

**THIRD SUPPLEMENTAL
TO THE
OFFERING DOCUMENT OF
MCB ISLAMIC INCOME FUND
(MCB-IIF)
MANAGED BY
MCB ARIF HABIB SAVINGS AND INVESTMENTS
LIMITED**

Dated: July 14, 2016

This Third Supplemental dated July 14, 2016 to the Offering Document of MCB Islamic Income Fund (MCB-IIF) issued on June 10, 2011.

Managed by MCB Arif Habib Savings and Investments Limited , an Asset Management Company managing Collective Investment Schemes, registered with the Securities and Exchange Commission of Pakistan (SECP) and regulated under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008)

MCB Islamic Income Fund (the Fund/the Scheme/the Trust/the Unit Trust/MCB-IIF) has been established in Pakistan as an Open-ended unit trust scheme under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the “Regulations”) and registered under the Trust Act 1882 (11 of 1882) by a Trust Deed dated March 07, 2011, entered into and between MCB Asset Management Company Limited, as the Management Company and the Central Depository Company of Pakistan Limited, as the Trustee. MCB Asset Management Company Limited has been amalgamated with and into Arif Habib Investments Limited with effect from June 27, 2011. After this date, MCB Arif Habib Savings and Investments Limited is acting as the Management Company of MCB-IIF.

Sub-clause 6.2.5, 7.1.6, 7.1.8, 12.2(C) and 12.5 of the Offering Document has been added/ amended with regard to Monthly Income Payment for Income Units, Minimum Investment and Statement of Accounts, to read in their entirety as follows:

1. Addition of Sub-clause 6.2.5 to the Offering Document

Added text to be read as

6.2.5 In case of Income Units, if the investment balance of the Unit Holder falls below the minimum limit i.e. Rs. 90,000/-, due to deduction of withholding tax at the time of distribution, the Management Company may, if it thinks fit, continue to pay income/ profit at the desired frequency of the Unit Holder on the reduced investment balance.

2. Amendment of Sub-clause 7.1.6 to the Offering Document

Amended text to be read as

7.1.6 Bonus Units

The Management Company may decide to distribute, wholly or in part the distributable income in the form of a stock dividend on Units other than Cash Dividend Units, if it is in the interest of Unit Holder, which would comprise of the Bonus Units of the Scheme. The Bonus Units would rank pari passu as to their rights in the net assets, earnings and the receipt of dividend and distribution with the existing Units from the date of issue of these bonus Units. The account statement or Unit Certificate shall be electronically sent to the Unit Holder within fifteen (15) days of the issue of Bonus Units. Subject to Clause 6.11 above, the Unit Holder(s) have the option to encash the Bonus Units at ex-dividend Net Asset Value of the effective date of distribution after appropriation of the distribution.

In case where the applicant does not have registered email address, the Management Company will send the account statement through registered post at their registered home address.

3. Amendment of Sub-clause 7.1.8 to the Offering Document

Amended text to be read as

7.1.8 Dispatch of Dividend Warrants/Advice and Account Statement

Dividend warrants/advice/payment instruments and/or Account Statements shall be dispatched to the Unit Holders and the charge-holders at their registered addresses.

4. Amendment of Sub-clause 12.2(c) to the Offering Document

Amended text to be read as

12.2(c) The Holder will be entitled to ask for copies of his account statement to be delivered at registered mailing address thereof on any Business Day within business hours by applying to the Transfer Agent in writing and providing such fee that the Management Company may notify from time to time through website.

5. Amendment of Sub-clause 12.5 to the Offering Document

Amended text to be read as

12.5 The statements or report shall be sent only by electronic mail at the time of opening of first account and there after each time there is issuance of units against fresh subscription/ conversion on the registered email address of the Unit Holder(s).

The Unit Holder will be entitled to ask for copies of his account statement on any Dealing Day within Business Hours by applying to the Management Company/ Transfer Agent in writing and providing such fee as specified in Annexure B that the Management Company may notify from time to time. The Management Company shall provide the account statement to the investors within 7 working days from the receipt of such request.

Provided that the Management Company shall send an investment account statement to each Unit Holder on the registered mailing address provided by the Unit Holder at least once in a year.

Management Company will issue to the unit holder, within 48 hours of the realization of funds, breakup of the total amount received from the unit holder, sales load charged and net amount invested in the fund on his behalf.