

FIRST SUPPLEMENTAL
TO THE
OFFERING DOCUMENT OF

ALFALAH GOVERNMENT SECURITIES FUND

(An Open Ended Sovereign Income Scheme))

Category of Fund/Plan	Risk Profile	Risk of PrincipalErosion
Alfalalah Government Securities Plan-I	Medium	Principal at Medium Risk
Alfalalah Government Securities Plan-II	Medium	Principal at Medium Risk

MANAGED BY

ALFALAH ASSET MANAGEMENT LIMITED

Dated:_____, 2024

**First Supplement dated November 04, 2024 to the
Offering Document of Alfalah Government Securities Fund issued on September 10, 2024
[Managed by **Alfalah Asset Management Limited**]
An Asset Management Company Licensed under the Non-Banking Finance Companies
(Establishment and Regulation) Rules, 2008]**

The Alfalah Government Securities Fund (“AGSF”) has been established through a Trust Deed (“Deed”) dated Jan 15, 2024 entered by and between Alfalah Asset Management Company (“Company”), and Central Depository Company of Pakistan Limited (“Trustee”) under the Sindh Trust Act, 2020.

SECP has approved the 1st Supplement to the Offering Document, under Regulation 44(8) of the NBFC & NE Regulations 2008 vide letter no. SCD/AMCW/AGSF/2024/ dated November 4, 2024.

1. Objective of the Supplementary Offering Document

Alfalah Asset Management Limited is introducing **Alfalah Government Securities Plan-II** through this Supplementary Offering Document in compliance with the relevant regulations and as stated in the Offering Document of AGSF.

2. Amendment in Clause 1.4 “Duration”

Table specified under clause 1.4 “Duration” has been amended to add the duration of new investment plan and shall be read as follows:

Plan Name	Duration
Alfalah Government Securities Plan-I	Perpetual
Alfalah Government Securities Plan-II	03 Years after the close of Initial Period

3. Amendment in Clause 1.10 “Initial Offer and Initial Period”

The Clause 1.10 “Initial Offer and Initial Period” has been amended and a new para is added under the clause for new plan which shall be read as follows:

Alfalah Government Securities Plan-II

Initial Offer of 2nd Investment Plan under Alfalah Government Securities Fund is made during the Initial Period which will be One (01) Business Day(s) and begins at the start of the banking hours on October __, 2024 and shall end at the close of the banking hours on October __, 2024. During the initial period, the Units shall be issued at the Initial Price of Rs.100 per Unit and subsequently at the price calculated and announced by the Management Company for every Dealing Day.

4. Addition of Name, Investment Objective & Benchmark of New Plan under Clause 2.2 “Investment Plans”

The name of new investment plan is added under clause 2.2 along with the addition of Investment objective & Benchmark of new Plan under sub clause 2.2.1 & 2.2.2, now the amended clause shall be read as follows:

2.2 Investment Plans

Following Investment Plan(s) are offered under the Fund:

S.No.	Investment Plan(s)
1.	Alfalah Government Securities Plan-I
2.	Alfalah Government Securities Plan-II

The Management Company may provide additional and/or amend existing Investment Plans with prior approval of the Commission, and may announce the same through Supplementary Offering Documents.

2.2.1 Investment Objectives of Investment Plans

- **Alfalah Government Securities Plan-II**

Alfalah Government Securities Plan-II (AGSP-II) will seek maximum possible preservation of capital and a reasonable rate of return by investing primarily in Government Securities.

- Term/ Duration of the Investment Plan:** The Duration/Term of Alfalah Government Securities Plan-II shall be three (3) years after the close of initial period.
- Subscription Period after Initial Offer Period:** Subsequently, the Public Offering will be made at the Offer Price and redeemed at the Redemption Price. The Management Company will fix the Offer (Purchase) and Redemption (Repurchase) Prices for every Dealing Day on the basis of the Net Asset Value (NAV). The NAV based price shall be fixed after adjusting for the Sales Load as the case may be and any Transaction Costs that may be applicable. Only Type “A” Units shall be issued at Offer Price to the investors during subscription period.
- The Management Company may waive the Sales Load fully or partially at its own discretion to any investor.

2.2.2 Benchmark

The Benchmark of the Investment Plans are as follows:

Plan	Benchmark
Alfalah Government Securities Plan-I (AGSP-I)	Six (6) months PKRV rates
Alfalah Government Securities Plan-I (AGSP-II)	Six (6) months PKRV rates

5. Amendment in Clause 2.2.9 “Investment policy of the Investment Plans”

Under the heading “Investment policy of the Investment Plans” Authorized Investment Table of new investment Plan is added and shall be read as follows:

• **Alfalah Government Securities Plan-II**

S.No.	Description	Minimum Entity Rating	Minimum Instrument Rating	Minimum Exposure	Maximum Exposure
1.	Government Securities (including Sukuks).	N/A	N/A	*70%	100%
2.	Cash at Bank (excluding TDR), T-Bills & GOP Ijarah Sukuks with maturity not exceeding 90 days on monthly average basis.	Investment Grade	N/A	**10% - 30% in case of cash in bank accounts & 0% to 100% in case of T-bills & GOP Ijarah Sukuks of less than 90 days maturity	
3	Non-traded securities including reverse repos, bank deposits, certificates of investments (COI), certificate of musharakas (COM) and anything over 6 months' maturity which is not a marketable security	Investment Grade	N/A	0%	15%
4.	Money market instruments including Commercial Paper, short-term Sukuks	Investment Grade	Investment Grade - (long term) A3 - (short term)	0%	20%
5.	Authorized investment outside Pakistan including Sovereign mutual funds shall be subject to prior approval and guidelines (if any) of the SECP & SBP	N/A	N/A	20% or USD 15 Million whichever is lower (As allowed by SECP)	
6.	Any other instruments/securities that may be permitted or approved by the SECP and from time to time	Investment Grade	A3 (short term)	20% (As allowed by SECP)	
			AGSP-II		
Time to maturity of any single asset in the portfolio			3Years		
WATM			3Years***		
***This restriction shall not apply to Government Securities					

Notes:

- *At least 70% of net assets shall remain invested in Government Securities on monthly average basis calculated at the end of each month. In the event of any breach in the same due to increase or decrease in net assets due to issuance or redemption, the breach shall be regularized within one month of the breach.
- **The investment in Cash & near Cash shall be calculated on the daily basis and minimum exposure limit shall be 10% of net assets at all time.
- The Management Company shall not invest asset of the Fund/investment Plan abroad unless it has obtained prior written approval of State Bank of Pakistan (SBP) and the commission in this regard:

where such investment shall be in line with the overall framework of authorized investment as per prescribed for this category of Collective Investment Scheme (CIS).

6. Addition of new Investment Plan in the table “Basic Feature of the Investment Plans” specified under Clause 2.3

Plan Name	Duration	IPO Date	Maturity Date	Front End Load	Back End Load	Contingent Load
Alfalah Government Securities Plan-I	Perpetual	09-Sep-2024	N/A	up to 3%	0%	0%
Alfalah Government Securities Plan-II	03 Years after the close of Initial Period	___ Oct-2024	___ Oct-2027	up to 3%	0%	0%

7. Amendments in Clause 3.11.1 “Bank Accounts”

New Point after Point 1 will added and shall read as follows:

“Collection Account shall only be used for soliciting online investment through payment aggregators like 1 Link and other similar payment gateways subject to prior approval of the Commission. The Management Company shall maintain separate Collection Account(s) for each Trustee and also maintain a separate Collection Account for Shariah and Conventional Funds respectively. Moreover, the maximum time period for transfer of money from a Collection Account to respective fund or plans’ account is within one working day”

Point 02 under the clause 3.11.1 has been amended to accommodate the bank details of new plan, now the amended point shall be read as follows:

- **For Alfalah Government Securities Plan-I (AGSP-I)**
 - ❖ “CDC- Trustee Alfalah Government Securities Plan-I”
- **For Alfalah Government Securities Plan-II (AGSP-II)**
 - ❖ “CDC- Trustee Alfalah Government Securities Plan-II”

8. Amendment in clause 4.5.4 “Purchase of Units”

Under Point 03 of clause 4.5.4, bank account details of new investment plan is added along with the existing plan now the same shall be read as follows:

For Alfalah Government Securities Plan-I:

- Demand draft, Pay order, Online transfer, RTGS and cheque in favor of “CDC- Trustee Alfalah Government Securities Plan-I”

For Alfalah Government Securities Plan-II:

- Demand draft, Pay order, Online transfer, RTGS and cheque in favor of “CDC- Trustee Alfalah Government Securities Plan-II”

9. Addition of new Investment Plan in the table of Annexure ‘B’

Investment Plan	Front End Load (%)	Contingent Load (%)	Backend Load (%)	Management Fee (%)
Alfalah Government Securities Plan-I	Up to 3%	Nil	Nil	Up to 2% of the average daily net asset value
Alfalah Government Securities Plan-II	Up to 3%	Nil	Nil	Up to 2% of the average daily net asset value