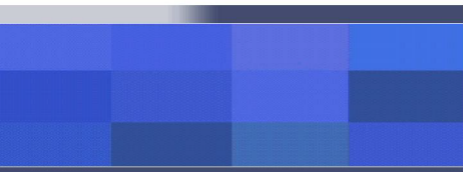


OFFERING DOCUMENT OF



CROSBY DRAGON FUND

Managed by
Crosby Asset Management Limited

Crosby Dragon Fund Offering Document

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**Offering Document
Of
Crosby Dragon Fund**

Dated 15 December, 2003

(Managed by CROSBY ASSET MANAGEMENT LIMITED (CAML), an asset management company, licensed by the Securities & Exchange Commission of Pakistan, under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.)

Crosby Dragon Fund has been established in Pakistan by a Trust Deed, dated 20 September, 2003 registered under the Trusts Act, 1882 (11 of 1882) between CROSBY ASSET MANAGEMENT LIMITED, 8th Floor PIC Towers, 32-A, Lalazar Drive, M.T. Khan Road, Karachi, as the Management Company and JAHANGIR SIDDIQUI INVESTMENT BANK LIMITED, 13th Floor, Chapal Plaza, Room No.1301-1303, Hasrat Mohani Road, Karachi, as the Trustee and authorized under Rule 67 of the Non-Banking Companies (Establishment and Regulation) Rules, 2003.

Initial Offering Period: 15 December, 2003 to 18 December, 2003 during banking hours.

Investment in this Fund is suitable for investors who have the ability to take the risks associated with equity and financial market investments. Capital invested in the equity and financial markets could in extreme circumstances lose its entire value. However, diversification of the investment into a number of equity and debt securities, money market instruments and repurchase transactions tends to reduce the risk substantially. The historical performance of this Fund, the equity and/or financial markets or that of any one security or transaction included in the Fund's portfolio does not necessarily indicate future performance.

Prices of Units and income from them may go down as well as up.

PART I – APPROVAL AND CONSENT

1.1 Approval of the Securities and Exchange Commission of Pakistan

The Securities and Exchange Commission of Pakistan (SECP) has authorized the offer of Units of Crosby Dragon Fund (CDF) under Rule 67 of the NBFC Rules (Rules). The SECP has approved this Offering Document, under Rule 70 of the Rules.

It must be distinctly understood that in giving this approval, the SECP does not take any responsibility for the financial soundness of Crosby Dragon Fund, nor for the accuracy of any statement made or any opinion expressed in this Offering Document.

This Offering Document is governed by the provisions of the Trust Deed. It sets forth information about Crosby Dragon Fund that a prospective investor should know before investing in any unit. Prospective investors should consult their stock broker, bank manager, legal adviser or financial adviser/ consultant. Please refer to sub-clauses 4.7 and 4.8 given below.

PART II – DEFINITIONS

Unless the context requires otherwise the following words or expressions shall have the meaning respectively assigned to them viz.:

- 2.1 "Accounting Date" means the date 30th June in each year and any interim dates at which financial statements of the Trust are drawn up. Provided, however, that the Management Company may, with the consent of the Trustee and after obtaining approval of the SECP and the Commissioner of Income Tax, change such date to any other date.
- 2.2 "Accounting Period" means a period ending on and including an Accounting Date and commencing (in case the first such period) on the date on which the Fund Property is first paid or transferred to the Trustee and (in any other case) from the end of the preceding Accounting Period.
- 2.3 "Administrative Plans/Additional Administrative Plan" means investment plans announced and offered by the Management Company under the Scheme, which may allow the investors focus investment strategies for investments in the Units of the Scheme.
- 2.4 "AMS" means Asset Management Services.
- 2.5 "Auditor" means a Chartered Accountant appointed by the Management Company with the consent of the Trustee, as an Auditor for the Scheme who shall be independent of the auditor of the Management Company and of the Trustee in accordance with the Rules.
- 2.6 "Authorized Branch" means those branches of the Distributors whose addresses will be given in the Offering Document.
- 2.7 "Authorized Investment" means Pakistan origin investments transacted, issued, traded or listed inside or outside Pakistan and includes any of the following:
 - (a) Securities, shares, stock, bonds, debentures, debenture stock, warrants, options, participation term certificates, modaraba certificates, musharika certificates, term finance certificates, convertible bonds and other asset backed or mortgage backed securities;
 - (b) Treasury Bills, Pakistan Investment Bonds, (PIBs) and other equity based and debt based instruments or securities issued or guaranteed by the Federal Government or

any Provincial Government, or any Local Body or Local Government or by any public sector entities in Pakistan;

- (c) Money Market Instruments, Certificates of Deposits, Certificates of Investments and Bankers' Acceptances;
- (d) Deposits with Banks, that have a minimum investment grade rating of "BBB" or in the absence of an investment grade rating subject to the approval of the Trustee and SECP;
- (e) Any other equity or debt security (subject to a minimum investment grade rating as per criteria laid down by the SECP: Provided the Government of Pakistan is not the issuer or Guarantor or in the absence thereof of a minimum investment grade rating subject to the approval of the Trustee and SECP) in respect of which permission to deal on a Stock Exchange is effective;
- (f) Repurchase Transactions (REPOs) and reverse REPOs including Carry Over Transactions (COTs); purchase or sale of a security for ready settlement and the reverse thereof (sale or purchase, as the case may be) for future settlement;
- (g) Margin Financing, Options and Derivatives, (subject to the SECP's approval); and
- (h) Securities traded at the Over-The-Counter (OTC) markets, in accordance with the regulations and trading mechanisms of such markets, as approved by the SECP;

but does not include bearer security or any security that would involve assumption of unlimited or undeterminable liability and subject to the limitations included in sub-clause 4.3(e) of this Offering Document and 5.12 of the Trust Deed.

- 2.8 "Average Annual Net Asset" shall have the same meanings as contemplated under the Rules.
- 2.9 "Back-end Load" means a processing charge, deducted by the Management Company from the Net Asset Value in determining the Redemption Price (also known as "Sales Load").
- 2.10 "Bank" means any Scheduled Bank as defined under the State Bank of Pakistan Act, 1956, and licensed to carry on banking business under the Banking Companies Ordinance, 1962 and shall include a Scheduled Bank, incorporated outside Pakistan and carrying on banking business in Pakistan.
- 2.11 "Bank Accounts" means those accounts opened and maintained at Banks, the beneficial ownership of which vest in the Unitholders of the Scheme and for which the Trustee has been appointed the trustee.
- 2.12 "Base Currency/Reporting Currency" means the currency used in presenting the financial statements, which will be the Pakistani Rupee.

- 2.13 "Business Day/ Dealing Day" means a day (such business hours thereof) when Banks are open for business in Pakistan.
- 2.14 "Carry Over Transaction (COT)" is a form of financing transacted through the Stock Exchange. It consists of two simultaneous transactions, the first for purchase of an underlying security (shares) on the next settlement date and the second for selling back the security at a price for a subsequent settlement date.
- 2.15 "Certificate" means the definitive certificate acknowledging the number of Units registered in the name of the Holder issued at the request of the Holder pursuant to the provisions of this Trust Deed and the Offering Document.
- 2.16 "Connected Person" shall have the same meaning as in the Rules (NBFC Rules).
- 2.17 "Constitutive Documents" means this Trust Deed which is the principal document governing the formation management or operation of the Fund and all related material agreements envisaged under the Rules.
- 2.18 "Core Investors" of the Fund shall be such initial investors whose subscription shall in aggregate be in compliance of the requirements of the Rules. The Core Investors shall be issued with Core Units representing their subscriptions. Details of the Core Investors shall be included in the Offering Document that shall be issued for this Trust.
- 2.19 "Core Units" shall mean such Units of the Fund that are issued to Core Investors with the condition that these are not redeemable for a period of two years from the date of issue. Such Units are transferable with this condition and shall rank *pari passu* with all other Units save for this restriction. Any transfer of these Core Units, during the first two years of their issue, shall be affected only on the receipt by the Registrar of a written acceptance of this condition by the transferee.
- 2.20 "Crosby Dragon Fund", "CDF", " Fund", "Trust", "Unit Trust" or "Scheme" means the Unit Trust constituted by this Deed as an Open-end Fund for continuous offers for sale of Units.
- 2.21 "Discount Rate" means the rate at which the State Bank of Pakistan makes funds available to Banks for short periods against the collateral of Government bonds; and if no longer published then the substitute thereof.
- 2.22 "Distribution Account" means the account (which may be a current, saving or deposit account) maintained by the Trustee with a Bank approved by the Management Company in which the amount required for distribution of income to the Holders shall be transferred.
- 2.23 "Distributor and Distribution Company or Distribution Companies" means a company or companies, firm or firms or a Bank appointed by the Management Company with the approval of the Trustee for performing any or all of the Distribution Functions and shall include the Management Company itself, if it performs the Distribution Function;

- 2.24 "Distribution Function" means the functions with regard to:
- (a) Receiving applications and money for Units from persons;
 - (b) Issuing receipts in respect of applications received in accordance with Clause (a) above;
 - (c) Issuing contract notes to the applicant in accordance with the terms of the Scheme;
 - (d) Receiving redemption notices, transfer instructions/ applications, conversion notices and applications for change of address or issue of duplicate Certificates from the Holders for immediate transmission to the Management Company or the Scheme and generally interfacing with and providing requisite services to the holders in relation to the issue, transfer and redemption of Units.
- Accounting to the Trustee for (i) for monies received from the applicants for issuance of Units; (ii) payments made to the Holders on redemption of Units; and (iii) expenses incurred in relations to the Distribution Function.
- 2.25 "Duties and Charges" means in relation to any particular transaction or dealing all stamp duties, taxes, Government charges, in respect of the issue, sale, transfer, redemption of Units, and/or cancellation or replacement of a Certificate or otherwise which may have become or may be payable in respect of or prior to or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable but do not include the remuneration payable to the Distribution Company or any Front-end or Back-end Load or commission payable to agents on sales and redemption of Units or any commission charges or costs which may have been taken into account in ascertaining the Net Asset Value.
- 2.26 "First Offer" means the price of Rs: 100/- per Unit during the initial offering period determined by the Management Company, which shall not exceed a period of 15 days (provided this period may be extended with the prior approval of the Trustee and SECP) from the commencement of the operation of the Scheme.
- 2.27 "Formation Cost" means all preliminary and floatation expenses of the CDF including expenses in connection with authorization of the Scheme and its application fee payable to the SECP, execution and registration of the Constitutive Document, issue, legal costs, printing, circulation and publication of the Offering Document, announcements describing the Fund and related administrative investment plans inviting investment therein and all expenses incurred during the period leading up to the First Offer.
- 2.28 "Front-end Load" means the sales and processing charges, also described as Sales Load in Clause 2.47, payable to the Management Company, which are included in the Offer Price of Units.
- 2.29 "Fund's Auditor" means the Auditor.
- 2.30 "Fund Property" means the aggregate proceeds of the sale of all Units at Offer Price and any Transaction Costs recovered in the Offer or Redemption Prices after deducting therefrom or

providing thereagainst the value of Redemption, Front-end Load, Back-end Load, Duties and Charges (if included in the Offer Price or Redemption Price) applicable to the issue or redemption of Units and any expenses chargeable to the Fund and includes properties of all kinds, including shares, securities, deposits, right and bonus shares, cash, bank balances, profits, dividends, fees, commissions, all receivables, claims, contracts, licences, privileges, accrued or accruing or contingent, all income, profit and other benefits arising therefrom and all other moveable and immovable properties and assets of every description for the time being held or deemed to be held upon trust by the Trustee for the benefit of the Unitholders pursuant to the Trust Deed but does not include any amount standing to the credit of the Distribution Account.

- 2.31 "Holder" or "Unitholder" means the investor whose name is for the time being entered in the Register as owner of a Unit or a fraction thereof of including investors jointly so registered pursuant to the provisions of this Deed.
- 2.32 "Investment" means any Authorized Investment forming part of the Fund Property.
- 2.33 "Investment Facilitator (Facilitator)" means an individual, firm, corporate or other entity appointed by the Management Company at its sole responsibility to identify, solicit and assist investors in investing in the Fund. The Management Company shall compensate the Facilitators out of the Sales Load collected by it in the Offer Price.
- 2.34 "Net Assets" means the excess of assets over liabilities of the Fund, such excess being computed in the manner specified hereunder, namely:
- 2.34.1 A security listed on a stock exchange shall be valued at its last sale price on such exchange on the date as of which it is valued, or if such exchange is not open on such date, then at its last sale price on the next preceding date on which such exchange was open and if no sale is reported for such date, the security shall be valued at an amount not higher than the closing asked price nor lower than the closing bid price;
- 2.34.2 An investment purchased and awaiting payment against delivery shall be included for valuation purposes as security held, and the cash account of the Scheme shall be adjusted to reflect the purchase price, including brokers' commission and other expenses incurred in the purchase thereof but not disbursed as of the valuation date;
- 2.34.3 An investment sold but not delivered pending receipt of proceeds shall be valued at the net sale price;
- 2.34.4 A security bought or sold under a repurchase or reverse repurchase transaction, which has to be settled at a future date, shall be valued by taking the net affect of the complete transaction into account. The value or loss accruing from such transaction shall be recognized taking into account the allocation of such value or loss over the period between the transaction date and the settlement date;
- 2.34.5 The value of any dividends, bonus-shares or rights which may have been declared on securities in the portfolio but not received by the Fund as of the close of business on the

valuation date shall be included as the assets of the Scheme if the security upon which such dividends, bonuses or rights were declared is included in the Assets and is valued ex-dividends, ex-bonus or ex-rights as the case may be;

- 2.34.6 A security not listed or quoted on a stock exchange shall be valued at investment price or its break-up value as per last audited accounts, whichever is lower. However, a debt security which is not quoted on a stock exchange shall be valued on a basis of secondary market quotations for such security if there is an active secondary market for such security or on a basis (acceptable to the Auditor of the Fund) which takes into account the remaining life of the security, the value of any warrants, conversion rights, etc., the prevailing market lending rates for the tenor and class of the issuer of the security, the ranking in seniority of the debt represented by the security and any other factors that may affect the value of the security;
- 2.34.7 Interest/ mark-up accrued on any interest/ mark-up bearing security in the portfolio shall be included as an asset of the Fund if such accrued interest/ mark-up is not otherwise in the valuation of the security;
- 2.34.8 Any value accrued (or loss incurred), realized or otherwise, on any commitment entered into on behalf of the Trust;
- 2.34.9 Any other income accrued up to the date on which computation was made shall also be included in the assets; and
- 2.34.10 All liabilities, expenses, taxes and other charges due or accrued up to the date of computation which are chargeable under the Rules and this Trust Deed (other than the paid-up value of the Units issued by the Fund) shall be deducted from the value of the assets.
- 2.34.11 The remuneration accrued upto the date of computation payable to the Management Company and the Trustee shall also be included as an expense.
- 2.35 "Net Asset Value" or "NAV" means per Unit value of the Fund arrived at by dividing the Net Assets by the number of Units outstanding.
- 2.36 "Offer Price" means the sum to be paid to the Trustee for issuance of one Unit, such price to be determined pursuant to Clause 19 of the Trust Deed and to be stated in the Offering Document.
- 2.37 "Offering Document" means the prospectus, advertisements or other documents or invitations to the public to invest in the Scheme (approved by the SECP), which contain the investment and distribution policy and all other information in respect of the CDF as required by the Rules and is calculated to invite offers by the public to invest in CDF.
- 2.38 "Ordinance" means Companies Ordinance, 1984.
- 2.39 "Par Value" means the First Offer Price of a Unit that shall be Rs:100/- (Rupees One Hundred only).

- 2.40 "Personal Law" means the law of inheritance and succession as applicable to the individual Unitholder.
- 2.41 "Redemption Price" means the amount to be paid to the relevant Holder of a Unit upon redemption of that Unit, such amount to be determined pursuant to Clause 22 of the Trust Deed and to be stated in the Offering Document.
- 2.42 "Redemption Request Form" means the prescribed form, which shall be given in the Offering Document.
- 2.43 "Register" means the Register of the Holders kept pursuant to the Rules and the Trust Deed.
- 2.44 "Registrar" means an organization that the Management Company shall appoint for performing the Registrar Function.
- 2.45 "Registrar Function" means the functions with regard to:
- 2.45.1 Maintaining the Register;
 - 2.45.2 Processing requests for issue, redemption, transfer and transmission of Units and requests for recording of lien or for recording of changes in data with regard to the Unitholders;
 - 2.45.3 Issuing account statements to the Holders;
 - 2.45.4 Issuing Certificates including Certificates in lieu of un-distributed income to Holders;
 - 2.45.5 Dispatching income distribution warrants and bank transfer intimations; and
 - 2.45.6 Canceling old Certificates on redemption or replacement.
- 2.46 "Rules" means the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, as amended from time to time.
- 2.47 "Sales Load" means the sales and processing charge or commission (excluding Duties and Charges) not exceeding 5% (five percent) of the Net Asset Value. The Management Company may at its discretion charge different levels of the Load to different investors, which will be specified in the Offering Document .
- 2.48 "SECP" means the Securities and Exchange Commission of Pakistan, established under Section 3 of the Securities & Exchange Commission of Pakistan Act, 1997 and shall include its legal successor.
- 2.49 "Stock Exchange" means Karachi Stock Exchange, Lahore Stock Exchange, Islamabad Stock Exchange or any other stock exchange registered under Sections 4 and 5 of the Securities and Exchange Ordinance, 1969.

- 2.50 "Supplementary Offering Document" means an Additional Offering Document issued by the Management Company in consultation with the Trustee after seeking approval of the SECP, describing the special features of an Administrative Plan(s), Offering Investment in CDF.
- 2.51 "Subscription Day" means every Business Day provided that the Management Company may with the prior written consent of the Trustee and upon giving not less than seven days notice in the newspapers declare any particular Business Day not to be a Subscription Day.
- 2.52 "Transfer Application Form" means the prescribed Form, which will be given in the Offering Document.
- 2.53 "Transaction Costs" means the costs incurred or estimated by the Management Company to cover the costs (such as, but not restricted to, brokerage, Trustee charges, taxes or levies on transactions, etc.) related to the investing or disinvesting activity of the Fund's portfolio, necessitated by creation or cancellation of Units. Such costs may be added to the NAV for determining the Offer Price of Units or be deducted from the NAV in determining the Redemption Price. The Transaction Costs shall not normally be applied in determining these prices. However, if the Management Company is of the view that it is in the overall interest of the Unitholders, it may, in consultation and with the agreement of the Trustee, apply such charge either to the Offer or the Redemption Price. The Management Company may, however, apply Transaction Costs while determining the Offer or Redemption Prices, without consulting the Trustee provided the difference between the Offer Price and the Redemption Price does not exceed five percent. The element of Transaction Costs taken into account in determining the prices and collected so, shall form a part of the Fund Property.
- 2.54 "Unit" means one undivided share in the CDF and where the context so indicates, a fraction thereof.

Words and expressions used but not defined herein shall have the meanings assigned to them in the Rules. Words importing persons include corporations, words importing the masculine gender include the feminine gender, words importing singular include plural and words "written" or "in writing" include printing, engraving, lithography, or other means of visible reproduction.

PART III – CONSTITUTION OF CROSBY DRAGON FUND

3.1 Constitution of the Scheme

Crosby Dragon Fund is constituted by a Trust Deed entered into at Karachi on 20 September, 2003 between:

- 1) **Crosby Asset Management Limited (CAML)**, a Non-Banking Finance Company (NBFC), incorporated under the Companies Ordinance 1984, licensed by the SECP for carrying on Asset Management Services and Investment Advisory Services, with its registered office at 8th Floor, PIC Towers, 32-A, Lalazar Drive, M.T. Khan Road, Karachi, as the establisher and the Management Company; and
- 2) **Jahangir Siddiqui Investment Bank Limited (JSIBL)**, a Non-Banking Finance Company, incorporated under the Companies Ordinance 1984, licensed by the SECP

for carrying on the business of Investment Finance Services with its registered office at 13th Floor, Chapal Plaza, Rooms 1301-1303, Hasrat Mohani Road, Karachi, as the Trustee.

The Trustee is a subsidiary of Jahangir Siddiqui & Company Limited, a Stock Brokerage Company, incorporated in Pakistan having its registered office at 14th Floor, Chapal Plaza, Hasrat Mohani Road, Karachi.

3.2 Trust Deed

The Deed is subject to and governed by the Securities and Exchange Ordinance 1969 (Ordinance), Non-Banking Finance Companies Rules, 2003, (Rules) and all other applicable laws and regulations.

The terms and conditions in the Deed and any supplemental deed shall be binding on each Unitholder.

The Trustee and the Management Company, acting together and with the approval of the SECP, shall be entitled by supplemental deed to modify, alter or add to the provision of the Deed, inter alia, on any of the following grounds:

- 1) to the extent required to ensure compliance with any applicable laws and regulations or any amendment of such laws and regulations;
- 2) to enable the provisions of the Deed to be more conveniently or economically managed;
- 3) otherwise to the benefit of the Unitholders; and in particular to vary or add to the listed Authorized Investment.

Provided that in case (2) and (3) above, such alteration or addition shall not prejudice the interest of the Unitholders; and that in any event, it shall not release the Trustee or the Management Company of their responsibilities.

Where the Deed has been altered or supplemented the Management Company shall notify at the registered addresses of the Unitholders at least seven days prior to the effectuation of any such amendments and the dispatch of the notices to the Unitholders will be announced in one daily leading newspaper having its primary circulation in Pakistan.

3.3 Registered Address, Place and Date of Creation

The registered address of the Crosby Dragon Fund is 8th Floor, PIC Towers, 32-A, Lalazar Drive, M.T. Khan Road, Karachi. The Trust was created on 20th September, 2003.

3.4 Duration

The duration of Crosby Dragon Fund is perpetual. However it can be wound up by the SECP or by the Management Company on the occurrence of certain events as stated in Part XIII of this Offering Document under the heading “Termination of Crosby Dragon Fund”.

3.5 Open ended Fund

Crosby Dragon Fund is an open-ended Fund. It is divided into Units having par value of Rupees One Hundred (Rs:100/-) each. All Units and fractions thereof represent an undivided share in Crosby Dragon Fund and rank pari- passu as to their rights in the net assets, earning and receipt of dividend and distributions.

3.6 First Offer

The First Offer is made during the Initial Offering Period, mentioned above, which will be for four Business Days from the start of the banking hours on 15 December, 2003 and shall close at the close of the banking hours on 18 December, 2003. During the Initial Offering Period, Units will be offered at the First Offer price of Rs. 100 per Unit. During the Initial Offering Period Units will not be redeemed.

3.7 Transaction in Units after Initial Offering Period

After the Initial Offering Period, the public sale of Units at First Offer price will be discontinued; the Units can then be purchased at their respective Offer Price and redeemed at their respective Redemption Price as mentioned in Clauses 19 and 21 of the Trust Deed. Please see paragraph 6.5.3 of this Offering Document. The Management Company shall announce the Offer and Redemption Prices on a weekly basis at the end of the week for each following week or on daily basis on the ensuing day.

PART IV – INVESTMENT OBJECTIVES AND RESTRICTIONS

4.1 Investment Objectives

Crosby Dragon Fund has been constituted primarily as an equity Fund with the possibility of Investments in select debt based and fixed income securities. The Investments shall be made in the Authorized Investments listed in Clause 2.7 of this Offering Document (Clause 1.7 of the Trust Deed), subject to the NBFC Rules and other applicable laws, rules and regulations.

The objective of Crosby Dragon Fund Crosby Dragon Fund is to generate optimum returns for investors while, considering their risk appetite, comparable returns and concern for the safety of their capital. The Management Company shall endeavor to base, as far as possible, investment on expected capital appreciation, marketability of securities and market cycles. The Fund, inter alia, seeks to achieve the following benefits for the Investors:

- **Optimum Returns:** Offer optimum returns by investing in equity securities with a contingent defensive strategy to invest in debt securities.

- **Diversified Portfolio:** The focus of the investment policy is to protect capital by diversifying the investments in uncertain conditions and by managing maturities in a manner that reduce the risk of loss in the market value of the investments.
- **Ease of Entry and Exit:** Provide the investors with liquidity and the facility to join or leave the Fund at their convenience.

4.2 Investment Policy

- a. As mentioned in para 4.1 of this Offering Document, Crosby Dragon Fund has been constituted primarily as an equity Fund with the possibility of a mix up of the Investments in select debt based and fixed income securities. The Investments shall be made in the Authorized Investments listed in Para 2.7 of this Offering Document (Clause 1.7 of the Trust Deed), subject to the NBFC Rules and other applicable laws, rules and regulations.
- b. Crosby Dragon Fund provides retail and institutional investors an opportunity to invest in a portfolio of securities, such as shares, share options, Participation Term Certificates (PTCs), Modaraba Certificates, Musharika Certificates, Term Finance Certificates (TFCs) and other redeemable and non-redeemable and asset backed and mortgaged backed securities, including other equity securities of which permission to deal on a stock exchange is effective as covered in the Authorized Investments section.
- c. The weightages of the investment mix of the portfolio of Crosby Dragon Fund shall focus primarily on equity securities and the Management Company will endeavor as far as possible to manage Crosby Dragon Fund in a manner that reduces the risk of loss in the market value of investments during periods of significant market volatility. The Management Company may, after obtaining the regulatory approvals that may be required under the applicable laws, alter the investment policy so as to include in the portfolio, attractive Investments, issued, traded or listed outside Pakistan as long as they are of Pakistani origin.
- d. Crosby Dragon Fund will enter into repurchase agreements, under which it will acquire ownership of debt security and seller (counter party) will agree at the time of the sale, to repurchase the obligation at a mutually agreed-upon time and price from Crosby Dragon Fund, thereby determining yield during the holding period. The Crosby Dragon Fund will enter into such agreement only with credit worthy institutions.
- e. Subject to regulations of the stock exchanges and any condition laid down by SECP, Crosby Dragon Fund will enter into carry over transactions, which is a form of financing transacted through the stock exchanges. It consists of two simultaneous transactions, the first for purchase of an underlying security (shares) on the next settlement date and the second for selling back the security at a higher price for subsequent settlement date.
- f. Crosby Dragon Fund will enter into transactions aimed at earning a spread in the price of shares resulting from the timing difference between ready and future settlements. Crosby Dragon Fund will buy, in the ready settlement market, and sell, in the future

settlement market. Both the transactions will be carried out simultaneously so as to avoid any risk emanating from the movement in the prices of underlying shares.

- g. Subject to such regulatory permissions that may be required, Crosby Dragon Fund may invest in Pakistan origin investments issued, traded or listed outside Pakistan.
- h. Subject to the Rules and any other applicable law (and subject to prior SECP approval), Crosby Dragon Fund may write call options on any of the securities held in the portfolio, if there is a market based exit mechanism from options so written. Crosby Dragon Fund may also buy put options equivalent to any securities held in the portfolio. Under no circumstances shall Crosby Dragon Fund buy or sell options that results in an exposure beyond the number of underlying securities held in the portfolio. Crosby Dragon Fund may, however, buy call options or put options on one or more items (financial or otherwise) that in its opinion would act as a hedge/defensive proxy for the overall market risk.
- i. Crosby Dragon Fund may also hold assets in the form of cash deposits with banks with the object of maintaining sufficient liquidity to meet the redemption requirements and to take advantage of suitable investment opportunities as and when they arise.
- j. The weightings of the investment mix of the portfolio shall be managed in a manner that reduces the risk of loss in market value of the investment as a result of prevailing market situation, including any major shift in lending rates.

The above investment policies will be governed by the Rules and any other conditions imposed by the SECP.

Any fundamental change in the investment policies will be implemented only after obtaining prior approval from the SECP and after giving advance intimation to the Unitholders.

The Management Company, in consultation with the Trustee and after seeking approval of the SECP, may introduce additional administrative plans, which may allow investors different focused investments strategies under the Scheme by a Supplementary Offering Document or Additional Offering Document describing the features of such additional administrative plans.

4.3 Investment Restrictions

The exposure limits laid down in the Rules, as amended from time to time shall apply to Crosby Dragon Fund, which include the following:

- a) Crosby Dragon Fund shall invest not less than fifty percent of its assets in listed securities or in securities for which an application has been approved by a stock exchange.
- b) Investment of Crosby Dragon Fund in any company shall not exceed an amount equal to 10% of the total Net Asset Value of Crosby Dragon Fund at the time of investment, or 10% of the issued capital of the investee company.

- c) Crosby Dragon Fund shall not invest more than 25% of its Net Asset Value in securities of any one Sector as per the classification of the stock exchanges without obtaining the relaxation from the SECP.
- d) Crosby Dragon Fund shall not invest in any security of a company, if any director or officer of the Management Company owns more than 5% of the total nominal amount of the securities issued, or, collectively the directors and officers of the Management Company own more than 10% of those securities.
- e) Crosby Dragon Fund will not at any time:
 - 1) purchase or sell
 - bearer securities;
 - securities on margins;
 - securities which result in assumption of unlimited liability (actual or contingent);
 - commodities or commodity contracts;
 - real estate or interest in real estate save and except that the Management Company may invest in securities secured by real estate or interest therein or equity securities issued by companies that invest in real estate or interest therein;
 - 2) participate in a joint account with others in any transaction;
 - 3) invest in anything other than Authorized Investments.

4.4 Exception to Investment Restrictions

If and so long as the value of the holding in a particular company or sector shall have reached the limit as per paragraph 4.3 above, the Management Company shall not purchase any further investment in such company or sector. However this restriction on purchase shall not apply to any offer of right offering.

4.5 Transactions with Connected Persons

- a) Crosby Dragon Fund shall not invest in any security of a company if any director or officer of the Management Company individually owns more than five per cent of the total nominal amount of the securities issued of such company, or collectively the directors and officers of the Management Company in their individual capacities own more than ten per cent of the securities issued of the said company.
- b) Crosby Dragon Fund shall not purchase from or sell any security to the Management Company or the Trustee or to any director, officer or employee of the Management Company or Trustee or to any person who beneficially owns ten per cent or more of the equity of the Management Company or the Trustee.

- c) For the purpose of sub-paragraphs (a) and (b) above the term director, officer and employee shall include their relatives including the spouse and dependant children.

4.6 Borrowing Policy

4.6.1 Limit

Subject to the Rules and any statutory requirements for the time being in force and to the terms and conditions of the Trust Deed, at the request of the Management Company, the Trustee may borrow amounts, which shall not exceed in the aggregate fifteen per cent of the Net Assets of Crosby Dragon Fund or an amount as prescribed by the Rules and will be utilized for temporary and defensive purpose only to meet redemption of Units and such borrowing shall be payable within a period of 90 days.

4.6.2 Exception

The Trustee shall not be obliged to reduce the borrowing if as result of depreciation in the market value of investment or redemption of Units the Net Assets, subsequent to borrowing has been reduced and consequently the limit set in paragraph 4.6.1 above is exceeded.

4.6.3 Pledge

The Trustee may with the approval of the Management Company mortgage, charge or pledge in any manner all or part of the Fund Property, as is required to secure the borrowings as described above.

4.6.4 Guarantees

Neither the Trustee nor the Management Company shall be required to issue any guarantees or provide security over their own assets for securing such borrowings from banks and financial institutions. The Trustee or the Management Company shall not in any manner be liable in their personal capacities for repayment of such loans or advances.

4.6.5 Liability of Trustee and Management Company

The Trustee or the Management Company shall not incur any liability by reason of any loss to the Trust or any loss that a Holder may suffer by reason of any depletion in the Net Asset Value that may result from any borrowing arrangement made hereunder.

4.7 Risk

- a. **The Fund invests in a portfolio of money market investments such as spread transactions, Carry Over Transactions, investment grade securities; money market instruments and short maturity reverse repurchase transactions as well as the equity securities. Such investments are subject to varying degrees of risk. The risk emanates from various factors that include, but are not limited to:**

Equity Securities:

- **Change in business cycles affecting the business of the company in which the investment is made.**
- **Change in business circumstances of the company, its business sector, industry and/or the economy in general.**
- **Mismanagement of the investee company, third party liability whether through class action or otherwise or occurrence of other events such as strikes, fraud, etc., in the company in which the investment is made.**
- **Break down of law and order, war, natural disasters, etc.**
- **Senior rights of creditors over the shareholders in the event of winding up.**
- **Volatility in shares prices resulting from their dependence on market sentiment, speculative activity, supply and demand for the shares and the liquidity in the market. The volatility in share price results in volatility in the NAV based price of the Unit.**
- **The possibility of defaults by participants or failure of the stock exchanges, the depositories, the settlements or the clearing system.**
- **Any governmental or court orders restraining payment of capital or income.**

Money market and debt based Investments:

- **Inability of the issuer of the instrument, the relevant financial institution or the counter party in the case of reverse repurchase or other arrangement to fulfill their obligations.**
- **Increase in lending rates as a result of a change in the supply and demand of liquidity in the market or on account of an increase of the underlying inflation rate.**
- **Break down of law and order, war, natural disasters, etc.**
- **Senior rights of other creditors.**
- **Volatility in prices, resulting from their dependence on market sentiment, speculative activity, supply and demand for the securities and the liquidity in the market. The volatility in securities' prices results in volatility in the NAV based price of the Unit.**
- **The possibility of defaults by participants or failure of the financial markets/ stock exchanges, the depositories, the settlements or the clearing system.**
- **Any governmental or court orders restraining payment of principal or income.**

Investment in this Fund is suitable for investors who have the ability to take the risks associated with equity and financial market investments. Capital invested in the equity and financial markets could in extreme circumstances lose its entire value. However, diversification of the investment into a number of equity and debt securities, money market instruments and repurchase transactions tends to reduce the risk substantially. The historical performance of this Fund, the equity and/or financial markets or that of any one security or transaction included in the Fund's portfolio does not necessarily indicate future performance.

Prices of Units and income from them may go down as well as up.

- b. Under extraordinary circumstances (refer to clause 6.12 of this Offering Document) the Management Company may declare suspension of redemptions, invoke a queue system or announce winding up of the Fund. In such events the investor is likely to have to wait for payment beyond the normal period and the redemption amount so determined may be lower than the price at the time the redemption request was lodged.**

4.8 Disclaimer

The Units of Crosby Dragon Fund are not bank deposits and are neither issued by, insured by, obligations of, nor otherwise supported by the SECP, any Government agency, or any of the shareholders of the Management Company or any of the Core Investors or any other bank or financial institution.

PART V – OPERATORS AND PRINCIPALS

5.1 Management Company

- (a) Crosby Asset Management Limited (CAML):** was incorporated on May 18, 1993. CAML was formerly known as Security Fund Management Limited and its name was changed to CAML (Crosby Asset Management Limited) with the approval of the Registrar of Companies under Sections 38 of the Companies Ordinance, 1984. CAML was licensed by the erstwhile Corporate Law Authority (now Securities and Exchange Commission of Pakistan) as an Investment Adviser. CAML was also registered as an Asset Management Company by the SECP under the erstwhile Asset Management Companies Rules, 1995. CAML has also been granted an Asset Management and Investment Advisory Services license under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.
- (b) Capital and Shareholders:** The paid up capital of CAML is Rs:30,000,000 (Rupees Thirty Million only) held by Crosby Asset Management International Limited, a company incorporated in the British Virgin Islands and is a Crosby group company.

Crosby Group of Companies

Techpacific Capital Limited is a Hong Kong based investment banking and asset management group listed on the Hong Kong Stock Exchange's GEM (Growth Emerging Market) board.

Crosby Capital Partners (Holdings) Limited, the parent holding company for the Crosby group of companies is a subsidiary of Techpacific Capital Limited. Crosby Capital Partners (Holdings) Limited through its subsidiary companies carries out the activities of investment banking and asset management.

Crosby Asia Holdings Limited, a company incorporated in the British Virgin Islands and is a subsidiary of Crosby Capital Partners (Holdings) Limited, is the holding company of Crosby Asset Management (Hong Kong) Limited and Crosby Advisory (Singapore) Pte Limited. Crosby Limited is a direct subsidiary of Crosby Capital Partners (Holdings) Limited. The following table represents the activities of each subsidiary of Techpacific Capital Limited with licensed activities:

Company	Activities	Licensing Authority
Crosby Asset Management (Hong Kong) Limited	<ul style="list-style-type: none"> ○ Advising on Securities ○ Advising on Corporate Finance ○ Asset Management 	Securities and Futures Commission Hong Kong
Crosby Limited	<ul style="list-style-type: none"> ○ Dealing in Securities ○ Advising on Securities ○ Advising on Corporate Finance ○ Asset Management 	Securities and Futures Commission Hong Kong
*Softech Investment Management Company Limited	<ul style="list-style-type: none"> ○ Advising on Securities 	Securities and Futures Commission Hong Kong
Crosby Advisory (Singapore) Pte Limited	<ul style="list-style-type: none"> ○ Advising on Corporate Finance 	Monetary Authority of Singapore

*Softech Investment Management Company Limited is an affiliated company of Crosby Asset Management (Hong Kong) Limited.

Crosby is Asia's premier independent investment banking and asset management firm. Crosby has been providing capital raising, merger and acquisition, restructuring, corporate finance and strategic advisory services for clients across the Asia-Pacific region since 1984. Crosby's extensive cross-border expertise and comprehensive Asian network enables them to offer their clients international standard investment banking and asset management services combined with a deep knowledge of Asian markets.

The Crosby team comprises of corporate finance and investment professionals with extensive international experience earned at some of the world's leading financial institutions. Crosby's clients benefit from the hands-on involvement of the most senior members of Crosby's team in each transaction. Crosby maintains the highest level of professional and ethical standards.

Crosby Asset Management International Limited (CAMIL) is a holding company for the Crosby Group's asset management business in Pakistan. CAMIL is a wholly-owned subsidiary of Crosby Capital Partners (Holdings) Limited., the parent holding company for the Crosby group of companies (Crosby).

Crosby's Investment Banking Operations

The Crosby network covers offices in Hong Kong, China, Singapore, Indonesia, South Korea, the Philippines and the United Kingdom. Services provided include the following:

Structured Finance and Securitization

Operating out of Singapore, the Structured Finance and Securitization division offers structured finance solutions to corporate clients throughout the region, with particular focus on the Philippines, Indonesia, Malaysia and South Korea.

Crosby specializes in the following sectors:

- Telecommunications
- Energy and natural resources
- Export receivables
- Workers' remittances

Mergers & Acquisitions

Crosby is a leading player in cross-border M&A deals in Asian markets. Our activities are focused on transactions in the range of US\$50 million to US\$500 million. These include Management Buy-Out and Leveraged Buy-Out deals which are increasingly being pursued in certain of the more developed Asian markets.

Crosby also advises existing owners of, and investors in, Asian assets who are:

- Seeking trade sale or other exits for purposes of strategic expansion or to generate liquidity;
- Undertaking joint ventures; or
- Considering corporate restructurings or spin-offs to unlock value.

Financial Sponsors Group

Crosby's Financial Sponsors Group is one of Asia's most dynamic originators of investment banking opportunities and solutions for leading private equity firms, buy-out funds and corporate investors.

The FSG has established long-term client relationships which allow the group to deliver to client's high-quality, creative ideas, tailor-made to their investment requirements.

The FSG has presented opportunities to buy-side clients in the following areas:

- Private placements
- Leveraged/Management Buy-outs

- Structured Finance investments
- Capital-raising for private equity funds

Crosby's network of clients reaches across Asia to include Hong Kong, Taiwan, Singapore, South Korea and Japan. In addition, the FSG has active contact with a number of North American, European and Middle Eastern based investors.

Capital Market and Private Placements

Crosby acts as co-sponsor and advisor to companies seeking to raise funds through initial public offerings. In addition, Crosby acts as an advisor and placing agent to unlisted companies carrying out private placements for expansionary, strategic or other purposes.

In executing these placements, Crosby leverages its strong relationships with private equity firms, buy-out funds and corporate investors through the Financial Sponsors Group.

Crosby has expertise in the following sectors:

- Financial services
- Energy and natural resources
- Consumer product manufacturing and distribution
- Telecommunications
- Online and offline media
- Technology (e.g. semiconductor design, software, hardware)

Crosby executes transactions throughout Asia with a particular focus on the Greater China region.

Financial Advisory

Crosby provides corporate finance advice to companies listed in Hong Kong in the following areas:

- Compliance with the stock exchange listing rules
- Acting as an independent financial advisor on Connected Party transactions
- Fairness opinions
- Matters related to the Takeover Code
- Reverse take-overs/Backdoor listings

In addition, Crosby provides advice on financial and corporate restructurings, including complex, multilateral debt restructuring.

Asset Management Operations of Crosby Group

Crosby Asset Management (Hong Kong) Limited (CAM) was incorporated on May 30th, 1986. In 1997 CAM had assets under management in excess of USD 300 million, comprising of listed equities of large and small cap companies and private equities.

CAM is regulated by the Hong Kong Securities and Futures Commission. It was acquired in 2001 by Techpacific Capital Limited, a company listed on the Hong Kong Stock Exchange, whose activities include venture capital fund management and corporate finance advisory services with a special focus on small and medium enterprises and growth companies across Asia.

CORO Voltin Fund Limited

CAM is the portfolio manager of the CORO Voltin Fund Limited (CV Fund). The CV Fund invests in loans and warrants issued by private small and medium enterprises in the Republic of Korea and has total assets under management of about US\$350 million. CAM supervises the overall management, provision of regular reports, monitoring and exercise of rights in relation to the portfolio companies of the CV Fund.

The CV Fund was established in Nov 2002 with a fund size of USD350 million and a five-year life. It consists mainly of listed and unlisted bonds and warrants issued by small to medium-size enterprises in Korea and is sponsored by the Small Business Corporation of Korea (SBC). The SBC carries out policies of the Small and Medium Business Administration (SMBA) of the Korean Government. SMBA was formerly a department of the Ministry of Commerce, Industry and Energy and became an independent government agency since 1996 headed by a Vice Minister appointed by the President of Korea.

Applied Research Fund

Softech Investment Management Company Limited (Softech), an affiliated companies of CAM, was appointed as the Manager to manage HK\$250 million of the Applied Research Fund (“ARF”) of the Hong Kong Government in March 2000. Softech is a joint venture between the Techpacific group and Softbank China Venture Investments Limited, and is registered with the Hong Kong Securities and Futures Commission.

The ARF is a government owned venture capital fund with total size of HK\$750 million set up in 1993. The goal of ARF is to provide funding support to technology ventures and research and development projects that have commercial potential. The longer term aim is to increase the technology capability and to enhance the competitiveness of local industry, thereby promoting high value added economic development in Hong Kong.

The ARF is controlled and administered by the Applied Research Council, a company formed specifically for this role and is wholly owned by the Hong Kong Government Innovation and Technology Commission.

c) The Board of Directors of the Management Company

Name, Occupation and Address	Directorship in other Companies
<p>Chief Executive Mr. Mumtaz Hussain Syed Business Executive 469-CC, Defence Housing Society Lahore Cantt.</p>	<p>Director Nil</p>
<p>Chairman Mr. Chan Kok Chung Johnny Business Executive House F,102, Repulse Bay Road Hong Kong.</p>	<p>Director Nil</p>
<p>Mr. Shahzad Fakhar Ashfaq Business Executive 327, River Valley Unit 17/01, Young Ann Park Singapore 23859</p>	<p>Director Nil</p>
<p>Company Secretary Mr. Arif A. Siddiqui D-10, Sohni Chalet Opposite SUPARCO Off: University Road Karachi.</p>	<p>Director Nil</p>

(d) **Particulars of the Directors**

Chief Executive and Director:

1. Mumtaz Hussain Syed

Mr. Mumtaz H Syed has extensive experience in setting up and successfully managing / operating key organizations. He has contributed effectively in key roles and his industry know how is spread over five sectors including telecom, infrastructure, cement, textile, and energy sectors. Mr. Syed served the WorldCALL Telecommunications Group for over five years. In his capacity as the Group Managing Director, he was instrumental in positioning the group as a leading player in the telecom sector. His major responsibilities included advice on setting up, management and strategic planning for WorldCALL group of companies. This included, inter alia, project development, capital raising, liaison and negotiations with regulators, government officials and agencies, equipment suppliers, consultants; and solicitation of joint venture partners, contract drafting and review; finalisation and closing of transactions. Under his able guidance, the group initiated a number of innovative projects including

the largest HFC Broadband Network in Pakistan – WorldCALL Broadband Limited, WorldCALL Multimedia Limited – the largest HFC network in Lahore, an international/domestic calling card service, WorldCALL Phonecards Limited and a number of other significant projects including networks in Sri Lanka. Mr. Syed also served as the MD of WorldCALL Communications Limited, CEO of WorldCALL Phonecards Limited and WorldCALL Broadband Limited, in addition to a number of other directorships within and outside the group. Mr. Syed has also participated in a number of telecommunication conferences and seminars in and outside Pakistan.

Mr. Syed started his career with First International Investment Bank. He has also served in the capacity of Head of Corporate & Investment Banking at Prime Bank and as CEO of First Capital Mutual Fund. He has closed a number of corporate finance transactions, foreign placements, IPOs, and syndications. He successfully arranged bank guarantee syndicates for power projects and finalized acquisitions of four cement plants in Pakistan. He also served as General Manager Finance with Nishat Group, a leading business in the country.

Mr. Syed was the founding President of Association of Card Payphone Operators, Pakistan and has advised the Ministry of Science & Technology as Member, IT Advisory Board.

Mr. Syed holds a Masters in Business Administration (MBA) from Lahore University of Management Sciences.

Directors:

2. Mr. Johnny Chan - Chairman

Mr. Johnny Kok Chung CHAN is a director, co-founder and Vice Chairman of Techpacific Capital Limited, a company listed on the Hong Kong Stock Exchange Growth Enterprise Market, and the parent company of the Crosby group.

Mr. Chan is a director of Crosby Asset Management (Hong Kong) Limited which is the Portfolio Manager of the CORO Voltin Fund, a fund sponsored by the Small Business Corporation of the Korean Government, which invests in small and medium enterprises in Korea. Mr. Chan is also a director of Softech Investment Management Company Limited, a joint venture between techpacific Venture Capital Limited and Softbank China Ventures Investments Limited, which acts as a manager of the Hong Kong SAR Government's Applied Research Fund.

Mr. Chan has been a member of the Assessment Panel for the Small Entrepreneur Research Assistance Programme under the Innovation and Technology Fund since 2001. He is also a committee member of the Peoples Republic of China committee of the Hong Kong Venture Capital Association and a founding member of the China Venture Capital Association.

Prior to joining the Crosby and Techpacific Capital groups in 1999, Mr. Chan was a Managing Director at Bear Stearns Asia Limited responsible for equity capital markets transactions in Asia. He acted as an advisor to a large number of IPOs, including Chinadotcom (Institutional Investor Deal of the Year, 1999), China Mobile (US\$4.2 billion NYSE and HK dual listing, 1997), Yanzhou Coal Mining (US\$268 million) and Beijing Yanhua Petrochemical (US\$233 million). In addition, he executed a US\$500 million Exchangeable Bond issue for Indofood. Formerly, he was an Executive

Director of Equity Capital Markets at Union Bank of Switzerland and was primarily responsible for the Greater China Market. Mr. Chan was also responsible for a large number of Equity and Equity Linked issues at the time, including the US\$850 million Convertible Bond offering for the Formosa Plastics Group, during which time UBS was ranked as the Best Equity Linked House. He was a Director of Corporate Finance at Citicorp and held senior positions at Chase Manhattan.

Mr. Chan holds an MBA in Export Management and International Business from City University, a Bachelor of Arts degree in Economics from Guildhall University and he is an Associate of the Securities Institute of Australia in addition to holding a Post Graduate Diploma from the same institute.

3. Mr. Shahzad Ashfaq

Mr. Ashfaq is a Managing Director at the Crosby group's investment banking division based in Singapore. Prior to Crosby, Mr. Ashfaq was Vice President at Nomura International plc and the principal banker executing the US\$160 million Pakistan Government exchangeable bonds. He also held senior investment banking positions with Union Bank of Switzerland in Hong Kong and Citicorp Investment Bank.

Mr. Ashfaq holds a Bachelor of Arts in Economics and International Studies from Macalester College.

Company Secretary:

4. Mr. Arif Siddiqui

Mr. Arif Ahmed Siddiqui is the Company Secretary as well as the Chief Finance Officer of CAML. He is an Associate Member of the Institute of Chartered Accountants of Pakistan (ICAP). He has worked with a reputed firm of Chartered Accountants responsible for audits of financial institutions and different multinational companies. He has also worked with Security Investment Bank Limited and Paramount Leasing Limited in the Finance, Accounts, Treasury and Corporate Affairs Departments.

(e) Duties and Responsibilities of the Management Company

- (i) The responsibilities of the Management Company is to promote the sale of Units in Crosby Dragon Fund, invest and manage the assets of Crosby Dragon Fund according to the provisions of the Deed, in good faith, to the best of its ability and without gaining any undue advantage for itself or any of its related parties or officers.
- (ii) The Management Company shall maintain proper accounts and records of Crosby Dragon Fund to enable a complete view of assets and liabilities, income and expenditure and amounts received in respect of Units and paid out on redemptions of Units and by way of distribution, as required under the NBFC Rules.
- (iii) The Management Company shall prepare and transmit to Unitholders and SECP the annual report together with balance sheet and income and expenditure account and auditors report. The Management Company shall also prepare and transmit to Unitholders and SECP the

balance sheet and income and expenditure account in respect of first quarter, second quarter, and third quarter of the year.

- (iv) The Management Company shall make available to the Trustee all information relating to the Fund. The Management Company shall account to the Trustee for any loss in value of the assets of Crosby Dragon Fund caused by its negligence.
- (v) The Management Company shall be responsible for all acts and omissions of all persons or agents to whom it may delegate the performance of its duties, as if these were its own acts and omissions.
- (vi) The Management Company shall instruct the Trustee purchase, including placement of cash and sale of investments.
- (vii) The Management Company shall if it considers necessary request the Trustee in writing, for the protection of Fund Property or safeguarding the interest of the Unitholders, to institute or defend any suit, proceeding, arbitration or inquiry or any corporate or shareholders' action in respect of the Fund Property or any part thereof.
- (viii) The Management Company shall not be under any liability except such liability as may be expressly assumed under the Rules and the Deed nor shall the Management Company (save as otherwise provided) be liable for any act or omission of the Trustee nor for anything except its own negligence or willful breach of duty.

5.2 Core Investors

The Core Investors of Crosby Dragon Fund are the following, who have subscribed the amount as stated against their name.

	Core Investors	Number of Units	Rupees
1	Alstom Pakistan (Pvt.) Limited – Employees Gratuity Fund Trust	10,000	1,000,000
2	Atlas Investment Bank Limited	50,000	5,000,000
3	Bank of Punjab Limited	100,000	10,000,000
4	Capital One Equities Limited (formerly IP Securities Limited)	50,000	5,000,000
5	Crosby Asset Management Limited	5,000	500,000
6	Pak Venture Capital Limited	50,000	5,000,000
7	EFU General Insurance Limited	100,000	10,000,000
8	EFU Life Assurance Limited	100,000	10,000,000
9	Fidelity Investment Bank Limited	50,000	5,000,000
10	Habib Insurance Limited	10,000	1,000,000
11	Jahangir Siddiqui & Co. Limited	750,000	75,000,000
12	Jahangir Siddiqui Investment Bank Limited	750,000	75,000,000
13	Pak Kuwait Investment Co. (Pvt.) Limited	50,000	5,000,000

14	Pakistan Industrial Credit & Investment Corporation Limited	500,000	50,000,000
15	S.C. Securities (Pvt.) Limited	25,000	2,500,000
	Total	2,600,000	260,000,000

The Core Investors have agreed to hold their investment for a minimum period of two years from the date of payment in full of such Units. The Units can be transferred and the Management Company will appropriately notify the SECP of such transfer, subject to the condition that they must be held for the remaining period of two years.

The seed capital requirement as per Rule 67(2)(f) of the Non-Banking Finance Companies Rules, 2003, is Rs:250 million.

5.3 Trustee

- (a) Jahangir Siddiqui Investment Bank Limited is a leading Investment Banks in Pakistan. Shareholder's equity as at June 30, 2003 was Rs.541.00 million and total assets were Rs.3,076.37 million.

JSIBL is one of the active Investment Banks in the country, contributing to the development and growth of capital markets. JSIBL has worked on the development and implementation of meticulously drawn investment and risk management policies and systems.

Jahangir Siddiqui Investment Bank Limited was incorporated in October 1992 as a public limited company and was granted a license to carry on the business of an Investment Finance Company in December 1992.

Credit Rating

The Pakistan Credit Rating Agency (Pvt.) Limited has assigned a long-term rating of A (Single A) and short-term rating of A1 (A One) to JSIBL. The rating denotes a low expectation of credit risk and the capacity of timely payment of financial commitments is considered strong.

Overview of Activities

JSIBL aims to mobilize resources through equity and money market instruments. JSIBL also utilizes its credit lines to obtain funds from financial institutions, including banks and Development Financial Institutions (DFIs).

JSIBL has adopted a prudent approach in managing its assets. Due diligence is exercised in selection of risk assets for investment of surplus and other funds.

JSIBL maintains a diversified portfolio, which restricts exposure to any single issuer or associated companies or issuers within acceptable limits in relation to its liquid net worth.

Within these broad parameters, the operations of JSIBL are undertaken with due care and diligence and operating policies and strategies are continuously reviewed by the management.

The table below summarizes the financial performance of JSIBL:

		(Rupees in '000)			
		June 2003	June 2002	June 2001	June 2000
Authorized Capital		500,000	500,000	200,000	200,000
Paid-up Capital		227,500	227,500	182,000	100,000
Shareholders Equity		541,002	359,906	303,814	258,869
Total Assets		3,076,375	964,334	1,307,559	772,029
Profit After Tax		209,534	10,592	44,945	20,042
Earning per Share		9.21	0.56	2.52	2.00
Payout (%)	Cash	12.50	-	-	25.00
	Bonus	-	-	30.00	40.00

(b) Duties and Responsibilities of the Trustee

- (i) The Trustee will take into custody and under its control all the property of Crosby Dragon Fund and hold it in trust for the Unitholders and the cash and registerable assets shall be registered in the name of, or to the order of the Trustee.
- (ii) The Trustee will carry out the instructions of the Management Company in all matters including investment and disposition of the Fund Property, unless they are in conflict with the Deed and the Offering Documents.
- (iii) The Trustee shall ensure that all issues and cancellations of Units of Crosby Dragon Fund and the method adopted by the Management Company in valuing Units for the purposes of determining the Offer and Redemption Prices are carried out in accordance with the provisions of the Deed.
- (iv) The Trustee shall issue a report to the Unitholders to be included in the annual report whether in its opinion, the Management Company has in all material respects managed the Fund Property in accordance with the provisions of the Rules and the Deed and if the Management Company has not done so, the respect in which it has not done so and the steps the Trustee has taken in respect thereof.
- (v) The Trustee shall institute or defend any suit proceedings, arbitration or inquiry or any corporate or shareholders action in respect of the Fund Property or any part thereof if so requested by the Management Company in writing.
- (vi) The Trustee shall be responsible for all acts and omissions of all persons or agents to whom it may delegate the performance of its duties, as if these were its own acts and omissions.
- (vii) The Trustee shall perform the custodial services for the Fund and shall account for any loss in value of the Fund Property where such loss has been caused by negligence or any reckless or willful act and/ or omission of the Trustee or any of its directors, officers, nominees or agents.

- (viii) The Trustee shall not be under any liability on account of anything done or suffered by Crosby Dragon Fund in good faith in accordance with or in pursuance of any request of the Management Company provided they are not in conflict with the provision of the Deed or the Rules.

5.4 Distribution Companies

- a) Crosby Asset Management Limited, Jahangir Siddiqui & Co. Limited, Jahangir Siddiqui Investment Bank Limited and Flow (Pvt.) Limited have each been appointed as a Distribution Company to perform the Distribution Functions at their Authorized Branches. The addresses of these branches are given in part XVI of this Offering Document.
- b) The Distribution Companies will be responsible for receiving applications and money from persons, issuing receipts in respect of applications for Units, issuing contract notes to the applicants in accordance with the terms of the Scheme, receiving redemption notices, transfer instructions/ applications, conversion notices and a pplication for change of address or issue of duplicate Certificates from Unitholders for immediate transmission to the Management Company, and generally interfacing with and providing requisite services to the Unitholders in relation to the issue, transfer and redemption of Units and accounting to the Trustee for (i) monies received from the applicants for issuance of Units, (ii) payments made to the Unitholders on redemption of Units and (iii) expenses incurred in relation to the Distribution Functions.
- c) The branches of Distribution Companies have been equipped with the necessary support staff, computer hardware and software to provide service to the investors and have established an efficient communication link with the Trustee, Management Company and the Registrar.

5.5 Auditors

The Auditors of Crosby Dragon Fund are:

Messrs M. Yousuf Adil Saleem,
Chartered Accountants
Cavish Court
A-35, Block 7 & 8
Shahrah-e-Faisal
Karachi.

They will hold the office until the transmission of the reports and accounts, which will cover the period from July 1, 2003 to June 30, 2004 and will be eligible for re-appointment by the Management Company, as provided in the Rules.

5.6 Registrar

By an agreement, the Management Company has appointed THK Associates (Pvt.) Limited as the Registrar. THK Associates (Pvt.) Limited will be responsible for maintaining the

Unitholder's Register, preparing and issuing Account Statements, Unit Certificates and dividend warrants, and providing related services to the Unitholders. THK Associates (Pvt.) Limited has the facilities to provide efficient service to Crosby Dragon Fund.

5.7 Legal Advisers

The legal advisors of Crosby Dragon Fund are:

Bawaney & Partners
 Room No.404, 4th Floor
 Beaumont Plaza, 6-cl-10
 Beaumont Road
 Civil Lines
 Karachi-75530

5.8 Bankers

The Bankers of Crosby Dragon Fund are Muslim Commercial Bank Limited and any other Bank appointed by the Management Company. The Trustee operates the account on instructions from the Management Company.

PART VI - CHARACTERISTICS OF UNITS

6.1 Minimum Investment

Crosby Dragon Fund shall offer Units to investors on a continuing basis. Subject to a minimum investment of one Unit, there is no lower or upper limit set on the Units to be issued to a single Unitholder or on the total number of Units to be issued to the public. Fraction of Units will be issued for reinvestment of dividend upto four decimal places of a whole Unit, as per paragraph 7.4(c) of this Offering Document. The Units shall be fully paid before they are issued. The liability of Unitholders shall be limited to the extent of unpaid amount (if any) on Units. Units or fractions thereof may be redeemed for cash by redeeming to Crosby Dragon Fund. Units are also transferable. Units will be issued in registered uncertificated form and will be confirmed to investors by means of an Account Statement issued by the Registrar. Certificate(s) will be issued, if so requested by Unitholder.

6.2 Types of Units

- i. 2,600,000 Units of the value of Rupees 260.00 million have been Subscribed by the Core Investors at Par Value. Please refer to paragraph 5.2.
- ii. During the Initial Offering Period, Units will also be issued at Par Value without Sales Load. No redemption will be allowed during the Initial Offer Period.
- iii. After the Initial Offering Period, Units issued will carry a Front end Load not exceeding five percent (5%) of the Net Asset Value (NAV), which shall be added to the Net Asset Value to calculate the Offer Price. Units will be redeemed at NAV.

- iv. Sales Load is intended to cover issue, including sales promotion, transfer, and redemption of Units.
- v. Unitholders will have the option to convert the dividend amount into Units. Please refer to paragraph 7.4 of this Offering Document.

6.3 Valuation

- a) For the Offer Prices during the Initial Period, please refer paragraph 3.6 of this Offering Document.
- b) After the Initial Period, the Management Company shall in consultation with the Trustee announce the Offer and Redemption Prices on a weekly basis on each Saturday, which is the last Business day of the week, and such prices shall remain in effect for the following week. If Saturday is not a Business Day the price will be announced on the preceding Business Day. The Management Company may in consultation with the Trustee, announce the Offer and Redemption Prices on daily basis on each Business Day; provided, such decision shall be announced in advance by a notice published in one Urdu and one English Newspapers having wide circulation in Pakistan.
- c) The Offer Price shall be equal to the sum of the Net Asset Value (NAV) as of the close of the Business Day immediately preceding the day of the announcement, and will carry Front-end Load upto the rate of two percent (2%) of NAV (subject to revisions by the Management Company from time to time with, SECP approval) and such amount as the Management Company may consider to be an appropriate provision of Duties and Charges and such sum to be adjusted upwards to the nearest five Paisa.
- d) The Redemption Price shall be equal to the NAV as of the close of the Business Day immediately preceding the day of the announcement, less an amount as the Management Company may consider to be an appropriate provision of Duties and Charges and such sum to be adjusted downwards to the nearest five Paisa.
- e) If on any day during a week the variation of the NAV exceeds two percent (2%) of the NAV calculated pursuant to sub-paragraphs 6.3(c) and (d) above, for the current Offer and Redemption Prices, the Management Company shall suspend any issuance and redemption of Units and calculate forthwith a new Offer Price and a new Redemption Price. The revised prices will be published on the following day in the manner described in sub-paragraph 6.9 below.
- f) In the event the amount recovered as provision for payment of Duties and Charges pursuant to sub-paragraphs 6.3(c) and (d) above is insufficient to pay in full such Duties and Charges, the Management Company shall be liable for the payment in full of the amount of such Duties and Charges in excess of the provisions.

- g) In the event the amount recovered as provision for payment of Duties and Charges pursuant to sub-paragraphs 6.3(c) and (d) above exceeds the relevant amount of such Duties and Charges, the Trustee shall refund such excess amount to the relevant Holder with the next income distribution, or earlier, if instructed by the Management Company.

6.4 Dealing Days

- a) Units can be purchased at the Offer Price and redeemed at the Redemption Price at any of the Authorized Branches of the Distribution Company(ies) on any Subscription Day, which will be from Monday to Thursday, and the Trustee has consented to the Subscription Days of each week in accordance with the procedure set out in clauses 6.5 and 6.6 and of this Offering Document. Provided that the Management Company may with the prior written consent of the Trustee and upon giving not less than seven days notice in the newspapers declare any particular Business Day not to be a Subscription Day.
- b) During the period the Register is closed, as mentioned in paragraphs 6.12 and 6.8 of this Offering Document, the sale and redemption of Units will be suspended.
- c) The Management Company may at its sole discretion decline to issue Units to any applicant, if it is of the opinion that it will not be possible to handle or invest substantial inflow of funds or for such other reasons or to meet any regulatory requirement.

6.5 Application Procedure for Purchase of Units

6.5.1 Who Can Apply?

Applications for the issue of Units in Crosby Dragon Fund may be made by any investor or any related group of investors qualified or authorized to purchase the Units pursuant to the procedures described in paragraph 6.5.2 below, including but not limited to:

1. Citizens of Pakistan: in respect of minors below 18 years of age, applications should be made by their guardians.
2. Companies, corporate bodies, financial institutions, banks, partners of a firm and societies incorporated in Pakistan so long as such investment is permitted under their respective memorandum and articles of association and/ or bye-laws.
3. Foreign nationals and companies incorporated outside Pakistan, subject to the regulations of the State Bank of Pakistan and the Ministry of Finance.
4. Provident Funds constituted by companies registered under the Companies Ordinance, 1984, subject to conditions as laid down in Employees Provident Fund (Investment in Listed Securities) Rules, 1996, as amended by S.R.O. 261(I)/2002 dated 10 May, 2002, to the extent of twenty percent of the Provident Fund.

(Crosby Dragon Fund will obtain listing on one of the stock exchanges in Pakistan)

5. Provident, Pension and Gratuity Funds constituted by organizations other than companies under section 20(h) of the Trusts Act 1882, (11 of 1882).
6. Insurance companies under the Insurance Ordinance, 2000.
7. Non Profit organizations under section 213(i) of the Income Tax Rules, 2002.

6.5.2 Application Procedure

1. Fully completed application form for purchase of Units, accompanied by the full amount of purchaser's payment, as specified in paragraph 6.5.3 below and copies of the documents mentioned in sub-paragraphs (2), (3) and (4) below should be delivered at any of the Authorized Branches of the Distribution Companies. Only Authorized Branches of Distribution Companies are authorized to collect application and payment for issue of Units.
2. In case of individual applicants a photocopy of the National Identity Card of the applicant or any other form of identification acceptable to the Management Company.
3. In case of a body corporate or a registered society or a trust,
 - (i) copy of the memorandum and articles of association/ charter/ bye-laws or rules and regulations;
 - (ii) copy of the relevant resolution of the board of directors approving the investment;
 - (iii) copy of power of attorney and/or relevant resolution of the board of directors delegating any of its officer to invest the funds and/or to realize the investment; and
 - (iv) copy of the National Identity Card of the officer to whom the authority has been delegated.
4. In case of existing Holders, if any of the documents have previously been deposited acceptable to the Management Company, fresh submission of documents will not be required.
5. If the application is incomplete or incorrect in any way the Distribution Company will advise the applicant in writing to remove the discrepancy within a period of fifteen days, failing which the application will be rejected and the amount will be refunded without any interest or mark-up.
6. The Distribution Company will be entitled to verify the particulars given in the application form. In case of any incorrect information the application may be rejected.

7. The applicant will receive a note confirming the receipt of the application from the Authorized Branch of the relevant Distribution Company, where application for purchase of Units was submitted.

6.5.3 Payment

Payment for Units can be made by cheque or bank draft or pay order, made payable to the "Trustee – Crosby Dragon Fund" and crossed "Account Payee only" and must be drawn on a Bank in the same town as the Authorized Branch of the relevant Distribution Company to which the application form has been submitted is located. **Payment for Units in cash will not be accepted.** It is reiterated that only Authorized Branches of Distribution Companies are authorized to collect application and payment for issue of Units.

6.5.4 Joint Application

- (a) Joint application can be made by upto four related group of applicants. Such persons shall be deemed to hold Units on first holder basis; however, each person must sign the application form and submit a copy of their National Identity Card.
 1. The first named Holder shall receive all notices and correspondence with respect to the account, as well as proceeds of any redemption requests, or dividend or fractional payments. His receipt shall be considered as a valid discharge by the Trustee of its obligations.
 2. In the event of death of the first Holder, the person first in the order of survivor(s) as stated in the application form, shall be the only person recognized by the Management Company/Trustee to receive all notices and correspondences with regards to the accounts, as well as proceeds of any redemption requests or dividend or fractional payments. His receipts shall be considered as the valid discharge by the Management Company/Trustee of its obligations;

Provided however the Management Company and /or the Trustee shall have the right to request for the succession certificate or such other mandate from an appropriate Court or a lawful authority at its discretion, incase of doubts and disputes.

3. Where Units are registered in the name of Joint Holders and subsequently additional Units are purchased by the same Joint Holders but the application is made in different order, such additional Units will be registered under a different account.

6.5.5 Allotment (Issue) of Units

If an application duly delivered at or posted to the Authorized Branch of any of the Distribution Company is accompanied by a cheque or bank draft or pay order, Units applied for will be allotted (issued) on the date of receipt if it is a Subscription Day, or if not a Subscription Day, then on the next following Subscription Day, provided that the cheque or bank draft or pay order accompanying the application, is realized. If the cheque or bank draft or pay order has been returned unpaid, the application will be rejected.

6.6 Application Procedure for Redemption of Units

- a) Requests for redemption can be made by completing the prescribed application form and endorsing the relevant Certificate, if issued, on the Certificate and submitting the same to any Authorized Branch of the relevant Distribution Company on any Subscription Day.
- b) The Unitholder will receive a note confirming the receipt of the application for redemption from the relevant Distribution Company.

6.7 Application Procedure for Transfer of Units

6.7.1 Application Procedure

- a) A Unitholder can transfer Units held by him by:
 - Completing a Transfer Application Form to be signed by the transferor and transferee; and
 - Paying applicable Duties and Charges and
 - Submitting to any Authorized Branches of the relevant Distribution Company, or the Registrar, or the Management Company the Transfer Application Form and relevant Certificate, if issued.
- b) Any person becoming entitled to hold the Units in consequence of the death, insolvency or winding up of any sole Holder or the survivors of Joint Holders shall be registered as the Holder or Joint Holder as the case may be upon:
 - Paying any applicable Duties and Charges; and
 - Submitting to any of the Authorized Branches of the relevant Distribution Company, or the Registrar, or the Management Company the duly completed Transfer Application Form and relevant Certificate, if issued, with such evidence, which may prove his entitlement to the Units.
- c) Application for transfer can be submitted on any Business Day during banking hours.

6.7.2 Partial Transfer

Partial transfer of Units covered by a single Certificate is not permitted. However Holders may apply for a splitting of the Certificate before applying for transfer.

6.7.3 Verification of Transfer of Application Form

At the request of the Unitholder, the Registrar will verify:

- (1) the holding stated on the Transfer Application Form and
- (2) signature of the Holder.

6.8 Closure of Register

The Management Company may close the Register by giving at least seven days notice to Holders and for a period not exceeding forty-five days in a calendar year. During the period the Register is closed issue, redemption, transfer and pledge applications will not be processed.

6.9 Mode of Unit Price Announcement

The Management Company shall publish the Offer and Redemption Prices in one or more leading English and/ or Urdu dailies having prime circulation in Karachi, Lahore and Islamabad at least on or before the first Subscription Day of the week. The Offer and Redemption Prices of Units of Crosby Dragon Fund will also be available at the Authorized Branches of the Distribution Companies and announced in the Price Quotations of the Stock Exchange on which Crosby Dragon Fund is listed.

6.10 Procedure for Subscribing and Redeeming of Units

6.10.1 Availability of Forms

All the forms mentioned and/ or included in this Offering Document will be available at all the Authorized Branches of all Distribution Companies.

6.10.2 Transfer of Account

- a) Once a Unitholder has purchased a Unit from an Authorized Branch of the Distribution Company, all his records/ forms will be kept and maintained at that Authorized Branch. However, for the convenience of the Unitholder, the Account may be transferred to another Authorized Branch or another Distribution Company on application by the Unitholder for transfer of account. In case the relevant Distribution Company does not continue as the Distribution Company, the Management Company and the Trustee will make arrangements for the Unitholder's account to be transferred to another Distribution Company's Authorized Branch at the nearest location.
- b) Notwithstanding the provision in sub-paragraph 6.10.2(a), any Unitholder may submit the application for redemption or transfer or any other requests for change in Register at any Authorized Branch of the relevant Distribution Company or the Management Company or the Registrar and the requests will be processed.

6.10.3 Register of Unitholders

- a) A Register of Unitholders shall be maintained by THK Associates (Pvt.) Limited, in their capacity as the Registrar, at Ground Floor, Sheikh Sultan Trust Building No.2, Beaumont Road, Karachi-75530.
- b) Every Unitholder will have a separate account folio.

- c) The Unitholder will be entitled to inspect his record in the Register and request copies thereof on any Business Day from 10.00 A.M. to 1.00 P.M., except during the days when the Register is closed in accordance with the provision of the Deed, with the prior arrangement with the Management Company or the Registrar.

6.10.4 Information in the Register

The Register will contain the following information:

About Unitholders

- 1) Name of Unitholder/ joint Holders;
- 2) Address of Unitholder/ first named joint Holder;
- 3) National Identity Card Number(s) of Unitholder/ joint Holders;
- 4) Father's/ Husband's name of Unitholder/ joint Holders;
- 5) Occupation of Unitholders/ joint Holders; and
- 6) Tax/ Zakat status of Holder.
- 7) Record of signature of Holder
- 8) Nominee.

About Units

- 1) Distinctive numbers;
- 2) Certificate number, if applicable;
- 3) Date of purchase/ redemption/ transfer and the reference number, if any;
- 4) Number of Units held; and
- 5) Record of verification of Transfer forms/ Redemption forms.
- 6) Information about lien/ pledge/ charge on Units.

Instructions

- 1) Particulars of bank account if payment of dividend to be made to credit of a bank account, or if payment is to be made to the Holder's registered address.
- 2) Instruction about reinvestment of dividend in Units;
- 3) Instructions if redemption application is to be signed by first-named joint Holder only;
- 4) Information and instruction about pledge/ charge/ lien of Units; and
- 5) Information and instruction about nominees in case of death of the Unitholder.

The Unitholders may notify in writing any change of name or address or any other particular to the relevant Authorized Branch of the Distribution Company, or to the Management Company, or to the Registrar. The Distribution Company or Management Company will forward such application to the Registrar, who on being satisfied therewith and on compliance with such formalities (including in the case of a change of name the surrender of any Certificate previously issued to such Holder and the payment of the fee) shall alter the Register or cause it to be altered accordingly and in the case of a change of name shall issue a new Certificate if required to such Holder.

6.10.5 Account Statement

Upon written confirmation from the Trustee that the Offer Price for each Unit has been received in full from the applicant, the Registrar shall issue an Account Statement that will constitute evidence of the number of Units registered in the name of the Holder.

The Registrar will send directly to each Unitholder a non-transferable Account Statement each time there is a transaction in the folio, i.e., Units are

- (1) issued/ subscribed;
- (2) redeemed;
- (3) transferred in favor of third person;
- (4) transferred from third person;
- (5) consolidated/ split; and
- (6) additional Units are issued against re-investment of dividend.

An Account Statement will be posted within fifteen Business Days after each relevant transaction.

6.10.6 Certificates

- a) Unit Certificates will be issued only if requested by the Unitholders.
- b) Certificate will not be issued for fractional Units.
- c) Unitholders can apply for the issue of Certificate by completing the prescribed application form and submitting it to the relevant Distribution Company together with a fee at the rate of twenty-five Rupees per Certificate of any denomination or any other amount as determined by the Management Company from time to time.
- d) Certificates shall only be issued for Units that have been fully paid, in such denomination as may be required by the Holder.
- e) Certificates where requested shall be issued as herein provided not later than fifteen Business Days after the date of such request. The Certificate may be sent to the Holder or his duly authorized nominee at his own risk by registered post or by delivery.
- f) In the case of Units held jointly the Registrar shall not issue more than one Certificate for the Units held by such joint Holders and delivery of such Certificate to the Holder named first therein shall constitute sufficient delivery to all joint Holders. All payments required under this Deed (i.e. redemption and dividend) will be made to first name joint Holder.
- g) Certificates shall be issued in such form as may from time to time be agreed between the Management Company and the Trustee. A Certificate shall be dated, shall bear the name and address of the Management Company and the Trustee, shall bear a distinctive and serial number and shall specify the number of Units represented thereby and the name and address of the Holder as appearing in the Register.
- h) Units shall not be represented by more than one Certificate at any one time.

6.10.7 Replacement of Certificates

- a) Subject to the provisions of the Trust Deed and in particular to the limitations of the denomination of Certificates as may be fixed by the Management Company and subject to any regulations from time to time made by the Trustee with the approval of the Management Company every Holder shall be entitled to exchange upon surrender of the existing Certificate any or all of his Certificates for one or more Certificates of such denominations as the Holder may require representing the same aggregate number of Units.
- b) In case any Certificate shall be lost, stolen, mutilated, defaced or destroyed, the Registrar with the approval of the Management Company may issue to the person entitled new Certificate in lieu thereof. No such new Certificate shall be issued unless the applicant shall previously have:
 - (I) returned the mutilated or defaced Certificate or furnished to the Distribution Company/ Registrar evidence satisfactory to the Management Company of the loss, theft or destruction of the original Certificate,
 - (II) paid all expenses incurred in connection with the investigation of the facts and any notice to be issued in newspaper inviting any claim (if any) against the lost Certificate to be notified to the Management Company, Trustee or Registrar; and
 - (III) furnished such indemnity as the Management Company and the Trustee may require. Neither the Management Company nor the Trustee nor the Distribution Company/ Registrar shall incur any liability for any action that they may take in good faith under the provisions of this sub-clause.
- c) Before the issuing of any Certificate under the provisions of this sub-clause the Distribution Company/ Registrar may require from the applicant for the Certificate the payment to it of a fee of twenty five Rupees for each Certificate, subject to revisions of fee from time to time by the Management Company together with a sum sufficient (if any) in the opinion of the Management Company to cover any Duties and Charges payable in connection with the issue of such Certificate.

6.10.8 Pledge/ Charge/ Lien of Units

Any Unitholder/or all joint Unitholders may request the Registrar to record a pledge/lien of all or any of his/their Units in favor of any third party legally entitled to invest in such Units in its own right. The Registrar shall register a lien on such Units in favor of any third party with the specific authority of the Management Company.

The Lien once registered shall be removed by the authority of the party in whose favor the lien has been registered or through an order of a competent court or lawful authority. Neither the Trustee, nor the Management Company, nor the Registrar, shall be liable for ensuring the validity of any such pledge/charge/lien. The disbursement of any loan or undertaking of any obligation against the constitution of such pledge/lien/charge by any party shall be at the entire discretion of such party and neither the Trustee nor the Management Company nor the Registrar take any responsibility in this matter.

Save any legal bar or Court order requiring otherwise, payments of dividends or the issue of bonus Units and redemption proceeds of the Units under lien/pledge/charge shall be made to the lien/charge/ pledge holder for the account of the Unitholder.

Partial pledge/ lien of Units covered by a single Certificate is not permitted. However Holders may apply for a splitting of the Certificate before applying for such partial pledge/ lien.

6.10.9 Nomination

A single Unitholder can nominate a successor to receive the Units upon his death by completing the prescribed section of the Application Form for Sale of Units and submitting the same to the Authorized Branch of the relevant Distribution Company.

6.10.10 Payment of Redemption Proceeds

- a) Unless otherwise instructed, payment of the redemption proceeds will be made by a crossed cheque, in favor of the Unitholder's registered name, or in favor of the first-named joint Holder in the event of joint Holders, and will be sent at the Unitholder's or first-named joint Holder's address, as provided within six working days after the receipt of a properly documented request for redemption of Units, provided that the redemption is not suspended (Please refer to paragraph 6.13).
- b) In the event of Units that are pledged, are redeemed for any reason whatsoever, the proceeds shall be paid to the lien holder's designated bank account or posted to the registered address mentioned in the pledge/ lien application form submitted for the account of the Unitholder .

6.10.11 Joint Holders

Unless the joint Holders of Units have specified otherwise, requests for redemption of such Units shall be signed by all the joint Holders.

6.10.12 Partial Redemption

Partial redemption of Units covered by a single Certificate is not permitted. However, Holders may apply for a splitting of the Certificate before applying for redemption.

6.10.13 Redemption Requests in Excess of 10% of Units in Issue

Refer to Paragraph 6.12(i) of this Offering Document.

6.11 Maximum Interval between Request and Payment of Redemption Proceeds

Payment of the redemption proceeds will be made by a crossed cheque, in favor of the Unitholder's registered name, or in favor of the first named joint Holder in the event of joint Holders, and will be sent at the Unitholder's or first named joint Holder's address, as provided within six working days after the receipt of a properly document request for redemption of Units.

6.12 Circumstances of Suspension or Deferral Dealing of Units

Extraordinary Circumstances

The sale and redemption of Units may be suspended during extraordinary circumstances including closure of one or more stock exchanges on which any of the securities traded by Crosby Dragon Fund are listed, the existence of a state of affairs, which in the opinion of the Management Company, constitutes an emergency as a result of which disposal of any investment would not be reasonably practicable or might seriously prejudice the interest of Crosby Dragon Fund or of the Unitholders, or a breakdown in the means of communication normally employed in determining the price of any investment, or when remittance of money can not be carried out in reasonable time and if the Management Company is of the view that it would be detrimental to the remaining Unitholders to redeem Units at a price determined in accordance with the Net Asset Value. The Management Company may announce a suspension or deferral of redemption in such cases. Such a measure shall be taken to protect the interest of the Unitholders in the event of extraordinary circumstances or in the event redemption requests accumulate in excess of ten percent of the Units in issue. In the event of a large number of redemption requests accumulating, the requests may be processed in a Queue System and under extreme circumstances the Management Company may decide to wind up the Crosby Dragon Fund. Please refer to paragraph 6.12(ii) below.

Such suspension or queue system shall end on the day following the first Business Day on which the conditions giving rise to the suspension or queue system shall in the opinion of the Management Company have ceased to exist and no other condition under which suspension or queue system is authorized under the Deed exists. In case of suspension and invoking a queue system and end of suspension or queue system the Management Company shall immediately notify the SECP and Trustee and publish the same in at least one daily newspaper, either in English or in Urdu, having wide circulation in Pakistan.

Under the extraordinary circumstances mentioned above, the Management Company may announce a change in the method of dealing in Units.

- (i) **Queue System** – In the event redemption requests on any day exceed ten percent (10%) of the Units in issue, the Management Company may invoke a queue system whereby requests for redemption shall be processed on a first come first served basis for upto ten percent of the Units in issue. The Management Company shall proceed to sell adequate assets of the Fund and/ or arrange borrowing as it deems fit in the best interest of the Holders and shall determine the Redemption Price to be applied to the redemption requests based on such action. Where it is not practical to determine the chronological ranking of any requests in comparison to others received on the same Business Day, such requests shall be processed on a proportional basis proportionate to the size of the requests. The redemption requests in excess of ten percent (10%) of the Units in issue will be carried over to the next Business Day. However, if the carried over requests and the fresh requests received on the next Subscription Day still exceeds ten percent (10%) of the Units in issue, these shall once again be treated on first come first served basis and the process for generating liquidity and determining the Redemption Price shall be repeated and such procedure shall continue till such time the outstanding redemption requests come down to a level below ten percent of the Units then in issue. If the Trustee has announced a book closure or suspended redemption

subsequent to redemption application, the remaining redemption requests will be carried to the next Business Day, even if it is not a Subscription Day. Part redemption will be allowed, if necessary

- (ii) **Winding up in view of major redemption** – In the event the Management Company is of the view that the quantum of redemption requests that have built up shall result in the Fund Property being run down to an unmanageable level or is of the view that the sell-off of assets is likely to result in a significant loss in the value for the Holders who are not redeeming, it may announce winding up of the Fund. In such an event, the queue system, if already invoked, shall cease to apply and all Holders shall be paid after selling the assets and determining the final Redemption Price. Interim distributions of the proceeds may be made if the Management Company finds it feasible.

6.13 Payment to Unitholder

Payment of the redemption proceeds will be made by a crossed cheque, in favor of the Unitholder's registered name, or in favor of the first-named joint Holder in the event of joint Holders, and no payment shall be made to an intermediary.

PART VII – DISTRIBUTION POLICY

7.1 Dividends

At least 90% of the income other than realized and unrealized capital gains and appreciations received by Crosby Dragon Fund will be distributed annually as dividend and the balance of income will be retained for re-investment. The Management Company shall decide whether and to what extent the amount available for distribution be distributed annually as dividends and the balance of income to be retained and carried forward for re-investment. However, if income tax laws will allow higher retention of profit, the Management Company may consider such option in the interest of Unitholders. All Units shall have the same right with respect to dividends. The Unitholders may request the Management Company to re-invest the dividends due to them for purchase of additional Units (refer to section 7.4 below).

7.2 Declaration of Dividend

The Management Company shall decide not later than forty-five days after the end of the Accounting Period whether to distribute net profits if any, available for distribution in the form of dividends to the Unitholders. The balance of the net profits will be retained for re-investment in Crosby Dragon Fund. The Management Company may, pay the Unitholders interim dividend, if it considers that the income for the Accounting Period would justify such distribution.

7.3 Determination of Distributable Income

The amount available for distribution in respect of any Accounting Period shall be the sum of all receipts of the nature of income and net realized appreciation, from which shall be deducted (1) the expenses, as stated in paragraph 8.2 of this Offering Document and (2) any taxes on Crosby Dragon Fund.

The Income qualifying for distribution shall be adjusted as under:

- By additions of a sum representing amounts included in the Price of Units for income accrued prior to the date of issue;
- By deduction of a sum representing all participation in income distributed upon redemption of Units; and
- By deduction of a sum representing diminution in the value of Fund Property.

7.4 Reinvestment of Dividend

- a) Unitholders may instruct the Distribution Company or the Management Company or the Registrar in writing to re-invest the future dividends to which he will be entitled on the total number of Units held by him, in the acquisition of Units with No Load. The Units purchased under one account folio cannot be split for receiving part cash dividend and part reinvestment of dividend. The applicants are advised to maintain two account folios under these circumstances. Such request will remain effective until it is countermanded in writing.
- b) The Offer Price for the Units to be issued under paragraph 7.4(a) above will be the NAV on June 30, as certified by the Auditors, after appropriation of the income of that year.
- c) Units shall be issued in fractions up to four decimal places of a whole Unit, with the fifth decimal rounded up if it has a value of 5 or higher, or rounded down if its has a value of less than 5. Certificates will not be issued for fractions of Units.

7.5 Payment of Dividend

All payments for dividend shall be made by cheque by the Trustee in favor of the Unitholder or to the first named joint Holder and sent through the registered post at their registered address. Every cheque shall be made payable to the order of the person to whom it is delivered.

7.6 Payment through Bank of Dividend/ Redemption Proceeds

Where an instruction has been received in such form as the Management Company shall consider sufficient, payment of dividend of the total number of Units held by the Unitholder can be arranged through bank account. For payment of redemption proceeds through bank account, instruction to this effect shall be given at the time of redemption application by indicating in the Application for Redemption Form.

7.7 Dispatch of Dividend Warrants

Dividend warrants shall be dispatched within 30 days after the declaration of dividend.

PART VIII – FEES AND CHARGES

8.1 Payable by the Investor

- a) The Offer Price shall be equal to the sum of the Net Asset Value (NAV) as of the close of the Business Day immediately preceding the day of the announcement, and will carry Front-end Load upto the rate of two percent (2%) of NAV (subject to revisions by the Management Company from time to time with, SECP approval) and such amount as the Management Company may consider to be an appropriate provision of Duties and Charges and such sum to be adjusted upwards to the nearest five Paisa.
- b) The Redemption Price shall be equal to the NAV as of the close of the Business Day immediately preceding the day of the announcement, less an amount as the Management Company may consider to be an appropriate provision of Duties and Charges and such sum to be adjusted downwards to the nearest five Paisa.

8.2 Payable by Crosby Dragon Fund

(a) The following expenses will be borne by the Crosby Dragon Fund:

- 1) Any remuneration of the Management Company;
- 2) Any remuneration of the Trustee;
- 3) Any Bank charges and borrowing/ financial cost;
- 4) Brokerage and transaction costs relating to investing/ disinvesting of the Fund Property;
- 5) All expenses incurred by Trustee effecting the registration of all registerable property in Trustee's name
- 6) Legal and related costs as may be incurred in protecting or enhancing the interests of the Scheme or the collective interests of the Unit Holders;
- 7) Audit fees;
- 8) Listing fee payable to Stock Exchange;
- 9) Formation cost that **will not exceed 1% of the amount of seed capital and** will be amortized over a period not exceeding five years;
- 10) Annual Fee payable to the SECP under Rule 79 of the Rules; and

11) Taxes, if any, applicable to the Trust.

(b) The remuneration of the Trustee and the Management Company.

Trustee

The Trustees shall be paid a monthly remuneration out of the Fund Property on an annual basis. The Trustee's remuneration shall consist of reimbursement of actual custodial expenses/charges, plus the following Tariff:

Amount of funds under management (Average NAV)	Tariff per Annum
Amount upto Rs:1.00 billion	0.50%
Amount exceeding Rs:1.00 billion	Rs:5,000,000 plus 0.10% for amounts exceeding Rs:1.00 billion.

The remuneration shall begin to accrue from the date of payment in full of all Core Units subscribed by the Core Investors. For any period other than a full calendar month, such remuneration will be prorated on the basis of actual number of days for which such remuneration has accrued for the total number of days in the calendar month concerned.

Management Company

Annual remuneration not exceeding three percent (3%) per annum of average Net Assets of Crosby Dragon Fund during the first five years starting from the date of payment in full of all Units subscribed by the Core Investors and 2% per annum thereafter.

- c) The Management Company and Trustee shall bear all expenditures in respect of their secretarial and office space and professional management including all accounting and administrative services provided in accordance with the provisions of the Deed. Neither the Management Company nor the Trustee shall make any charge against the Unitholders, nor against the Fund Property, nor against the Distribution Account for their services nor their expenses, except such expenses as are expressly authorized under the provisions of the Rules and the Deed to be payable out of Fund Property.

PART IX – TAXATION

1) Taxation on the income of Crosby Dragon Fund:

The following is a brief description of the Income Tax Law (Income Tax Ordinance 2001) applicable in respect of Crosby Dragon Fund.

- a) Liability for Income Tax

Under the Income Tax law in Pakistan, Crosby Dragon Fund is regarded as a public company for tax purposes. The income of Crosby Dragon Fund is taxable at the tax rate applicable to a public company, which are as under:

- (i) Dividend income - 5%.
 - (ii) Capital gains arising on sale of securities listed on any stock exchange in Pakistan - exempt from tax up to June 30, 2005 (Tax Year 2005).
 - (iii) Return from Term Finance Certificates or Corporate Papers, profit on Government securities, return on deposits/ Certificates of Investments with banks/ financial institutions, profits from money market transactions, profit from Profit or Loss Sharing accounts with banks is taxable at the rate of 35%, applicable to a public company.
- (b) Liability for income tax, if 90% of income is paid as dividend

Notwithstanding the tax rates stated under (a) above, the income of Crosby Dragon Fund will be exempted from income tax, if not less than 90% of the income (other than realized and unrealized capital gains and appreciations) of the year is distributed amongst the Unitholders as dividend. As stated in paragraph 7.1 above, at least 90% of the income received by Crosby Dragon Fund will be distributed annually as dividend.

- (c) Withholding tax

All income; namely, dividend, return from term finance certificates or corporate papers, profit on government securities, return on deposits/ certificates of investment with banks/ financial institutions, profits from money market transactions, profit from Profit or Loss Sharing accounts with banks of Crosby Dragon Fund will not be subjected to any withholding tax.

- (d) Zakat

Crosby Dragon Fund is Saheb-e-nisab under Zakat and Ushr Ordinance, 1980. The balance in the credit of Savings Bank Account, or similar account with a Bank standing on 1st day of Ramazan-ul-Mubarak will be subjected to deduction of 2.5% Zakat.

2) Taxation of Unitholders and Liability to Zakat

The information set forth below is included for general information purposes only. In view of the individual nature of tax consequences, each investor is advised to consult with his tax adviser with respect to the specific tax consequences to him of investing in Crosby Dragon Fund.

- (i) Unit holders of Crosby Dragon Fund will be subject to income tax on dividend income (excluding the amount of dividend paid out of capital gains) as under:

Income Tax

Withholding Tax

		(on entire dividend)
(a) Public company and Insurance Company	5%	5%
(b) Others	10%	10%

Unit holders who are exempt from income tax may obtain exemption certificate from the Commissioner of Income Tax and on the basis of the exemption certificate, income tax will not be withheld.

Every banking company or non-banking finance company shall include the portion of profit on debt, if any, included in Dividend, distributed by Crosby Dragon Fund, out of its income under the Head "Income from Business", which shall be chargeable to tax.

- (ii) Unit holders of Crosby Dragon Fund, other than a company, shall be entitled to a tax credit under section 62 of the Income Tax Ordinance 2001 on purchase of new Units. The amount on which tax credit will be allowed shall be lower of (a) amount invested (b) ten percent of the taxable income of the Unitholder and (c) Rupees one hundred thousand and will be calculated by applying the average rate of tax of the Unitholder for the tax year. If the Units so acquired are disposed within twelve months, the amount of tax payable for the tax year shall be increased by the amount of the credit allowed. It is stated that Crosby Dragon Fund will obtain listing on one of stock exchanges in Pakistan.
- (iii) Zakat: Units held by resident Pakistani Unitholders shall be subject to Zakat at 2.5% of the Par Value of Units under Zakat and Ushr Ordinance, 1980, (XVII of 1980), except those exempted under the said Ordinance. Zakat will be deducted at source from the dividend amount or from the redemption payment, if Units are redeemed during the Zakat year before payment of dividend.

3) Disclaimer:

The Tax and Zakat information given above is based on the Management Company's Tax Advisers' interpretation of the law, which to the best of the Management Company's understanding is correct. Furthermore, Tax and Zakat laws and rates of taxation, including withholding tax are subject to change from time to time. Hence the investors should seek independent advice so as to determine the Tax and Zakat liability arising from their investments in the Units of the Fund.

PART X – REPORTS AND ACCOUNTS

10.1 Financial Year of Crosby Dragon Fund

The Accounting Period will commence from the date of registration of Crosby Dragon Fund for the first year and from July 1, for all the following years to June 30.

10.2 Financial Reporting

The following reports will be sent to the Unitholders as per the requirement of SECP:

- a. Audited financial statements, together with the auditors report, the report by the Management Company and the report by the Trustee within four months of the close of each Account Period or such period prescribed by the Rules or SECP, in accordance with the law.
- b. Un-audited financial statements, together with the report by the Management Company within a month of the close of the first and third quarter of each Accounting Period or such period prescribed by the Rules or SECP, in accordance with the law.
- c. Limited scope review of the financial statements by the Auditors, together with the report by the Management Company within a month of the close of the second quarter for the Accounting Period or such period prescribed by the Rules or SECP, in accordance with the law
- d. The Trustee shall issue a report to the Unitholders to be included in the annual report, or at such times as directed by the SECP, in accordance with the law, whether in its opinion, the Management Company has in all material respects managed the Fund Property in accordance with the provisions of the Rules and the Deed and if the Management Company has not done so, the respect in which it has not done so and the steps the Trustee has taken in respect thereof.

The regularity of reporting will change if so required under the Rules and the Ordinance and/or as directed by the SECP in accordance with the law.

PART XI – WARNINGS

11.1 Offering Document

The provisions of the Deed and the Rules govern this Offering Document. It sets forth information about Crosby Dragon Fund that a prospective investor should know before investing in any unit. Prospective investors should consult their stockbroker, bank manager, legal adviser or financial adviser before making any decision.

11.2 Investor Risk

Investors may realize that all investments involve risk. Crosby Dragon Fund is an equity Fund with the main objective to generate optimum returns for investors while considering their risk appetite, comparable returns and concern for the safety of their capital. However, although Crosby Dragon Fund is primarily an equity Fund the Management Company may, if opportunities exist, decide to make investment in debt based and fixed income securities. The equity portfolio of Crosby Dragon Fund is subject to market fluctuations and risks inherent in all such investments. The value of the Units in Crosby Dragon Fund may appreciate as well as depreciate, and the level of dividend declared by Crosby Dragon Fund may also go down as well as up.

PART XII – GENERAL INFORMATION

12.1 Filing of the Offering Document

The Management Company has filed a copy of this Offering Document signed by the Chief Executive along with the documents (1) to (6) below with the SECP. Certified copies of these documents along with documents (7) to (10) below can be inspected at the registered office of the Management Company or the place of business of the Trustee, at the addresses provided in the paragraph 3.1 of this Offering Document.

- (1) Trust Deed (Deed) of Crosby Dragon Fund dated 20 September, 2003, between Crosby Asset Management Limited (CAML), as the establisher and the Management Company and Jahangir Siddiqui Investment Bank Limited (JSIBL), as the Trustee;
- (2) The Registrar Agreement dated 31 October, 2003 between the Management Company and THK Associates (Pvt.) Limited;
- (3) Distribution Agreement dated 31 October, 2003, between the Management Company and Jahangir Siddiqui & Co. Limited.
- (4) Distribution Agreement dated 31 October, 2003, between the Management Company and Jahangir Siddiqui Investment Bank Limited.
- (5) Distribution Agreement dated 31 October, 2003, between the Management Company and Flow (Pvt.) Limited.
- (6) Two Letters dated 11 December, 2003 from Messrs. M. Yousuf Adil Saleem & Co., Chartered Accountants, Auditors of Crosby Dragon Fund, consenting to the issue of statements and reports appearing in Part XIV of this Offering Document;
- (7) The SECP's letter No. NBFC-39/AMC & IA/04/2003, dated 16 June, 2003, registering CAML as an asset management company together with the Certificate of Registration;
- (8) The SECP's letter No. SC/NBFC-II-JD(R)/414/2003, dated 19 August, 2003, approving the appointment of Jahangir Siddiqui Investment Bank Limited, as the Trustee of Crosby Dragon Fund;
- (9) The SECP's letter No. NBFC/II/JD(R)/Crosby-CDF/601/2003, dated 6 November, 2003, authorizing the Scheme;
- (10) The SECP's letter No. NBFC/DD(R-II)/678/2003, dated 12 December, 2003, approving this Offering Document.

As per the NBFC Rules, a sum of Rs:1,000,000/- has been paid to the SECP by Demand Draft No.DD0005965, dated 2 June, 2003, drawn on Muslim Commercial Bank Limited as prescribed fee for authorization of the Scheme.

12.2 Publication of the Offering Document

The publication date of the Offering Document of the Crosby Dragon Fund is 15 December, 2003.

12.3 Information given in this Document, Responsibility of Management Company

CAML accepts the responsibility for the information contained in this Offering Document as being accurate at the date of publication.

PART XIII – TERMINATION OF CROSBY DRAGON FUND

13.1 By the Management Company

Crosby Dragon Fund may be terminated by the Management Company by giving three months notice in writing to the Holders on the grounds given in clause 6.12(ii) of this Offering Document. The grounds on which termination is made shall be mentioned in the notice to the Unitholders.

13.2 By the Securities and Exchange Commission of Pakistan (SECP)

If the SECP considers that further continuation of the authorization of Crosby Dragon Fund will not be in the interest of Unitholders, it will give a three months notice to the Unitholders about its intention not to maintain such authorization, provided that no notice shall be served without offering an opportunity of hearing to the Management Company.

13.3 Winding up

In case of the termination of Crosby Dragon Fund, the Management Company shall be required to wind-up Crosby Dragon Fund and refund the proceeds to the Unitholders in such a manner and within such time as may be specified by the SECP.

PART XIV – FINANCIAL INFORMATION

14.1 Auditor's Certificate on Core Investors' Investment in the Units of Crosby Dragon Fund.

M.Yousuf Adil Saleem & Co
Chartered Accountants
Cavish Court, A-35, Block 7 & 8
KCHSU, Sharea Faisal,
Karachi-75350
Pakistan

03 – 23A/1162
December 11, 2003

UAN: +92 (0) 21 111-55-2626
Fax: +92 (0) 21-4541314

The Board of Directors
Crosby Asset Management Limited
8th Floor, PIC Towers
32-A, Lalazar Drive
M. T. Khan Road
Karachi.

Gentlemen,

**AUDITOR'S CERTIFICATE ON CORE INVESTOR'S
INVESTMENT IN THE UNITS OF CROSBY DRAGON FUND**

At your request we have verified from the books of accounts and records of the Crosby Dragon Fund managed by the company that a sum of Rs.260.00 million (Rupees two hundred and sixty million only) had been subscribed upto December 11, 2003 in respect of units of the Fund. This amount has been received in the Fund's bank accounts from the following Core Investors:

S.No.	Name of Core Investors	Rupees
1.	Jahangir Siddiqui Investment Bank Limited	75,000,000
2.	Pakistan Industrial Credit and Investment Corporation	50,000,000
3.	EFU General Insurance Limited	10,000,000
4.	EFU Life Assurance Limited	10,000,000
5.	Atlas Investment Bank Limited	5,000,000
6.	Capital One Equities Limited	5,000,000
7.	SC Securities Limited	2,500,000
8.	Habib Insurance Company Limited	1,000,000
9.	Pakistan Venture Capital Limited	5,000,000
10.	Pak Kuwait Investment Company Private Limited	5,000,000
11.	Jahangir Siddiqui & Company Limited	75,000,000
12.	Bank of Punjab	10,000,000
13.	Fidelity Investment Bank Limited	5,000,000
14.	Alstom Pakistan (Private) Limited Employees Gratuity Fund Trust	1,000,000
15.	Crosby Asset Management Limited	500,000
	Total	260,000,000

Yours truly,

M. Yousuf Adil Saleem & Co.
Chartered Accountants

14.2 Auditor's Certificate on Net Asset Value of Units in Crosby Dragon Fund.

M.Yousuf Adil Saleem & Co
Chartered Accountants
Cavish Court, A-35, Block 7 & 8
KCHSU, Sharea Faisal,
Karachi-75350
Pakistan

03 – 23A/1161
December 11, 2003

UAN: +92 (0) 21 111-55-2626
Fax: +92 (0) 21-4541314
Web: www.deloitte.com

The Board of Directors
Crosby Asset Management Limited
8th Floor, PIC Towers
32-A, Lalazar Drive
M. T. Khan Road
Karachi.

Gentlemen,

**AUDITOR'S CERTIFICATE ON NET ASSET
VALUE OF UNITS IN THE CROSBY DRAGON FUND**

At your request we have verified from the books of accounts and records of the Crosby Dragon Fund managed by the company that the Net Assets of the Fund as at the close of business on December 11, 2003 was Rs.260,557,666 (Rupees two hundred and sixty million, five hundred and fifty seven thousand, six hundred and sixty six only). The Net Asset Value (NAV) of each unit amounted to Rs.100.22, which was arrived at by dividing the Net Assets of the Fund by the number of units as at that date.

We would like to draw your attention to paragraph 14.3 of the offering document, which specifies that management company has estimated the formation cost of the Fund expected to be incurred during period leading to the First Offer of Units. The Net Assets of the Fund as at the close of business on December 11, 2003, specified above has been determined before writing off these formation costs.

Yours truly,

M. Yousuf Adil Saleem & Co.
Chartered Accountants

14.3 Formation Cost

All preliminary and floatation expenses of the Trust including expenses incurred in connection with the authorization of the Scheme, execution and registration of the Constitutive Document, issue, circulation and publication of the Offering Document and all expenses incurred during the Initial Offering Period, shall be borne by Crosby Dragon Fund and amortized over a period of not more than five years. The cost will not exceed Rs.2,600,000/-.

PART XV- ARBITRATION

In the event of any disputes arising out of this Trust Deed or Offering Document between the Management Company on the one part and the Trustee on the other part, including as to the respective rights and obligations of the Parties hereto, as well as those relating to the interpretation of the terms and the conditions of this Trust Deed, Offering Document and/ or the Supplementary Offering Documents, relating to the Unit Trust, the same shall be referred to arbitration by two arbitrators, one to be appointed by the Management Company and the other to be appointed by the Trustee. In the event of lack of consensus between the two arbitrators, the matter shall be referred to an umpire, to be selected by the two arbitrators before the commencement of the reference. The unanimous decision of both the arbitrators, or the decision of the umpire, as the case may be, shall be final and binding upon both the parties. The arbitrators and the umpires shall be selected from amongst, senior partners of renowned firms of chartered accountants, or senior partners of renowned law firms, or senior bankers or senior business men or senior executives. The venue of the arbitration shall be Karachi. The arbitration shall be conducted in accordance with the Arbitration Act, 1940.

PART XVI – AUTHORIZED BRANCHES OF THE DISTRIBUTION COMPANIES

1. Crosby Asset Management Limited

8th Floor, PIC Towers
32-A, Lalazar Drive
M.T. Khan Road
Karachi.
Telephone # (92-21) 5611883-5
Fax # (92-21) 5611886

2. Jahangir Siddiqui & Co. Limited

14th Floor, Chapal Plaza, Hasrat Mohani Road, Karachi.
Telephone #: (92-21) 2431181-8
Fax #: (92-21) 2431178

3. Jahangir Siddiqui Investment Bank Limited

Room No.1301-1303, 13th Floor, Chapal Plaza, Hasrat Mohani Road, Karachi.
Telephone #: (92-21) 2429445-50
Fax #: (92-21): 2429448

4. Flow (Pvt.) Limited

411, Trade Tower, Abdullah Haroon Road, Karachi.
Telephone #: (92-21) 5685950, 5686355, 5695971, 5650415-6
Fax #: (92-21) 5683397

PART XVII - FORMS**17.1 Application Form for Sale of Units**

Sale Number _____
(To be filled in by the Company)

Date _____

The Trustee,
Crosby Dragon Fund
Room No.1301-1303
13th Floor, Chapal Plaza
Hasrat Mohani Road
Karachi.

Authorized Branch of Distribution Company

See guidelines on reverse

Part A Application

Dear Sir,
1. I/ We

_____ apply for the purchase of Units of Crosby Dragon Fund for which payment is enclosed, subject to the provisions of the Trust Deed and the Offering Document of Crosby Dragon Fund.

Number of Units	Offer Price	Amount	Mode of payment Cheque/ Draft
Cheque/ Draft No:			
Dated:			
Drawn on: (Name and Branch of the Bank)			

Includes Rs. _____ for issue of Unit Certificate(s) (See note 3 in part C)

2. I am/ We are unit holder(s). My/ Our Folio No. is: _____
Please register the Units applied for in this folio/ separate folio.

3. I/ We declare that I am/ we are not minor(s).

4. I/ We will not claim repatriation from Pakistan of dividend and sale proceeds of this/ these unit(s) except as permissible under the rules of State Bank of Pakistan or Ministry of Finance, Government of Pakistan.

Yours faithfully,

Signature _____

Name _____

Signature _____

Name _____

Signature _____

Name _____

Signature _____

Name _____

Note: Names and signatures of attorneys in case of companies/ trusts, etc.

Part B Particulars of Applicant

(See Paragraph 5 of guidelines)

1) _____ Signature of Applicant/ First Named Joint Applicant

Applicant/ First Named Joint Application

a. Name: _____

Name of Father/ Husband: _____

NIC No: _____ Occupation: _____

Address: _____

_____ Telephone: _____

Email: _____

Joint Applicant(s)

b. Name: _____

Name of Father/ Husband: _____

NIC No: _____ Occupation: _____

Email: _____ c. Name: _____ Name of Father/ Husband: _____ NIC No: _____ Occupation: _____ Email: _____ d. Name: _____ Name of Father/ Husband: _____ NIC No: _____ Occupation: _____ Email: _____
--

Note: Please attach photocopies of National Identity Card(s).

2. State Muslim/ Non Muslim. In case of Muslim, if not liable to Zakat provide affidavit
3. List of documents attached (please mark "Y" if documents attached and "X" if not attached) and also state whether original or photocopy.
 - ✍ _____ National Identity Card(s).
 - ✍ Memorandum and Articles of Association/ Bye Laws/ Trust Deed.
 - ✍ Power of Attorney or other documents authorizing the officer signing the Application Form.
 - ✍ Board Resolution authorizing investment.
 - ✍ Any other documents (Give detail).

Note: Copies of documents to be attested.

Specimen Signatures of Applicant/ Joint Applicants/ Authorized Signatories.	

Part C Instructions by Applicant

(See Paragraph 5 of guidelines)

1. Payment of Cash Dividend:

Please sign (Applicant/ First Named Applicant) at the appropriate place, to indicate how you want to receive the future dividend due to you. Unless indicated, dividend warrant will be sent at the registered address.

- Dividend to be sent at the registered address _____ (Sign) or
- To be paid to the credit of Bank Account Number _____ with _____ (Bank/ Branch) _____ (Sign) or
- To be reinvested for purchase of Units _____ (Sign)

2. Information about nominee(s) (not applicable in case of Joint Holding)

I nominate the following _____ (state number) person(s) to receive the Units held in my name according to their share in the event of my death. I agree and accept that nomination(s), shall not be binding upon the Trustee, the Management Company or the Distribution Company, who may at their sole discretion request for Succession Certificate or any other mandate from an appropriate Court or lawful Authority or an indemnification before releasing the proceeds of my Units to my nominee(s). I further agree that the Trustee, the Distribution Company and/ or the Management Company shall not be liable for any issues/ disputes amongst my legal heirs and/ or the nominees arising out of this nomination.

The entitlement to a fraction of a unit may be consolidated and redeemed. The proceeds may be paid to the nominees.

Signature of Holder

Particulars of Nominee(s):

Name of Nominee(s)	Relation with Holder	Address	Name of Father/ Husband	NIC Number	Share

3. Request for the issue of Unit Certificate(s):

Unit(s) will be issued in registered, uncertificated form and will be confirmed by means of an Account Statement issued by the Registrar. Unit Certificate(s) (available in the denominations of 1, 5, 10, 50 and 100 or jumbo Certificate for all the Units) will be issued only if requested and on payment of Rs. 25/- per certificate. Payment for certificate(s) may be combined with the payment for unit(s). Unless indicated by the Applicant minimum number of certificates will be issued.

4. Instructions regarding signing of Redemption/ Transfer Application Forms in case of Joint Holding;

(Tick the appropriate option. In case of second option all the Joint Holders are required to sign in the box)

☒ **Option I**

Redemption/ Transfer Application Forms to be signed by all the joint Holders. OR

☒ **Option II**

Redemption/ Transfer Application Forms to be signed by the First named Holder only.

Signature of all the Joint Holders

Guidelines for Completing the Application Form for Sale of Units

In case of any assistance, please contact the Management Company.

Head Office: 8th Floor PIC Towers, 32-A, Lalazar Drive, M.T. Khan Road, Karachi,. Tel: (92-21) 5611883-5 Fax: (92-21) 5611886

- 1) Please complete the Application Form in block letters with a ball pen.
- 2) In case of partnership firm or a trust, application shall be made in the name of partners or trustees.
- 3) The Units issued carry a Front-end Load, which the applicants pay at the time of purchase. No Sales Load is charged on the Units purchased through reinvestment.
- 4) Payment for the Units and certificates shall be made by cheque or bank draft in the name of "Trustee – Crosby Dragon Fund" and crossed "Payees Account Only". **Outstation cheque or cash will not be accepted.** If the cheque is returned unpaid the application will be rejected.
- 5) If the applicant is already a unit holder and has indicated the existing Folio Number in Part 'A', Part 'B' or Part 'C' may not be completed. If however there are any changes, the relevant portions may only be completed and the remaining portions deleted. If the applicant wants that the new instructions should only apply to the Unit(s) being purchased and not to the previous holdings, a separate folio may be asked for by so indicating in Part 'A' and then complete Part 'C'.
- 6) Copies of the following documents are required to be attached with the application for purchase of Units. The Distribution Company will be entitled to verify the signatures on Application Form and copy of the documents attached with original or request for attested copies.
 - a) Individuals (new applicants only): National Identity Card.

- b) For companies/ trusts/ statutory bodies (new applicants only or if there are any amendments in these documents):
 - o Memorandum and Articles of Association/ Bye Laws/ Trust Deed.
 - o Power of Attorney or other documents authorizing the officer signing the Application Form.
 - o National Identity Card(s) of the officer(s).
 - o Board Resolution authorizing investment. (On each application for purchase of Units).
- 7) Unit Certificates (if required) and Account Statement will be dispatched at the registered address within 15 business days of the submission of properly documented Application Form.
- 8) For change in Unitholders' Register, such as address, Unitholders may please write to the Management Company or Registrar.

RECEIPT

To be filled in by Distribution Company

Receipt _____	Sale Number _____
Date _____	
Received from _____	
Application Form for the sale of _____ Units of Crosby Dragon Fund With Cheque/ Draft Number _____ dated _____ for Rs. _____ drawn on _____ and documents overleaf.	
_____ Authorized Branch (Rubber Stamp)	_____ (Authorized Signatory)

List of documents attached (please mark "Y" if documents attached and "X" if not attached and also state whether original or photocopy)

✍ National Identity Card(s). ✍ Memorandum and Articles of Association/ Bye Laws/ Trust Deed. ✍ Power of Attorney or other documents authorizing the officer signing the Application Form. ✍ Board Resolution authorizing investment. ✍ Any other documents (Give detail).	
_____ Authorized Branch (Rubber Stamp)	_____ (Authorized Signatory)

17.2 Application Form for Redemption of Units
 (Before completing the Application Form please read the guidelines)

Redemption Number _____

Date _____

The Trustee,
 Crosby Dragon Fund
 Room No.1301-1303
 13th Floor, Chapal Plaza
 Hasrat Mohani Road
 Karachi.

Authorized Branch of Distribution Company

Dear Sir

I/ We the undersigned being the registered Holder(s) of Units, as detailed below request you to redeem according to the provisions of the Trust Deed and Offering Document of the Crosby Dragon Fund.

Folio Number	Certificate Number(s) if issued (attach Certificates)	Distinctive Number(s)	No of Units

- Please send the cheque for the Redemption Proceeds at my Registered Address.

OR

- Please pay to the credit of my bank account number _____ with
 _____ Bank
 _____ (address of Bank)

Yours faithfully,

	Name	Signature
Holder/ First named Holder	(1)	
Joint Holders	(2)	
	(3)	
	(4)	

Guidelines for completing the Application for Redemption Form
(In case of any assistance please contact the Distribution Companies)

- 1) At the request for the Unitholder, the Registrar will verify the holding and relevant details stated in Application for Redemption Form and signature of the Holder. In case of such verification, the verified Redemption Form will be the only document accepted by the Trustee for redemption. If the verified Redemption Form is lost, destroyed or mutilated, a new Redemption Form will be verified by the Registration application by the Unitholder and on payment of such costs and on such terms as to evidence indemnity and security.

If an Application for Redemption Form has been verified the Application for Transfer Form will not be verified except on surrender of the existing verified Application for Redemption Form. In case of transfer of Units, the verified Application for Redemption will have to be surrendered.

- 2) Payment of redemption will be made by Trustee within six Business Days after the receipt of a properly documented request for redemption of Units by relevant Distribution Company.
- 3) If redemption requests on any single day exceeds 10% of the total number of Units in issue, the Trustee shall redeem only 10%, on first come first served basis and defer the balance to the next Business Day.
- 4) Please complete in block letters with ball pen.

Receipt

Receipt	
Redemption Number _____	Date _____
Received from Mr./ Mrs./ Miss _____ (Holder/ First-named Holder)	
Application for Redemption of _____ Units along with Certificates as detailed overleaf.	
_____	_____
Authorized Branch (Rubber Stamp)	(Authorized Signatory)

Yours faithfully,

Name(s) and Signature(s) of the Transferor(s)
 (All joint holders shall sign unless first name is authorized to sign singly)

Name(s) and Signature(s)	
1	2
4	3
Witness (name, address, NIC number and signature)	

Name of the Transferee(s) (please sign in box in Part B)

I am/ We are a Unitholder. Our Folio number is _____
 The above Units may be registered in the Folio/ separate Folio
 (see 3(c) of guidelines)

Name(s) in FULL	
1	2
3	4
Witness (Name, address NIC number and signature)	

Part B Particulars of Transferee

1) _____ Signature of Transferee/ First named joint Transferee

Occupation	NIC number	Name of	Address of Transferee
Father/Husband	(attach copy)		
Transferee/ First Named Transferee			
1)			
Joint Transferee			
2)			
3)			
4)			

2) State Muslim/ Non Muslim In case of Muslim, if not liable to Zakat provide affidavit

3) List of documents submitted: (Please mark “Y” if documents enclosed and “X” if documents not enclosed and state original/photocopy) see note 5 of guidelines

- National Identity Card
- Memorandum and Articles of Association
- Power of Attorney or other document
- Board resolution authorizing investment
- Any other document (specify)

Signature of Transferee/ Joint Transferee	
Transferee/ First named Joint Transferee	Joint Transferee (2)
Joint Transferee (3)	Joint Transferee (4)

Part C Instructions by Transferee

1. Payment of Cash Dividend

Please sign (Transferee/ First named Transferee) at the appropriate place indicate that how you want to receive the future dividends due to you

- Dividend to be sent at the registered address _____ (Sign) or
- To be paid to the credit of Bank Account Number _____ with _____ (Bank/ Branch) _____ (Sign) or
- To be reinvested for purchase of Units _____ (Sign)

2) Information about nominees (not applicable in case of Joint Holding)

I nominate the following _____ person to receive the Units held in my (state number)

name according to their share in event of my death. I agree and understand the nominations shall not be binding upon the Trustee and the Management Company or the Distribution Company who may at their sole description request for Succession Certificate or any other mandate from appropriate court or lawful authority or any indemnification before releasing the proceeds of my Units to my nominees. I further agree that the Trustee, the Distribution Company and/ or the Management Company shall not be liable for any issues/ disputes among the legal heirs and or nominees arising out of this nomination.

The entitlement to a fraction of a Unit may be consolidated and redeemed .The proceeds may be paid to the nominees.

Signature of Holder

Name of Nominee	Relation with Holder	Address	Name of Father/Husband	NIC Number	Share	Signature of Nominee

3) Request for the issue of Unit Certificate

If Units under Transfer are in registered, uncertificated form, transfer in favor of Transferee will be confirmed by means of an Account Statement issued by the Registrar. Unit Certificates are available in the denominations of 1, 5, 10, 50 and 100 and will be issued only if requested and on payment of Rs 25/- per Certificate unless indicated by the Transferee minimum number of Certificates will be issued.

4) Instruction regarding signing of Redemption /Transfer Application forms in case of Joint Holding

(circle the appropriate option and in case of second option all the Joint Holders are required to sign)

- Redemption/ Transfer Application to be signed by all Joint Holders
- OR**
- Redemption /Transfer application forms to be signed by First named Holder only

Signatures of all Joint Holders.

Guidelines for completing the Application for Transfer Form (In case of any assistance, please contact the Distribution Companies)

- 1) Please complete the Application Form in Block Letters and with ball pen.
- 2) In case of a partnership firm or a trust, application for transfer shall be made in the name of the partners or the trustee.
- 3) This Application form is divided into three parts.

- a. "Part A " is your application for transfer of Units. This portion has to be filled by the transferor and the transferee. If the transferee is already a Unitholder the Folio Number should be stated.
 - b. "Part B " is particulars of transferee for the record of the Registrar. If the transferee is already a Unitholder and indicated the existing Folio Number in Part A, he does not have to complete in Part B. If however there is any change in the particulars the relevant portion of Part B should be completed.
 - c. "Part C " contains the instructions of the transferee, which the Registrar will record for compliance. If the transferee is already a Unitholder and indicated his existing Folio Number in Part A, he does not have to complete in Part C. However if he desires to change any of the existing instructions he may complete the relevant portion of Part C and delete the remaining portion. If the transferee wants that the new instructions should only apply to the Units he has now sent for transfer and not to his previous holdings, he should ask for separate Folio by so indicating in Part A and then complete Part C.
- 4) At the request of the Unitholder, the Registrar will verify the holding and relevant details on the Transfer Application form and signature of the Unitholder. In case of verification the verified Transfer Application Form will be the only instrument recognized by the Registrar for transfer. If the verified Transfer form is lost, destroyed or mutilated a new verified Transfer Form will be issue on application by the Unit holder and on payment of such costs and so such terms as to evidence indemnity and security.

If a Transfer Application Form has been verified, Redemption Application form will not be verified except on surrender of verified Transfer Application Form.

In case of redemption of Units the verified Transfer Application form will have to be surrendered.

- 5) Copies of the following documents are required to be submitted by the Transferee with the Application for Transfer of Units. The Distribution Company will be entitled to verify the signature (s) on Transfer Application Form and copy of the documents submitted with the original documents or request for attested copies.
- a) Individuals (new Applicants only) National Identity Card.
 - b) For Corporate/ Statutory bodies (new applicants only and if there is any amendment in these documents):
 - o Memorandum and Articles of Association/ Bye Laws/ Trust Deed
 - o Power of Attorney or other documents authorizing the officer signing the Application Form
 - o National Identity Card in respect of the officer.
 - c) For Corporate/ Statutory bodies (on each application for Transfer of Units)
 - o Board Resolution authorizing investment.

- 6) Account Statement/ Unit Certificate (if any) will be dispatched at the registered address within 15 business days of the submissions of a properly documented Application for Transfer Form.

RECEIPT

Receipt Transfer Number _____ Date _____	
Received from Mr./ Mrs./ Miss _____ (Name of Transferee)	
Application Form for Transfer of _____ Units of Crosby Dragon Fund and documents stated overleaf.	
_____ Authorized Branch (Rubber stamp)	_____ (Authorized Signatory)

List of documents attached (please mark "Y" if documents attached and "X" if not attached and also state whether original or photocopy)	
✘ National Identity Card(s). ✘ Memorandum and Articles of Association/ Bye Laws/ Trust Deed. ✘ Power of Attorney or other documents authorizing the officer signing the Application Form. ✘ Board Resolution authorizing investment. ✘ Any other documents (Give detail).	
_____ Authorized Branch (Rubber Stamp)	_____ (Authorized Signatory)

17.4 Application Form for Pledge/ Lien of Units
 (Before completing the Application Form please read the guidelines)

Pledge /Lien Number _____
Date _____

The Trustee,
 Crosby Dragon Fund
 Room No. 1301-1303
 Chapal Plaza,

Hasrat Mohani Road
Karachi

Authorized Branch of Distribution Company

Part A - Application Form for Pledge/Lien

Dear Sir,

I/ We the undersigned being the registered Holder(s) of units {pledger}, as detailed below, request you to record pledge/ lien over the following units in favor of pledge/ lien holder(s) according to the provisions of the Trust Deed and Offering Document of Crosby Dragon Fund.

Details of Units:

Folio Number	Sale No.	Certificate Number(s), if issued (attach Certificates)	Distinctive Number(s)	No. of Units

In making this request I/ we recognize and understand that:

- The registration of this pledge/ lien places a responsibility on you to ensure that for any reason whatsoever if units are redeemed save any legal bar or court requiring other wise, the proceeds shall be paid to the lien-holder or first named joint lien-holder for the account of the Unitholder according to the provisions of the Trust Deed and Offering Document of Crosby Dragon Fund accruing on such units (hereinafter referred to as the Pledged Units).
- Save any legal bar or court order requiring other wise, any dividends shall be paid, or issue of bonus units that are declared on the pledged units shall automatically be marked under the lien of the lien holder for the account of the Unitholder.
- You do not however, accept any responsibility for the validity of my/ our act of placing the pledged units under pledge/ lien nor for any obligation or commitments undertaken by me/ us in respect thereof
- The pledge / lien on the pledged units shall continue till such time it is released by the pledge/ lien holder in writing

Thank you,

Yours faithfully

Names and Signatures of Unit Holder(s)

(All joint holder(s) shall sign unless the first named is authorized to sign singly)

Name(s) and Signature(s)	
(1)	(2)

(3)	(4)

Witness (name, address, NIC number and signature)

Part B-Particulars of Pledge/ Lien holder(s)

1)Name of Pledge/ Lien Holder(s)

Name(s) and Signature(s) in Full	
(1)	(2)
(3)	(4)

Witness (name, address, NIC number and signature)

1) _____ Signatures of pledge/ lien holder/ First named pledge/lien holder

Occupation Father/	NIC number (attach copy)	Name of Husband	Address of Pledge/Lien Holder/ First named Pledge/ Lien holder
Pledge/ Lien holder/ First named Pledge/ Lien Holder			
(1)			
Joint Pledge/ Lien Holder(s)			
(2)			
(3)			
(4)			

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2) List of documents submitted: (please mark “Y” if documents enclosed and “X” if not enclosed and state whether original/ photo copy)

- _____ National Identity Card(s)
- Memorandum and Articles of Association /Bye Laws/ Trust Deed
- Power of Attorney or other documents authorizing the officer signing the Application Form
- Board Resolution authorizing Pledge/Lien
- Any other document (specify)

3) For Redemption Proceeds

- Please send the cheque for the Redemption Proceeds to the lien holder/ first named lien holder Registered Address given above; or
- Please pay to the credit of the lien holder/ first named lien holder’s bank account number with _____ Bank _____ (address of the bank)

4) I nominate the following _____ (state number) person(s) as pledge holder(s)/ first named joint holder(s) to become pledge holder of units held in my name according to their share in the event of my death. I agree and accept that nomination(s), shall not be binding upon the Trustee or the Management Company or the Distribution Company, who may at their sole discretion request for Succession Certificate or any other mandate from an appropriate Court or lawful Authority or an indemnification before releasing the units under pledge to my nominee(s). I further agree that the Trustee, the Distribution Company and/or the Management Company shall not be liable for any issues/ disputes amongst my legal heirs and/ or the nominees arising out of this nomination.

Signature of Pledge/ Lien Holder/ Joint Pledge/ Lien Holder	
Pledge/ Lien holder/ First named pledge/ lien holder	Joint pledge/ lien holder (2)
Joint pledge/ lien holder (3)	Joint pledge/ lien holder (4)

Guidelines for completing the Application Form for Pledge / Lien

1. Please complete the Application Form in block letters and with ball pen.
2. The Application Form is divided in two parts:
 - a. “Part A” is your application for pledge/ lien of units. This portion has to be filled by the unit holder/ pledger.

- b. "Part B" is particulars of the pledge/ lien holder for the record of the Registrar. This portion has to be filled by the pledge/ lien holder(s)/ first named joint holder(s).
- 3. In case of verification, the verified pledge/ lien form will be the only instrument recognized by the Registrar for pledge/ lien of units, if the ledge/ lien form is lost or destroyed or mutilated a new verified pledge/ lien form will be issued on application by the unitholder/ lien holder and on payment of such cost and on such terms as to evidence indemnity and security, including publication in newspapers.
- 4. Copies of the following documents are required to be submitted by the pledge/ lien holder with the Pledge/ Lien Application Form. The Distribution Company will be entitled to verify the signature(s) on the Pledge/ Lien Application Form and copy of the documents submitted with the original documents to request for attested copies.
 - a. Individuals: National Identity Card(s)
 - b. For Corporate/ Statutory bodies:
 - o Memorandum and Articles of Association/ Bye Laws/ Trust Deed
 - o Power of Attorney or other documents authorizing the officer signing the Application Form.
 - o National Identity Card in respect of the officer(s)
 - c. For Corporate/ Statutory bodies (on each application for pledge /lien of units):
 - o Board Resolution authorizing pledge.
- 5. For change in unitholder's and pledge/ lien holder's Register, such as address, unit holders/ lien holders may please write to the Management Company or Registrar.

RECEIPT

<p>Receipt Pledge/ Lien Number _____ Date _____</p> <p>Received from Mr./ Ms. _____ (Name of Pledger)</p> <p>Application Form for Pledge/ Lien _____ units of Crosby Dragon Fund and documents stated overleaf.</p> <p>_____</p> <p>_____</p>
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<p>Authorized Branch (Rubber Stamp) Signatory</p>	<p>Authorized</p>
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Folio Number	Certificate(s)	Distinctive Number(s)	Number of Units to be placed under Pledge/ Lien	Name(s) of Pledge/ Lien Holder

List of documents submitted (Please mark 'Y' if documents enclosed and "X" if not enclosed and state whether original or photo copy.