

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-S II/DH/0183/2021

April 6, 2021

Mr. Kashif Rafi
Chief Executive Officer
Al Habib Asset Management Limited
(Formerly: Habib Asset Management Limited)
3rd Floor, MacKinnon's Building,
I.I. Chundrigar Road,
Karachi.

Dear Sir,

**TRUSTEE CONSENT ON DRAFT FOURTEENTH SUPPLEMENTAL OFFERING
DOCUMENT OF FIRST HABIB INCOME FUND.**

With reference to the email dated March 26, 2021, received from your good office on the captioned subject, we have reviewed the enclosed draft fourteenth supplemental offering document of First Habib Income Fund and hereby provide our consent for the same for onward submission to the Securities & Exchange Commission of Pakistan.

Further, any changes made subsequently in enclosed document will require our fresh consent.

Looking forward for a warm and growing working relationship.

Yours truly,

Atiqur Rehman
Head of Department
Trustee & Custodial Services

Encl: As above.

Cc: Ms. Khalida Habib
Executive Director/HOD
Policy Regulation and Development Department-Specialized
Companies Division,
Securities & Exchange Commission of Pakistan
NIC Building Jinnah Avenue,
Blue Area, Islamabad

**14th SUPPLEMENT TO THE OFFERING DOCUMENT
OF FIRST HABIB INCOME FUND DATED _____, 2021**

AL Habib Asset Management Limited, an Asset Management Company incorporated under the Companies Act, 2017 and licensed by the Securities and Exchange Commission of Pakistan to undertake asset management services under the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003.

First Habib Income Fund has been established in Pakistan by a Trust Deed dated September 06, 2006, registered under the Trusts Act 1882 between AL Habib Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited as the Trustee and authorized under the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003.

Effective _____, 2021 the Offering Document of First Habib Income Fund has been amended as under:

1) Clause 2.2.1 will be replaced and read as follows:

a) FHIF may investment in the following Authorized Avenues;

Asset Classes	Minimum Entity Rating	Minimum Instrument Rating	Maximum Exposure Limit (% of total net assets)
Government Securities	N/A	N/A	100%
Term Finance Certificates (TFCs) and Corporate Sukuks	Investment Grade	Investment Grade	75%
Money Market Placements	Investment Grade	Investment Grade	75%
Letter of Placement (LOPs)	Investment Grade	Investment Grade	15%
Certificate of Deposits (CODs)	Investment Grade	Investment Grade	15%
Certificate of Musharakas (COMs)	Investment Grade	Investment Grade	15%
Certificate of Investments (COIs)	Investment Grade	Investment Grade	15%



Term Deposit Receipts (TDRs)	Investment Grade	Investment Grade	15%
Commercial Paper	Investment Grade	Investment Grade	15%
Reverse Repo Transactions	Investment Grade	Investment Grade	15%
Margin Trading and Spread transactions	N/A	N/A	40%
Cash and near cash instruments which include Cash in Bank Accounts (excluding TDRs), Treasury Bills not exceeding 90 days maturity and GoP Ijara Sukuk not exceeding 90 days maturity	Investment Grade	Investment Grade	100% [Minimum 25% on the basis of the average for each calendar month]
Subject to the Commission or other regulatory approvals, the Scheme may seek to invest in foreign fixed income securities issued, listed or otherwise and traded outside Pakistan on such terms, guidelines and direction as may be issued by the Commission and the State Bank of Pakistan from time to time	Investment Grade	Investment Grade	30% or (subject to a cap of US\$ 15 million)
Any investment, which is an Authorised Investment under the Trust Deed or which is authorized by the Commission	Investment Grade	Investment Grade	30% unless otherwise specified by the Commission

- If the instrument is guaranteed by the Government of Pakistan, the instrument rating will be deemed as AAA and the entity rating will be ignored.

2) Clause 3.7 will be replaced and read as follows:

3.7 Registrar

The Management Company will be performing the Registrar function at its Registered Office at 3rd Floor, Mackinnons Building, I.I. Chundrigar Road, Karachi. In case of any change, the Unit Holders will be notified by a notice.

3) Clause 4.1 will be replaced and read as follows:

4.1 Minimum Amount of Investment

The minimum initial amount of investment in the Fund is Rs. 5,000/- and the minimum amount of any subsequent investment will be Rs.1,000/-. However, since as an administrative arrangement, the Management Company may be offering various plans, the minimum amounts for the plans shall be specified in the respective Supplementary Offering Documents. The Management Company reserves the right to alter the minimum amounts stated herein above



subject to prior approval of the Commission. In the event, the investment in any investor's account falls below the minimum level as a result of revised limits, changes in valuation, redemption, transfer or transmission, the Management Company may close such account by redeeming the Units in such accounts at the close of any accounting period at the price applicable to redemptions on such date.

4) Clause 4.3.5 Allotment (Issue of Units) will be replaced and read as follows:

(a) Units are purchased at the Offer Price at any of the Authorized Distribution Offices during Business Hours on any Dealing Day in accordance with the procedure set out in of this Offering Document.

(b) Units of the Scheme shall be allocated on the basis of Purchase (Offer) Price applicable on the date of receipt of duly completed purchase application along with the payment instrument within cutoff timings.

5) Clause 4.4.2 (a) will be inserted and read as follows:

4.4.2 (a) Procedure for Redemption and Re-Investment of Units

The Management Company shall give the option to the unitholders to conduct transactions through Form or through a standing instruction duly signed by the customer and transactions shall be executed accordingly.

6) Annexure-C will be replaced and read as follows:

DISTRIBUTION OFFICES

AL HABIB ASSET MANAGEMENT LIMITED

(formerly: Habib Asset Management Limited)

3rd Floor, Mackinnons Building, I.I. Chundrigar, Karachi

UAN: +92 (21) 111-342-242 (PABX +92 (21) 32469115-19

Fax +92 (21) 32469121

Email info@alhabibfunds.com

BANK AL HABIB LIMITED (AUTHORISED BRANCHES ONLY)

Visit our website: www.alhabibfund.com

