

HBL Islamic Funds – At a Glance

Description	HBL Islamic Money Market Fund (Open end Money Market Scheme)	HBL Islamic Stock Fund (Open end Equity Scheme)
Objective	To seek high liquidity, competitive return and maximum possible preservation of Capital for investors by investing in low risk Shariah Compliant securities	To achieve long term capital growth by investing mainly in Shariah Compliant equity securities.
Investment Policy	<ul style="list-style-type: none"> • The Fund in line with its investment objective would mainly invest in Bank deposits with Islamic banks and Islamic banking windows of conventional banks; • Shariah compliant money market instruments such as Certificate of Islamic Investments (COII), Certificate of Musharaka (COM) with Commercial banks & DFIs, NBFCs and Modaraba companies; • Any other Shariah compliant money market structure, instrument or security such as Certificate of Deposit (CoD), Musharaka, Modaraba, Ijarah, Murabaha (including commodity Murabaha), Salam, Istisna, etc as per the guidelines of the Fund's Shariah Advisor; and • The Fund can also invest in Shariah Compliant investments outside Pakistan subject to conditions imposed by SECP and SBP 	<ul style="list-style-type: none"> • The Fund, in line with its Investment Objectives will mainly invest in Shares/Equities of listed companies permitted by the Shariah Advisor and deposits (other than TDRs) with Shariah Compliant Banks and licensed Islamic Banking windows of conventional Banks. • The Fund can also invest in Shariah Compliant investments outside Pakistan subject to conditions imposed by SECP and SBP.
Initial Investment	Rs. 250 million by HBL as Core Investor	Rs. 250 million by HBL as Core Investor
Initial Offer Price	Rs.100 per unit	Rs.100 per unit
Minimum Investment Size	Rs.1,000	Rs.1,000
Management Fee	1% per annum	2% per annum
Pricing Mechanism	Forward Pricing	Forward Pricing
Front end Load	Nil	2% (Effective from close of Initial Offering of

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		the Fund)											
Back end Load	Nil	Nil											
Eligible for Investments	Individuals, Employees Provident & Gratuity Funds, Federal, Provincial & Local Government and Government Agencies, Autonomous Bodies, public sector entities, private sector entities, licensed Islamic Banks, licensed Islamic Banking windows of conventional Banks, Non Banking Financial Institutions etc.												
IPO Dates	May 9 th and May 10 th 2011												
Shariah Advisor (s)	Mufti Yahya Asim & Mufti Ejaz Ahmed Samdani												
Shariah Technical Services & Support Provider	Habib Bank Limited-Islamic Banking												
Trustee	Central Depository Company (CDC)												
Listing	Anyone of three exchanges												
Auditors	A.F. Ferguson & Co. Chartered Accountants												
Trustee Fee	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">NET ASSETS (Rupees in million)</th> <th rowspan="2" style="text-align: center;">TARIFF</th> </tr> <tr> <th style="text-align: center;">From</th> <th style="text-align: center;">To</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td style="text-align: center;">1,000</td> <td>Rs. 0.7 million or 0.20% p.a. of NAV, which ever is higher.</td> </tr> <tr> <td style="text-align: center;">>1,000</td> <td style="text-align: center;">& Above</td> <td>Rs. 2.0 million plus 0.10% p.a. of NAV, on amount exceeding Rs.1,000 million.</td> </tr> </tbody> </table>		NET ASSETS (Rupees in million)		TARIFF	From	To	1	1,000	Rs. 0.7 million or 0.20% p.a. of NAV, which ever is higher.	>1,000	& Above	Rs. 2.0 million plus 0.10% p.a. of NAV, on amount exceeding Rs.1,000 million.
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Other Costs	Brokerage Charges, Legal Costs, Auditors fee, Company Formation Cost, Listing Fee, Annual fee to SECP, Trustee's Fee, Credit Rating Fee etc.												
Classes of Units	<p><u>Class R (Restricted / Core Units)</u> Class R (Restricted/ Core Units) issued to the core investors with no front end and back end load. These units cannot be redeemed for a period of two (2) years from the date of closure of Initial Public Offer. However such units are transferable, subject to applicability of non redemption condition for remaining of two years' period. In case of any distribution, Class R Unit Holders shall be entitled to receive bonus units only.</p> <p><u>Class A Units (Private Placement / Initial Public Offer)</u> Class A units are being offered and issued during the Private Placement and Initial Public Offer (IPO) with no Front End Load. In case of any distribution, Class A Unit Holders shall be entitled to receive bonus units only as decided by Management Company.</p> <p><u>Class B Units</u> Class B Units shall be offered and issued after the expiry of the Initial Public Offer (IPO) with Front-end Load and Back-end Load as specified in Annexure A. In case of any distribution, Class B Unit Holders shall be entitled to receive bonus units only. .</p>												

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	<p>Class C Units Class “C” units, shall be offered and issued after the Initial Public Offer (IPO) with Front-end Load and Back-end Load as specified in Annexure A. In case of any distribution, Class C Unit Holders shall be entitled to receive cash dividend only.</p> <p><i>(The investor/unitholder may convert may convert the units from one Class of units to another class i.e. from Class “A” to Class “C” or from Class “C” to Class “B” or from Class “B” to Class “C” without any extra charges)</i></p>
Types of Units	<p>An investor at the time of opening an account shall select the type(s) of Unit(s) in which investor wishes to invest in, namely Growth units or/and Income units.</p> <p>a) Growth Units The Unit value grows in line with the growth in the NAV, and the Unit Holders, shall have the option to receive distribution income in the form of cash or bonus units depending upon the class of units, as and when announced by the Management Company for each class of units.</p> <p>b) Income Units: The Unit Holders, based on their own consent & instructions and with prior intimation to the Management Company, exercise the option of redeeming a certain number of Units less or equivalent to the amount earned on their invested amount for fulfilling their requirement of a certain cash amount at Regular Intervals (i.e. monthly, quarterly, semi-annually and annually). Such instructions shall be given in writing at the beginning of each regular interval or at the time of purchase of Units.</p> <p><i>(The unit holders switch between different types of units at their own discretion)</i></p>
Tax Benefit	<p>Tax Credit up to an amount of Rs. 60,000/= for an investment of Rs. 300,000/= is available for individual investors subject to their average rate of tax.</p>