

**2<sup>nd</sup> SUPPLEMENT TO THE**

**OFFERING DOCUMENT**

**OF**

**ALFALAH ISLAMIC MONEY MARKET FUND**

**(AIMMF)**

**An Open Ended Money Market Scheme**

**MANAGED BY**

**ALFALAH ASSET MANAGEMENT LIMITED**

**Dated: December 6, 2023**

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**2<sup>nd</sup> Supplement dated December 6, 2023 to the Offering Document of Alfalah Islamic Money Market Fund (AIMMF) issued on April 05, 2023. [Managed by Alfalah Asset Management Limited, an Asset Management Company Licensed under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2008]**

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The Alfalah Islamic Money Market Fund (the Fund/the Scheme/the Trust/the Unit Trust/AIMMF ) has been established through a Trust Deed (the Deed), dated March 03, 2023 entered into and between Alfalah Asset Management Limited, the Management Company, and Central Depository Company of Pakistan Limited, the Trustee under Sindh Trust Act 2020.

The Securities and Exchange Commission of Pakistan (SECP) has authorized the offer of Units of Alfalah Islamic Money Market Fund (AIMMF) and registered, as a notified entity under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, Non-Banking Finance Companies, and Notified Entities Regulations 2008 (“Regulations”) vide letter no. SCD/AMCW/AIMMF/2023/MF-NE-105/242. Dated March 10, 2023 SECP has approved this Offering Document, under Regulation 54 of the NBFC & NE Regulations 2008 vide letter no. SCD/AMCW/AIMMF/2023/251.

### **Objective of the Supplemental Offering Document**

The Objective of this Supplemental Offering Document of Alfalah Islamic Money Market Fund is to incorporate the changes to the Authorized Investment table by altering the exposure limits and to incorporate regulatory changes introduced vide circulars/directives issued by SECP.

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Effective from December 6, 2023, the following clause of the Offering Document have been added and replaced to read in their entirety as follows:-

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### **2.3 Authorized Investments**

The maximum and minimum weightings of the Fund at any time in the Authorized Investments shall be as follows:

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Existing Table					Revised Table					
Description	Min Entity / Instruments Rating	Minimum Exposure	Maximum Exposure	Maximum Maturity	Description	Min Entity Rating	Instruments Rating	Minimum Exposure	Maximum Exposure	Maximum Maturity
Secured, unsecured, Listed, Unlisted and privately placed Shariah Compliant money market securities including Sukuk issued by Federal Govt. , Provincial Govt. ,Local Govt. , Govt. Agencies, Autonomous Bodies.	AA or above	0%	90%	6 Months	Secured, unsecured, Listed, Unlisted and privately placed Shariah Compliant money market securities including Sukuk issued by Federal Govt. , Provincial Govt. ,Local Govt. , Govt. Agencies, Autonomous Bodies.	N/A	AA or above (Long term) A1 (Short term)	0%	90%	6 Months
Shariah compliant Money market instruments such as Islamic TDR, Certificates of Musharaka (CoM), Islamic Certificates of Deposit (CoD), etc. with Islamic Commercial Banks and Islamic DFIs or Islamic windows of Commercial banks and DFIs.	AA	0%	90%	6 Months	Shariah compliant Money market instruments such as Islamic TDR, Certificates of Musharaka (CoM), Islamic Certificates of Deposit (CoD), etc. with Islamic Commercial Banks and Islamic DFIs or Islamic windows of Commercial banks and DFIs.	AA	N/A	0%	90%	6 Months
Cash and Cash equivalents: Shariah compliant Government Securities with up to 90 days' maturity and cash with Islamic banks/Windows of Conventional Banks.	AA or above	10%	100%	N/A	Cash & Government of Pakistan (GoP) Ijarah Sukuks that can be readily converted into Cash	AA or above	N/A	10%	100%	6 Mont
					Shariah Compliant Placements of funds (including TDR, COD, COM, Money Market Placements and other clean placements of the funds) with all microfinance banks, non-banking finance companies and Modarabas.	AAA	N/A	0%	25%	6 Months

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Shariah Compliant Placements of funds (including TDR, COD, COM, Money Market Placements and other clean placements of the funds) with all microfinance banks, non-banking finance companies and Modarabas.	AAA	0%	25%	6 Months	Shariah Compliant Commercial Papers and Short Term Sukuk issued by corporate entities.	N/A	AA or above (Long term) A1 (Short term)	0%	20%	6 Months
					Shariah Compliant Government Securities.	N/A	N/A	0%	90%	6 Months
					Any other Shariah compliant investment, which may be authorized by the Fund's Shariah Advisors and SECP.	N/A	AA or above (Long term) A1 Short term	0%	As Specified by SECP in the Approval	6 Months
Shariah Compliant Commercial Papers and Short Term Sukuk issued by corporate entities.	AA	0%	20%	6 Months						
Shariah Compliant Government Securities.	AAA	0%	90%	6 Months						
Any other Shariah compliant investment, which may be authorized by the Fund's Shariah Advisors and SECP.	AA	0%	As Specified by SECP in the Approval	6 Months						

**Note:**

- I. Investments shall be made as per the authorized investment limits given above and may include the following mode of Shariah Transaction such as; principles of Bai'-Mu'ajjal, Bai'-Mussawwama, Bai'-Salam, Istisna'a, Mudaraba, Murabaha and Musharakah or any other structure as approved by the Shariah Advisor from time to time.
- II. Weighted average time to maturity of the Scheme shall not exceed 90 days.
- III. Rating of any security in the portfolio shall not be lower than AA (Double A) rating for long term and A1 rating for short term.
- IV. Time to maturity of any asset shall not exceed six months.
- V. The Management Company 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 the Plan/Fund with all microfinance banks, non-bank finance companies and Modarabas.
- VI. Rating of any NBFC and Modaraba with which funds are placed shall not be lower than AAA (Triple A)

VII. Rating of any bank and DFI with which funds are placed should not be lower than AA (Double A)

**Addition/ Replacement of following clause:**

**Clause 4.9.3**

Unit Holder may, subject to the law, transfer any Units of fund/allocation plan(s) held by them either in case of succession (Transmission) or as a gift (blood relation or spouse). The transfer as a gift shall be carried out after the Management Company/Transfer Agent has been satisfied that all the requisite formalities including the payment of any taxes and duties have been complied with.

