



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN  
SPECIALIZED COMPANIES DIVISION  
POLICY, REGULATION AND DEVELOPMENT DEPARTMENT

No. SCD/AMCW/FCMF/1147/2014

November 12, 2014

**Chief Executive Officer**

First Capital Investments Limited,  
2<sup>nd</sup> & 3<sup>rd</sup> Floor, Pace Mall,  
Fortress Stadium,  
**Lahore**

**Subject: Approval of 2nd Supplemental Offering Document of First Capital Mutual Fund**

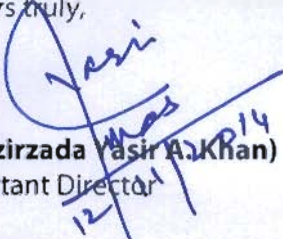
Dear Sir,

Please refer to the application dated October 23, 2014 received from First Capital Investment Limited on the captioned subject.

In this connection, I am directed to inform you that the 2<sup>nd</sup> supplement to the offering document of First Capital Mutual Fund proposed by First Capital Investment Limited has been acceded to by the Securities and Exchange Commission of Pakistan.

Further, you are advised to inform/notify the unit holders regarding the proposed amendments in the Offering Document as per provision of the said document and also place the 2<sup>nd</sup> supplement to Offering Document of the Fund on the website of First Capital Investment Limited.

Yours truly,

  
(Wazirzada Yasir A. Khan)  
Assistant Director

**Cc:** Chief Executive Officer  
Central Depository Company- Trustee  
CDC- House, 99-B, Block 'B', S.M.C.H.S, Main Shakra-e-Faisal  
Karachi.

2<sup>nd</sup> Supplement to the Offering  
Document of First Capital  
Mutual Fund (FCMF)

Dated: 12-11-2014

Second Supplement Dated 12-11-2014 to the Offering Document of First Capital Mutual Fund (FCMF)

(Managed by First Capital Investments Limited (FCIL) an Asset Management Company registered with the Securities & Exchange Commission of Pakistan (SECP) and regulated under the Non-Banking Finance Companies (NBFC) Rules 2003 and Non-Banking Finance Companies and Notified Entities (NE) Regulations, 2008.)

First Capital Mutual Fund is established in Lahore, Pakistan as an Open end Scheme through a Trust Deed, dated August 06, 2013 under the Trusts Act, 1882 between First Capital Investments Limited, as the Management Company and Central Depository Company of Pakistan Limited (CDC), as the Trustee and authorized under the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Effective from 12-11-2014 the following clauses are proposed to be included in the Offering Document subject to the approval of SECP:

1. Replace Clause 4.2.3 with the following clause;  
*“The Management Company, with the exception of Initial Units which were designated as Class “B” Units, does not intend to currently offer Class “B” and “C” Units at the time of publication of this 2<sup>nd</sup> Supplement to the Offering Document, which may be offered at the discretion of the Management Company at a subsequent stage, after approval of the SECP, through newspaper announcements having wide circulation in Pakistan.”*
2. Remove the following paragraphs from the clause 4.10.2;  
*“SECP vide its letter No. SCD/AMCW/FCIL/625/2013, dated 03 July 2013, has suspended the issuance of fresh units, which shall remain suspended from the effective date till FCIL complies the following conditions*
  - a) *FCMF employs requisite staff, dedicated management team including fund managers, possesses adequate / upgraded system and accounting software to handle issuance of units, has strong distribution network / marketing team, dedicated research department, investor services department, and investor complaint handling department, along with requisite operations manuals for each area to the satisfaction of the SECP; and*
  - b) *Upon conversion into open-end scheme, daily NAV of FCMF shall be calculated by the AMC and verified by the trustee of the fund prior to publication/dissemination. FCIL shall be bound to furnish all or any information which the trustee of the fund may require to perform this function.*

- c) *Appointment of CEO that fulfills the 'fit and proper' criteria and complies with other regulatory requirements after seeking prior approval of SECP and meeting such other conditions as may be imposed by SECP.*
- d) *FCIL shall immediately comply with the minimum equity requirement of Rs. 200 million in accordance with Non-Banking Finance Companies and Notified Entities Regulations, 2008.*
- e) *FCIL shall comply with conditions # (a) mentioned above to the satisfaction of the SECP, no later than September 10, 2013, failing which, the SECP/trustee may proceed in accordance with law for winding up or the transfer of fund and/or cancellation of AMS license.*
- f) *FCIL shall not be eligible to manage/launch any other collective investment scheme.*

*Although subsequent to conversion of FCMFL the fresh issuance of units is suspended, however, the clauses included in this Offering Document related to issuance of fresh units will apply mutatis mutandis as soon as FCIL is allowed to issue new /fresh units by SECP."*

3. Insert the following paragraph in FILLING OF OFFERING DOCUMENT;  
*"SECP vide its letter No. SCD/AMCW/FCMF/147/2014 dated 12-11-2014, has approved the issuance of fresh units."*
4. Remove the following paragraphs from clause 10.4;  
*"If the Management Company does not comply with the following conditions to the satisfaction of the SECP by September 10, 2013, the SECP/trustee may proceed in accordance with law for winding up or transfer of FCMF and/or cancellation of AMS license:*
  - a) *FCIL employs requisite staff, dedicated management team including fund managers, possesses adequate / upgraded system and accounting software to handle issuance of units, has strong distribution network / marketing team, dedicated research department, investor services department, and investor complaint handling department, along with requisite operations manuals for each area to the satisfaction of the SECP; and*
  - b) *Upon conversion into open-end scheme, daily NAV of FCMF shall be calculated by the AMC and verified by the trustee of the fund prior to publication/dissemination. FCIL shall be bound to furnish all or any information which the trustee of the fund may require to perform this function*

- c) *Appointment of CEO by July 22, 2013 to a person/entity that fulfills the 'fit and proper' criteria and complies with other regulatory requirements after seeking prior approval of SECP and meeting such other conditions as may be imposed by SECP.*
- d) *FCIL shall immediately comply with the minimum equity requirement of Rs. 200 million in accordance with Non-Banking Finance Companies and Notified Entities Regulations 2008.*
- e) *FCIL shall comply with conditions # (a) mentioned above to the satisfaction of the SECP, no later than September 10, 2013, failing which, the SECP/trustee may proceed in accordance with law for winding up or the transfer of fund and/or cancellation of AMS license."*

5. Remove the word "Further" appearing after clause (e) above;

6. Replace the NOTE in Annexure A with the following Note, which is in line with changes suggested at clause 4.2.3;

*"NOTE: The Management Company, with the exception of Initial Units which were Class "B" Unites, does not intend to currently offer Class "B" and "C" Units at the time of publication of this 2<sup>nd</sup> Supplement to the Offering Document, which may be offered at the discretion of the Management Company at a subsequent stage, after approval of the SECP, through newspaper announcements having wide circulation in Pakistan."*