension Fund under the relevant law and in the court of jurisdiction.

23. GENERAL

- (a) Any notice required to be served upon a Participant shall be deemed to have been duly given if sent by post or courier service to or electronically submitted or left at participant address as appearing in the Register. Any notice so served by post shall be deemed to have been served on the day following that on which the letter containing the same is posted, and in proving such service it shall be sufficient to prove that such letter was properly addressed, stamped and posted.
- (b) In case a general notice is required to be served upon all the Participants, through newspaper, the Trustee or the Pension Fund Manager shall advertise any such notice in any leading daily newspapers in Pakistan having primary circulation in Karachi, Lahore and Islamabad. The cost of issuing and publishing a general notice shall be charged to the Trust.
- (c) Service of a notice or document on any employer shall be deemed effective service on all the Participants registered through that employer unless the Participant has given notice to the Pension Fund Manager that he is no longer in the employment of that employer.
- (d) Any notice or document sent by post or courier service to or left at the registered address of a Participant shall notwithstanding that such Participant be then dead or bankrupt and whether or not the Trustee or the Pension Fund Manager have notice of participant death or bankruptcy be deemed to have been duly served and such service shall be deemed a sufficient service on all persons interested (whether jointly with or as claiming through or under him) in the Units registered in favor of that Participant.
- (e) A copy of this Offering Document, Trust Deed and of any deed supplemental hereto shall be made available for inspection at the respective head offices of the Trustee and the Pension Fund Manager at all times during usual Business Hours and shall be supplied by the Pension Fund Manager to any person on application at a charge disclosed in the Offering Document.

24. DEFINITIONS

Unless the context requires otherwise, in this Offering Document (including in its Recitals) the following words or expressions shall have the meaning respectively assigned to them below:

“Accounting Date” means 30th June in each year; provided, however, that the Pension Fund Manager may, with the consent of the Trustee and after obtaining approval of the Commission, change such date to any other date;

“Accounting Period” means the period ending on and including an Accounting Date or, if nearer, on and including the day on which the Net Assets of all the Sub-Funds becomes zero and

commencing from and including the date of establishment of the Pension Fund or, if nearer, from and including the day after the last Accounting Date.

“Account Statement” means statement of transactions in Units of each Sub-fund in the Individual Pension Account of the Participant, containing such information as may be prescribed by the Commission from time to time;

“Act” means the Companies Act, 2017;

“Allocation Schemes” means the allocation schemes offered by the Pension Fund Manager from time to time in conformity with the Prescribed Allocation Policy issued by the Commission;

“Annuity” means a series of payments of set frequency sold primarily by Life Takaful Companies and Pension Fund Managers;

“Applicable Law” means any common or customary law, constitutional law, any statute, regulation, resolution, rule, ordinance, enactment, judgment, order, code, decree, directive, notification, clarification, guideline, policy, requirement or other governmental restriction and any form or decision of or determination by or interpretation of any of the foregoing (whether or not having the force of law) by any Authority, now or hereafter in effect, in each case as amended, re-enacted or replaced to the extent applicable.

“Approval” means any consent, registration, filing, notarization, certificate, license, approval (including foreign exchange control approval), permit, Authority, confirmation or exemption from or by or with any national, supranational or regional government or administrative, fiscal, judicial or governmental body, commission, agency, authority, central bank or similar entity and all corporate, creditors’, shareholders’ and directors’ approvals or consents required for execution of this Trust Deed and performance of the transactions contemplated herein.

“Approved Annuity Plan” has the meaning ascribed to it by Section 2(3A) of the Income Tax Ordinance, 2001.

“Approved Income Payment Plan” has the meaning ascribed to it by Section 2(3B) of the Income Tax Ordinance, 2001.

“Authorized Branch” means those branches of the Distributors that from time to time have been authorized by the Pension Fund Manager under intimation to the Trustee to perform the Distribution Function, and whose addresses have been given in the Offering Document, or on the website of the Pension Fund Manager.

"Company" means a Takaful company or an asset management company registered as a Pension Fund Manager.

“Connected Person” means connected person as defined in NBFC Rules or as specified by the Commission from time to time;

"Constitutive Document" include the trust deed, offering document, supplemental documents and other principal documents governing the formation of a Closed End Scheme, Open End Scheme or a Pension Fund and all other related material agreements.

"Contribution" means an amount as may be voluntarily determined by an individual payable annually, semiannually, quarterly, or monthly to one or more Pension Fund Managers and held

in one or more individual Pension accounts of a participant, subject to any specified minimum limit.

“Contribution Date” has the meaning ascribed to it in Clause 7.2.4

“Custodian” means a Bank, a central depository company or any other depository for the time being appointed by the Trustee to hold and protect the Trust Property or any part thereof as custodian or nominee on behalf of the Trustee; provided that the Trustee may also itself provide custodial services for the Fund.

“Cut-Off Time”/ “Business Hours” means the day time for dealing in Units of the Fund. The current Cut-Off Timing/Business Hours are mentioned in **Annexure “C-1”** of this Offering Document;

“Dealing Day” means every Business Day on which dealing in the Pension Fund is conducted as disclosed in the Offering Document, provided that the Pension Fund Manager may with the prior written consent of the Trustee and upon giving not less than seven days’ notice in the newspapers declare any particular Business Day not to be a Dealing Day;

“Deed” or “Trust Deed” means this Trust Deed which is the principal document governing the formation management or operation of the Fund.

“Default Allocation Scheme” means the default asset allocation scheme as determined by the Pension Fund Manager in conformity with the Prescribed Allocation Policy for allocating between the Sub-Funds the Contributions received from Participants who have not themselves selected any Allocation Scheme;

“Distributor” or “Distribution Company” means a company, firm or bank appointed by the Pension Fund Manager under intimation to the Trustee for performing any or all of the Distribution Functions, and shall include the Pension Fund Manager itself, if it performs the Distribution Function;

“Distribution Function” means the functions with regard to:

- (a) receiving applications and amounts for the issue of Units, in the name of the Trustee, from the Participants;
- (b) issuing receipts in respect of (a) above;
- (c) interfacing with and providing services to the Participants including receiving withdrawal / transfer to / from other Pension Fund Manager(s), applications for withdrawal, forwarding transfer applications and applications for change of address or any other status, instructions, in writing, of any kind or any other information for immediate transmission to the Pension Fund Manager or the Registrar, as appropriate; and
- (d) accounting to the Pension Fund Manager for (i) Payment Instruments received from Participants for issuance of Units in Sub-fund; and (ii) payments instruments delivered to the Participants on withdrawal of Units in the Sub-fund.

“Eligible Person” means any person who qualifies the eligibility criteria under the Rules in respect of persons who can make contributions to Pension funds authorized under the Rules.

“Front-end fee (Sale Charges)” means the Sales charges which may be included in the offering price of the Units; provided however that different levels of Front-end fee (sale charges) may be applied to different investors, as determined by the Pension Fund Manager. However aggregate of Front-end fee (sale charges) should not exceed 3% of Net Asset Value.

“Exposure” includes finance, subscription to or investment in securities, debt instruments, units or certificates or shares of a Notified Entity, placements, and deposits, with financial institutions, certificates, derivatives, margin trading system or any mechanism that replaces it, but does not include:

- (a) obligations under letters of credit and letters of guarantee to the extent of cash margin held by an NBFC;
- (b) finance provided to financial institutions through REPO transactions with underlying statutory liquidity requirement eligible securities; and
- (c) deposits in current and savings accounts other than term deposits.

“Force Majeure” means any occurrence or circumstance or element which delays or prevents performance of any of the terms and conditions of the constitutive documents of the pension fund or any obligations of the Pension Fund Manager or the Trustee and shall include but not limited to any circumstance or element that cannot be reasonably controlled, predicted, avoided or overcome by any party hereto and which occurs after the execution of the constitutive documents and makes the performance of the constitutive documents in whole or in part impossible or impracticable or delays the performance, including but not limited to any situation where performance is impossible without unreasonable expenditure. Such circumstances include but are not limited to floods, fires, droughts, typhoons, earthquakes and other acts of God and other unavoidable or unpredictable elements beyond reasonable control, such as war (declared or undeclared), insurrection, civil war, acts of terrorism, accidents, strikes, riots, turmoil, civil commotion, any act or omission of a governmental authority, failure of communication system, hacking of computer system and transmissions by unscrupulous persons, closure of stock exchanges, banks or financial institutions, freezing of economic activities and other macro-economic factors, etc.

“MAHAANA IGI ISLAMIC RETIREMENT FUND”, “MIIRF” or “Trust” means the Pension fund constituted under this Trust Deed and made up of the Sub Funds.

“Federal Government” means the Federal Government of Islamic Republic of Pakistan.

“Financial Institution” means a Bank, Development Finance Institution, Non-Banking Finance Company, Modaraba or an institution registered under relevant laws to provide financial services within or outside Pakistan.

“Financial Sector” shall comprise of the savings and term deposits / certificates/ securities/ instruments issued by the entities of Banking Sector, Financial Services Sector, Life Insurance Sector and Non- Life Insurance Sector as classified by Pakistan Stock Exchange and DFIs.

"Form" means a Form annexed to these rules.

“Formation Costs” means all preliminary and floatation expenses of the Fund including expenses in connection with authorization of the Fund and its application fee payable to the Commission, execution and registration of the Constitutive Document, issue, legal costs, and all expenses incurred during the period leading up to the authorization to a maximum limit of 1.5% of the net assets at the close of initial public offering (IPO) or 10 million rupees, whichever is lower as mentioned in NBFC & NE Regulations, 2008.

“Government Securities” includes monetary obligations of the Government or a Provincial Government or a corporation wholly owned or controlled, directly or indirectly, by the Federal Government or a Provincial Government and guaranteed by the Federal Government and any other security as the Federal Government may, by notification in the official Gazette, declare, to the extent determined from time to time, to be a Government Security.

“Haram” means anything prohibited by the Islamic Shariah.

“Income Payment Plan” means a plan constituting an agreement with the Pension Fund Manager after retirement enabling withdrawal of the remaining amount in any Individual Pension Account in monthly installments till the age of seventy-five years or as allowed under the Rules.

“Investment” means any Authorized Investment forming part of the Trust Property of any Sub-Fund.

“Lifecycle Allocation Scheme” means an Allocation Scheme approved by the Commission, where the percentage allocations to each Sub-Fund will automatically vary based on the age of the Participant.

“Local Governments” mean all the local / city governments in Pakistan.

“Fund Manager/Pension Fund Manager” is defined in the preamble hereto;

“Net Assets” means, in relation to a Voluntary Pension Scheme, means the excess of assets over liabilities of the collective investment scheme or Pension fund, computed in the manner provided in this regulation.

“Offering document” includes,-

- (a) a published document containing information on a Voluntary Pension Scheme to invite the public for purchase of certificates or units in that scheme;
- (b) a document inviting contributions from eligible persons for a Pension fund; and
- (c) all supplementary documents thereto or any document relating to an income payment plan;”

“Online” means transactions through electronic data-interchange whether real time transactions or otherwise, which may be through the internet, intranet networks and the like.

“Ordinance” means the Companies Ordinance, 1984 and Companies Act, 2017.

“Par Value” means the face value of Rs. 10 for a Unit of allocation Plan under the Fund.

“Participant” means any eligible person who has contributed or on whose behalf Contributions are made into one or more pension funds and held in one or more identifiable Individual Pension Accounts managed by one or more Pension Fund Managers;

“Personal Law” means the law of inheritance and succession as applicable to the individual Participant.

“Provincial Governments” mean the Provincial Governments of all four provinces of Pakistan.

“Pension Fund” means a fund made up of Sub-Funds created from the Contributions paid by the Participants and would consist of all the assets for the time being held or deemed to be held by Sub-Funds and includes all income or investment returns thereon but excludes fees, charges and expenses related to the management of the investments of Sub-Funds.

“Pension Fund Manager” means an asset management company, any pension fund manager or a life Takaful company duly authorized by the Commission to efficaciously manage the contributions made by or on behalf of participants in pension fund and meet such other conditions as may be prescribed from time to time by the Commission;

“Prescribed Allocation Policy” means the allocation policy as prescribed by the Commission from time to time under the Rules;

“Prescribed Application Form” means a form approved by the Commission from time to time for opening an Individual Pension Account and collecting other information from Participants;

“Prescribed Investment Policy” means Investment Policy prescribed by the Commission from time to time under the Rules.

"Records" include ledgers, day books, cash books and all other manuals or magnetic records used in the business of a Pension Fund Manager.

"Regulations" means regulations made by the Commission under the rules.

“Register” means the register of Participants kept pursuant to the Rules and this Trust Deed.

“Registrar” means an organization that the Pension Fund Manager appoints for performing the Registrar Functions and, if no such organization is performing such functions, it shall mean the Pension Fund Manager.

“Registrar Functions” means the functions with regard to:

- (a) maintaining the Register as per the Rules, this Deed or as may be prescribed by the Commission from time to time;
- (b) processing requests for opening of Individual Pension Account, issue, withdrawal, transfer and transmission of Units and requests for recording changes in data / information / particulars with regard to the Participants or that of their survivors or nominees;
- (c) issuing statements of account in respect of Individual Pension Account to Participant;
- (d) such other functions as may be required under the Rules with respect to record keeping; and
- (e) such other functions as are required under this Trust Deed to be carried out by the Registrar.

“Retirement Age” means any age between sixty and seventy years or such age as may be prescribed in the Rules from time to time, which the Participant selects for retirement, in accordance with the provisions of the Rules.

“Retirement Date” means the date on which the retirement of a Participant from the Pension Fund becomes effective.

“Rules” means the Voluntary Pension System Rules, 2005, and includes all Guidelines issued, directions given, regulations and interpretations made and conditions imposed (either specifically in relation to the Pension Fund or generally) by the Commission thereunder from time to time.

“Schedule” means the schedule of these rules.

“SECP” or “Commission” means Securities and Exchange Commission of Pakistan established under Securities and Exchange Commission of Pakistan Act, 1997 and shall include its successor.

“Seed Capital” means the amount invested or arranged by the Pension Fund Manager as initial investment in each sub-fund of the Pension Fund to be maintained for a minimum period of 3 years from the date of investment or as determined by the Commission.

“Seed Capital Units” means the amount invested or arranged by the Pension Fund Manager as initial investment in each Sub-Fund of the Pension Fund. This investment will be kept for a minimum period of three years from the date of investment or as determined by the Commission;

“Sales Agent” means an individual, firm, corporate or other entity appointed by the Pension Fund Manager to identify, solicit and assist Eligible Persons to become Participants and make Contributions. The Pension Fund Manager shall compensate Sales Agents out of the Front-end fee (Sale charges) received by the Pension Fund Manager.

“Seed Investors” of the Pension Fund shall be such initial investors, which may include the Pension Fund Manager, whose subscription shall in aggregate be in compliance of the requirements of Rule 9(3)(b) of the Rules. The Seed Investors shall be issued with Seed Capital Units representing their subscription.

“Shariah” or “Islamic Shariah” means divine guidance as given by the Holy Quran and the Sunnah of Prophet Muhammad (Peace Be Upon Him) and embodies all aspects of the Islamic Faith, beliefs, practices, rules and principles.

“Shariah Advisor” means a Shariah Advisor as defined in Shariah Advisor Regulations 2017.

“Shariah Compliant” shall mean any activity that is in accordance with the Shariah.

“Seed Capital Investors” means the investor of Seed Capital.

“Stock Exchange” means any Stock Exchange registered under the Securities & Exchange Ordinance, 1969 (XVII 1969).

“Sub-Fund” means a collective investment sub-scheme of a specified investment class and/or investment policy set up within the overall Pension Fund. The Trust Property shall be accounted for and segregated with respect to each Sub-Fund;

“Supplementary Offering Document” means a document issued by the Pension Fund Manager, with consent of the Trustee after approval of the Commission, describing the new features of the Pension Fund to invite offers by the public to invest in the Fund;

“Supplementary Trust Deed” means a deed registered between the Pension Fund Manager and the Trustee, with approval of the Commission, amending or adding to the Trust Deed. Such Supplementary Trust Deed shall be binding on each Participant, as if he/she is party to it and so to be bound by its provisions;

“Sukuk” means a Sukuk as defined in Sukuk (Privately Placed) Regulations 2017.

“Transfer Agent” means a company including a Bank that the Pension Fund Manager shall appoint for performing the Registrar Functions. The Pension Fund Manager may itself perform the Registrar Function.

“Takaful Company” means any General Takaful or Family Takaful Company as defined in the Takaful Rules, 2005.

“Tax” means all forms of taxation and statutory, governmental, state, federal, provincial, local, government or municipal charges, duties, imposts, contributions, levies, withholdings or liabilities wherever chargeable and whether of Pakistan or any other jurisdiction and any penalty, fine, surcharge, profit, charges or costs relating thereto;

“Tax Year” shall have the same meaning as ascribed under the Income Tax Ordinance, 2001 (Ordinance No. XLIX of 2001).

“Trust” means a trust established by a deed under the provisions of the Trusts Act, 1882.

“Trust Deed” or “Deed” means the Trust Deed of the Fund executed between the Pension Fund Manager and the Trustee along with all the exhibits appended hereto.

“Trust Property” means the aggregate proceeds credited in the Pension Fund including the Contributions received and seed capital received from Seed Investors of each Sub-Fund after deducting therefrom or providing there out any applicable Front-end fee (sale charges) and any other expenses chargeable to the Pension Fund including each Sub-Fund; and includes the Investments and all income, Profit and other benefits arising therefrom and all cash, bank balances and other assets, movable or immovable, and property of every description for the time being held or deemed to be held upon trust by the Trustee for the benefit of the Participants pursuant to this Trust Deed;

“Trustee” means Central Depository Company of Pakistan Limited (CDC) or any other company appointed with approval of the Commission from time to time;

“Volatility” means the downwards or upwards change in the Principal amount invested owing to change in price of the securities in the portfolio of sub-funds of the Pension Fund;

“Withdrawal Form” means a standardized form prescribed by the Pension Fund Manager to be duly filled by the participant to redeem Units.

“Unit” means one undivided share in the Sub-Fund to which the share pertains, and where the context so indicates, includes a fraction of a Unit.

“Zakat” has the same meaning as in the Zakat and Ushr Ordinance, 1980.

Words and expressions used but not defined herein shall have the meanings assigned to them in the Act and Rules and Regulations, words importing persons include corporations, words importing the masculine gender include the feminine gender, words importing singular include plural and words “written” or “in writing” include printing, engraving lithography, or other means of visible reproduction. The headings and table of contents are for convenience only and shall not affect the construction of the Trust Deed

25. INTERPRETATION

In this Offering Document, unless the context shall otherwise require:

- (a) a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinate legislation under, that legislative provision;
- (b) the singular includes the plural and vice versa;
- (c) a reference to an individual or person includes a company, firm, trust, Authority or government and vice versa;
- (d) a reference to any gender includes all genders;


MAHAANA IGI ISLAMIC RETIREMENT FUND

- (e) a reference to a Recital, Clause or Annexure is to a Recital, Clause or Annexure of or to this Offering Document;
- (f) a Recital or Annexure forms part of this Offering Document;
- (g) a reference to any agreement or document is to that agreement or document (and, where applicable, any of its provisions) as amended, novated, restated or replaced from time to time;
- (h) a reference to any party to this Offering Document or any other document or arrangement includes that party's executors, administrators, successors, permitted substitutes, permitted transferees and permitted assigns;
- (i) where an expression is defined, another grammatical form or variation of that expression has a corresponding meaning;
- (j) a reference to any "Account" or "account" includes any renewal, redenomination, re-designation or sub-account thereof;
- (k) "include", "includes" and "including" shall be respectively construed as "include without limitation", "includes without limitation" and "including without limitation", and all derivative terms shall be construed accordingly; and
- (l) words "written" or "in writing" include printing, engraving, lithography, or other means of visible reproduction.

HEADINGS

In this Offering Document, headings are for convenience of reference only and do not affect interpretation.

CERTIFICATE OF REGISTRATION AS PENSION FUND MANAGER (A-1)

 **Securities and Exchange Commission of Pakistan**
Licensing and Registration Division
Licensing Department


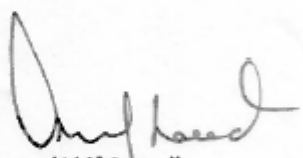
Registration No. 01/SEC/LRD/LD/33/IGIL-PFM/ Islamabad, the 26-July, 2023

**CERTIFICATE OF REGISTRATION AS
PENSION FUND MANAGER**

The Securities and Exchange Commission of Pakistan, having considered the application for registration of IGI Life Insurance Limited and being satisfied that IGI Life Insurance Limited is eligible for registration, in exercise of powers conferred by sub-rule (2) of rule 5 of Voluntary Pension System Rules, 2005 (the "VPS Rules"), hereby grants registration to IGI Life Insurance Limited as Pension Fund Manager subject to the conditions stated herein below or as may be prescribed or imposed hereafter:

- (i) IGI Life Insurance Limited shall strictly comply with part VIII-A of the Companies Ordinance, 1984, the Companies Act, 2017, the VPS Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008, guidelines and directives issued from time to time under the VPS Rules and any other law applicable in this regard; and
- (ii) IGI Life Insurance Limited shall not make any offer to any person/public to participate in any of its pension fund(s)/scheme(s) unless the Commission has authorized such fund(s)/scheme(s) under the VPS Rules.

The registration shall be suspended or cancelled if the registration to carry on Life Insurance business granted to IGI Life Insurance Limited under the Insurance Ordinance, 2000 is suspended or revoked.

 
(Akif Saeed)
Commissioner LRD/ Chairman SECP

ANNEXURE "A-2"


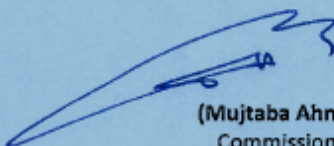
REMUNERATION OF TRUSTEE

The trustee remuneration shall consist of reimbursement of actual custodial expenses / charges plus the following tariff:

Net Assets (Rupees)	Tariff
Up to 1 billion	Rs.0.3 million or 0.15% p.a. of Net Assets, whichever is higher.
1 billion to 3 billion	Rs.1.5 million plus 0.10% p.a. of Net Assets, on amount exceeding Rs.1 billion.
3 billion to 6 billion	Rs.3.5 million plus 0.08% p.a. of Net Assets, on amount exceeding Rs.3 billion.
Over 6 billion	Rs.5.9 million plus 0.06% p.a. of Net Assets on amount exceeding Rs.6 billion.

Annexure “B-1”

Authorization of Pension Fund

	Securities and Exchange Commission of Pakistan Specialized Companies Division Policy, Regulation and Development Department
Authorization No. SCD/AMCW/PW/MIRF/169/2024	Islamabad, October 17, 2024
AUTHORIZATION OF PENSION FUND	
<p>The Securities and Exchange Commission of Pakistan, having considered the application for authorization of the Mahaana IGI Islamic Retirement Fund, and being satisfied that the said Mahaana IGI Islamic Retirement Fund has provided information as specified under Form III of the Voluntary Pension System Rules, 2005, in exercise of the powers conferred by sub-rule (1) read with sub-rule 4 of rule 9 of the Voluntary Pension System Rules, 2005, hereby grants authorization to Mahaana IGI Islamic Retirement Fund subject to the conditions as may be prescribed or imposed hereafter.</p>	
<div style="text-align: right;"> (Mujtaba Ahmad Lodhi) Commissioner (SCD)</div>	

Annexure “B-2”

Approval of Offering Document



**SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
PENSION DEPARTMENT**

No. SCD/AMCW/MIIRF/2025/14

February 7, 2025

Mr. Ali Nadeem
Chief Executive Officer
IGI Life Insurance Limited
7th Floor, the Forum, Suite No. 701-713
G-20 Block 9, Khayaban-e-Jami, Clifton
Karachi.

Subject: Approval of the Offering Document of Mahaana IGI Islamic Retirement Fund and approval of the Investment Advisory contract

Dear Sir,

Please refer to email dated January 9, 2025 from your office subsequent to earlier correspondence on the subject noted above.

2. In this regard, I am directed to convey approval of the Securities and Exchange Commission of Pakistan (the Commission) in respect of the Offering Document of Mahaana IGI Islamic Retirement Fund (the 'Fund') in terms of sub-rule 5 of Rule 9 of the Voluntary Pension System Rules, 2005 (the 'VPS Rules, 2005') and approval of investment advisory agreement / contract dated January 27, 2025 with M/s. Mahaana Wealth Limited in terms of sub-rule 2 of Rule 25 of the VPS Rules, 2005, subject to the following conditions:

- I. Approval of the Offering Document will be valid for a period of One hundred and Twenty (120) days from the date of approval within which the Fund will be offered for subscription provided that there is no change in the approved documents or the approval has not been extended. In case of failure to offer for subscription within the aforesaid timeline, the offering document shall be resubmitted for review and approval.
- II. Offering Document of the Fund will contain information as set out in Schedule XV of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations). It will be mentioned that the Pension Fund Manager manages the Fund and its name will be prominently displayed on first page of the Offering Document.
- III. Contents of Offering Document will not be altered/amended/deleted without prior written approval of the Commission except for adding reference of date(s) and No. of letter(s) approving the Document; wherever relevant.
- IV. In case the amendments are proposed in the fundamental attributes of pension fund and/or amendments with respect to offering of units to the eligible persons shall be subject to 30 days prior notice to the participants and prior approval of the Commission.
- V. In case amendments are proposed in the Constitutive Documents due to change in regulatory requirements, the same shall be incorporated without prior approval of the Commission and the supplement Constitutive Document for amendments shall be submitted to the Commission for information within one week from the date of amendments.



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
PENSION DEPARTMENT

- VI. In case of any amendments made in the constitutive documents of pension fund through supplemental constitutive documents approved by the Commission, the Pension Fund Manager shall place the updated and consolidated constitutive documents (with notes referring to the supplemental constitutive document highlighting the change made in the original document/ clauses), along with the original and supplemental/restated constitutive documents separately on its website. The updated constitutive documents shall be placed immediately or after completion of the duration of the notice period, as the case may be. Furthermore, the updated constitutive documents shall clearly specify the last date of updating i.e. "XYZ fund updated up to DD/MM/YY".
- VII. Approval of the Offering Document will, in no way, absolve the Pension Fund Manager of its obligations about contents of, or statements made in the Document.
- VIII. The Pension Fund Manager will not invest assets of the fund abroad unless it has obtained prior written approval of State Bank of Pakistan (SBP) and the Commission in this regard.
- IX. All advertisements of a Pension Fund shall be in conformity with the requirements as specified by the Commission.
- X. The Pension Fund Manager will manage the Fund strictly in accordance with the VPS Rules, 2005, and the Regulations as amended from time to time.
- XI. The Pension Fund Manager will give at least a week to the eligible investors for studying the Offering Document.
- XII. The authorized investments of the sub-funds will be in accordance with the provisions of the VPS Rules, 2005 and the Regulations unless specific exemption/permission has been granted by the Commission.
- XIII. The Pension Fund Manager shall submit a statement duly signed by all directors regarding responsibility for the information contained in the Offering Document as being accurate at the date of publication.
3. This office is available for any further clarity as may be required on the subject.

Yours truly,


Usman Mahmood
Deputy Director

Cc: The Chief Executive Officer
Central Depository Company of Pakistan
Limited, CDC House 99-B, Block 'B', S.M.C.H.S.,
Main Shahr-e-Faisal, Karachi

MAHAANA IGI ISLAMIC RETIREMENT FUND

Annexure “B-3”

Registration/Approval of Trust Deed

Registration No# KAR/ST/026/2024

Date: 16/09/2024

DIRECTORATE OF INDUSTRIES & COMMERCE SINDH (KARACHI)

TRUST REGISTRATION CERTIFICATE



I hereby certify that **MAHAANA IGI ISLAMIC RETIREMENT FUND (MIIRF)** its trustee Central Depository Company Of Pakistan Limited, situated at CDC House, 99-B, Block B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi and its company name IGI Life Insurance Limited, office situated at Suite 701-713, 07th Floor, The Forum, G-20, Block 09, Khayaban-e-Jami, Clifton, Karachi, has this day been duly registered under Section 16 of the Sindh Trust Act, 2020, has this day been duly registered under Section 16 of the Sindh Trust Act, 2020.

Given under my hand and seal at, **KARACHI** this **16th** day of **September** 2024.

Seal






Fee Rs **10,500/-**



(FAREED AHMED)
ASSISTANT DIRECTOR (TRUST)
DIRECTORATE OF INDUSTRIES & COMMERCE
GOVERNMENT OF SINDH, KARACHI

NOTE: It is informed that in case of any amendment in a Trust by Trustee which shall also be registered under section 16-A (3) of the Sindh Trust (Amendment) Act 2021.

Annexure “C”

Approval of Trustee

	CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED Head Office: CDC House, 99-B, Block 'B' S.M.C.H.S., Main Shakra-e-Faisal Karachi - 74400, Pakistan. Tel : (92-21) 111-111-500 Fax: (92-21) 34326021 - 23 URL: www.cdcpakistan.com Email: info@cdcpak.com
	 
 CDC/T&C-SII/DH/0237/2024 July 01, 2024	
Mr. Ali Nadeem Chief Executive Officer IGI Life Insurance Limited 7 th Floor, The Forum, Suit No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi	
Dear Mr. Ali	
CONSENT ON OFFERING DOCUMENT OF MAHAANA IGI ISLAMIC RETIREMENT FUND	
With reference to the captioned subject, we have reviewed the enclosed draft offering document of Mahaana IGI Islamic Retirement Fund and hereby convey our consent for the submission of the same with Securities & Exchange Commission of Pakistan for approval.	
Please note that our consent is valid only for the draft offering document enclosed with this letter. Any changes made in this document subsequently, will require our consent separately.	
Yours truly  Atiqur Rehman Head of Trustee & Custodial Services	
CC: Ms. Khalida Habib Executive Director/HOD Policy, Regulation and Development Department-Specialized Companies Division Securities & Exchange Commission of Pakistan	
Encl: As stated above	



ANNEXURE ‘C-1’

Current Level of Front-end fee (Sale Charge)

Front-end fee (Sale Charge) (%)
Upto 3%

Note: A Pension Fund Manager may charge front end fee (sales charge) upto maximum 3% if investor carries out transaction directly or through employer or online or through a website.

Provided that there shall be no sales charge payable in the event of the transfer of individual pension account from one Pension Fund Manager to another Pension Fund Manager.

Current Level of Remuneration of Pension Fund Manager

Pension Fund Manager shall be entitled to an accrued management fee up to 3% on MAHAANA IGI ISLAMIC RETIREMENT FUND-Equity Sub Fund (the Equity Sub Fund), 1.5% on MAHAANA IGI ISLAMIC RETIREMENT FUND-Debt Sub Fund (the Debt Sub Fund), and 1.5% on MAHAANA IGI ISLAMIC RETIREMENT FUND-Money Market Sub Fund (the Money Market Sub Fund) of the average of the value of the net assets.

Management shall disclose actual rate of management fee charged as percentage of net assets of Voluntary Pension Scheme in monthly Fund Manager Report.

Business Hours and Current Cut off Time

Transactions	Business Hours	Cut off Time
Application for issuance of units and Withdrawal of Units	Monday to Friday 9:00 am to 5:00 pm	Monday to Thursday 9:00 am to 4:00 pm Friday 9:00 am to 4:30 pm

The Cut-Off Time may vary from time to time as may be determined by the Management Company, under intimation to the trustee and SECP and the same shall be communicated to the participants before such unit transactions shall be effectuated.

Note:

- (a) Any change in the charges structure and/or management fee shall be notified after prior approval of the Commission through a supplemental.
- (b) Any change in the Cut-off Timing including for the month of Ramadan shall be notified to Participants via Company’s Website.

ANNEXURE "D"

Al-Hilal Shariah Advisors License:



Mufti Irshad Ahmad Aijaz, is currently chairman of Shariah Supervisory Council at Al-Hilal and designated Shariah Advisor of MAHAANA IGI ISLAMIC RETIREMENT FUND. He supervises Shariah Trainings, Shariah Compliance & Audits. Mufti Irshad developed & implemented Shariah Compliance, Audit Manuals and Guidelines for the company.

Mufti Irshad Ahmad Aijaz is the chairman of the Shariah Supervisory Board of Al-Hilal Shariah Advisors. Mufti Irshad has to his credit development of several Shariah Compliant financial structures and has been a pioneer in the Islamic banking industry. He is currently also the chairman of the Shariah Board of the State Bank of Pakistan. Mufti Irshad completed his takhassus-fil-ifta from Jamia Dar ul uloom Korangi and has an MBA in finance from Iqra University

ANNEXURE ‘E’

Designated Distribution Outlets

Pension Fund Manager of the fund is **IGI Life Insurance Limited**, and information about the fund can be collected from www.igilife.com.pk or from the branches of the distribution company. However, other related information about the fund can also be gathered from the website of Mahaana **Wealth Limited**, i.e., www.mahaana.com.

IGI Life Insurance Limited

7th Floor, The Forum, Suite No. 701-713, G-20,
Block 9, Khayaban-e-Jami, Clifton,
Karachi, Pakistan
Tel: (092-21-35360040)
URL: www.igilife.com.pk

Mahaana Wealth Limited

2nd Floor, The Forum, Suite No. 203,
Block 9, Khayaban-e-Jami, Clifton,
Karachi, Pakistan
URL: www.mahaana.com

ANNEXURE ‘F’

FORMS

All Forms are also available on Management Company Website at www.igilife.com.pk

Participant’s Registration & Account Opening & Nomination (Form - ____)

Request for employer’s registration (Form ____)

Contribution application (Form ____)

Request for change in the pension fund manager (Form ____)

Retirement option request (Form ____)

Early withdrawal request (Form - ____)

Disability claim request (Form - ____)

Investment allocation (Form - ____)

Annexure ‘G’

Life/Takaful insurance quotes

Natural Death Only:

Age	PKR 1,000,000	PKR 2,500,000	PKR 5,000,000	PKR 7,500,000	PKR 10,000,000
18 – 25	700	1,700	3,300	4,900	6,500
26 – 30	900	2,200	4,400	6,500	8,700
31 – 35	1,200	3,000	6,000	9,000	12,000
36 – 40	1,800	4,500	8,900	13,300	17,700
41 – 45	2,900	7,200	14,300	21,400	28,500
46 – 50	5,000	12,400	24,800	37,200	49,600
51 – 55	9,100	22,700	45,400	68,100	90,800
56 – 60	15,600	39,000	77,900	116,800	155,700
61 – 65	23,100	57,800	115,500	173,300	231,000

Death Due to Any Cause:

Age	PKR 1,000,000	PKR 2,500,000	PKR 5,000,000	PKR 7,500,000	PKR 10,000,000
18-25	1400	3500	7,000	10,500	14,000
26-30	1,700	4,100	8,100	12,200	16,200
31-35	2,000	4,900	9,800	14,600	19,500
36-40	2,600	6,300	12,600	18,900	25,200
41-45	3,600	9,000	18,000	27,000	36,000
46-50	5,800	14,300	28,600	42,800	57,100
51-55	9,900	24,600	49,200	73,700	98,300
56-60	16400	40,800	81,600	122,400	163,200
61-65	23,900	59,700	119,300	178,900	238,500