



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

Primary Market Approvals and Development Department -
Securities Market Division

Guidelines - Issuance of Gender Bonds

1. Introduction and Scope: -

In order to promote gender equality, women empowerment and to uplift the low-income segment of the women, it is considered desirable to develop these Guidelines so as to facilitate the issuance of Gender Bonds.

These guidelines aim to facilitate the issuers of debt securities to diversify their source of financing and provide an additional financial instrument to a particular class of investors.

Gender bonds are a relatively recent development in the field and they can be broadly defined as a type of social bonds that support women empowerment and gender equality by financing activities that enable these objectives. Such activities can be varied and can impact different gender types specifically, women. To qualify as a social bond, the proceeds must finance or refinance social projects or activities that achieve positive social outcomes and/or address a social issue.

Like other labelled debt/ bonds, such as green, social and sustainability bonds, a gender bond can have any type of financial structure as a general bond, a project bond or a securitization scheme.

Any type of bonds or Sukuks including gender bonds can be issued under section 66 of the Companies Act, 2017 read with the Public Offering Regulations, 2017 and Private placement of Securities Rules, 2017.

The present document provides useful information on mobilizing adequate financing for issuers interested in developing projects or activities aligned with gender equality and women's empowerment. In addition, investors and other market participants can also rely on the guidelines for a better understanding of gender bonds and their relevance for social projects.

These guidelines are issued pursuant to Section 172 of the Securities Act, 2015.

2. Definitions. __

(1) In these Guidelines unless there is anything repugnant in the subject or context,-

- (i) “Act” means the Securities Act, 2015 (III of 2015);
- (ii) “Commission” means the Securities and Exchange Commission of Pakistan;
- (iii) “Gender Bonds” means debt securities, including sukuk issued by an issuer including corporates, entities owned or controlled by the government, whether through public offer or by way of private placement that support the Advancement, Empowerment and Equality of women and meets the criteria for use of proceeds as specified under these guidelines;
- (iv) “Guidelines” means the Guidelines for Issue of Gender Bonds;
- (v) “Issuer” shall have the same meanings as defined in the Public Offering Regulations, 2017.

(2) All other words and expressions used but not defined in these Guidelines shall have the same meanings as are assigned to them in the Act, the Companies Act, 2017 (XIX of 2017) and the Securities and Exchange Commission of Pakistan Act, 1997.

3. Eligibility for issuance of Gender Bonds. –

All issuers which are eligible to issue debt securities, including sukuk either by way of public offer or private placement under the Act, the Companies Act, 2017 read with the Public Offering Regulations, 2017 or Private Placement of Securities Rules, 2017, as the case may be, and meeting the criteria for use of proceeds as given under these guidelines are eligible to issue Gender Bonds.

4. Issuance of Bonds:

The gender bonds issued by the issuers can be based on globally accepted social development goals/principles including; (i) UN Women’s Empowerment Principles; (ii) UN’s Sustainable Development Goals (SDGs); (iii) International Capital Market Association (ICMA)’s Social Bond Principles. (*Please refer Annexure-I*).

5. Criteria for use of proceeds:

The amount of funds raised from the issuance of gender bonds shall be utilized to finance such projects that would address one or more of the following areas:

- (i) Women’s economic empowerment. Access to finance/credit; micro, small and medium-sized enterprise development; agriculture development; value chain support; financial literacy and entrepreneurship training, housing for low income segment of women.
- (ii) Gender equality in human development. Education, skills development and technical and vocational education and training, including “nontraditional” female subjects and/or job sectors such as science and mathematics, engineering, technology, and industry and health, reproductive/ menstrual health, and sanitation.

- (iii) Reduced time poverty of women. Reduced drudgery and time spent on unpaid care and domestic work through basic infrastructure (transport, water, sanitation, energy) or affordable childcare services, postnatal health care services and elderly or family care support.
- (iv) Participation in decision-making and leadership. Through community groups, local governments, and public and private sector management.
- (v) Women’s resilience against risks and shocks including climate change and disaster impacts.
- (vi) Environmental protection and/or rehabilitation; flood and disaster risk management; budget support and social protection; prevention of gender-based violence.
- (vii) Projects that target narrowing gender disparities and promoting empowerment of women and girls.
- (viii) Socioeconomic advancement and empowerment through financing to women with low income, or disadvantaged female groups.
- (ix) Any other gender (women/transgender) specific project.

5A. Defining issuer commitments

The issuer of a gender bond should describe the expected impacts and targets of the bond from a gender perspective, and either commits to:

- **In the case of a Use of Proceeds Bond** : Allocate the gender bond proceed exclusively to finance eligible activities. In this case, the proceeds are ring-fenced for that particular purpose, and clear procedures should be put in place for their management throughout the bond’s maturity;
- **In the case of KPI-linked Bonds** : Achieve some specific targets in implementing business strategies and policies fostering gender equality and women empowerment. In this case, the use of proceeds is not restricted and they can be used as a general financing. However, the issuer should commit to “compensate” investors, through a coupon step-up for example, if set targets are not achieved.

6. Credit Rating and third-party reviewer/certifier:

6.1 The gender bond shall be rated by a rating agency licensed by the Commission from a rating agency providing credit ratings and social impact ratings. The ratings obtained by an issuer of gender bonds shall be disclosed in the offering document.

6.2 The issuer may appoint an independent third-party reviewer/certifier, for reviewing /certifying the processes including project evaluation and selection criteria, project categories eligible for financing by the gender bonds.

7. Disclosures in the Offering Document:

The issuer of public offer of gender bonds shall disclose all that information in the prospectus as required under the public offering regulations. For guidance, the formats of prospectus (*both for already listed and unlisted issuers getting listed through this offering*) are given under **Annexure-II(A) & Annexure-II(B)**.

8. Gender Equality Framework Criteria:

The issuer may develop its own gender equality framework criteria as per best practices the format given at **Annexure-III**.

9. Frequently Asked Questions:

Frequently Asked Questions attached as **Annexure - IV**

10. Continuous Disclosure

An issuer who has listed its gender bonds, shall provide following disclosures in its half yearly and annual report:

- (i) Utilization of the proceeds of the gender bonds, identifying the allocation of funds towards the project(s) and/or asset(s)/areas, verified by the external auditor;
- (ii) Details of unutilized proceeds;
- (iii) Performance indicators (Qualitative/quantitative) showing impact of proceeds of the gender bonds on areas where it was utilized.

UN Women’s Empowerment Principles;

UN’s Sustainable Development Goals (SDG)

ICMA’s Social Bond Principles:

(i) UN Women’s Empowerment Principles:

- Principle 1: Establish high-level corporate leadership for gender equality.
- Principle 2: Treat all women and men fairly at work – respect and support human rights and non-discrimination.
- Principle 3: Ensure health, safety and well-being of all women and men workers.
- Principle 4: Promote education, training and professional development for women.
- Principle 5: Implement enterprise development, supply chain and marketing practices that empower women.
- Principle 6: Promote equality through community initiatives and advocacy.
- Principle 7: Measure and publicly report on progress to achieve gender equality.

(ii) UN’s Sustainable Development Goals (SDG):

UN’s sustainable goals are total 17 in number, the following goals specifically focused for women/transgender empowerment can be adopted:

- GOAL 3: Good Health and Well-being
- GOAL 4: Quality Education
- GOAL 5: Gender Equality
- GOAL 6: Clean Water and Sanitation
- GOAL 8: Decent Work and Economic Growth
- GOAL 10: Reduced Inequality

(iii) International Capital Market Association (ICMA)’s Social Bond Principles:

Following principles specifically focused for women/transgender empowerment can be adopted

- (i) Access to essential services (e.g. health, education and vocational training, healthcare, financing and financial services);
- (ii) Affordable housing;
- (iii) Employment generation, and programs designed to prevent and/or alleviate unemployment stemming from socioeconomic crises, including through the potential effect of SME financing and microfinance;
- (iv) Socioeconomic advancement and empowerment (e.g. equitable access to and control over assets, services, resources, and opportunities; equitable participation and integration into the market and society, including reduction of income inequality).

ADVICE FOR INVESTORS

INVESTORS ARE STRONGLY ADVISED IN THEIR OWN INTEREST TO CAREFULLY READ THE CONTENTS OF THIS PROSPECTUS, ESPECIALLY THE RISK FACTORS GIVEN PART 6 OF THIS PROSPECTUS BEFORE MAKING ANY INVESTMENT DECISION.

SUBMISSION OF FALSE AND FICTITIOUS APPLICATIONS IS PROHIBITED AND SUCH APPLICATIONS' MONEY MAY BE FORFEITED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015.

Company's Name & LOGO

PROSPECTUS

The Company is already listed on the Pakistan Stock Exchange since-----[Date]. The current Market Price of the Company's share stood at Rs.-----/- per share [Date] and the average daily closing share market price for the last six months stood at Rs.-----/- For more information about Company's history, management, and financial information, please refer to its website at at <http://-----> Contact person of the Company: Mr./Ms.-----Phone-----Email:-----

THE ISSUE SIZE OF FULLY PAID UP, RATED,[Plz mention other features like secured/unsecured, convertible/non-convertible, cumulative/non-cumulative etc.] SUKUK ("SUKUK") IS PKR MILLION, OUT OF WHICH SUKUK OF PKR MILLION (---% OF ISSUE SIZE) ARE TO BE ISSUED TO THE PRE-IPO INVESTORS AND PKR ---- MILLION (---% OF ISSUE SIZE) ARE BEING OFFERED TO THE GENERAL PUBLIC BY WAY OF INITIAL PUBLIC OFFER THROUGH THIS PROSPECTUS

RATE OF RETURN/PROFIT: -----

INSTRUMENT RATING: (long term and short term)----- BY----- RATING AGENCY LIMITED

LISTING VENUE: PAKISTAN STOCK EXCHANGE LIMITED

AS PER PSX'S LISTING OF COMPANIES AND SECURITIES REGULATIONS, THE DRAFT PROSPECTUS WAS PLACED ON PSX'S WEBSITE, FOR SEEKING PUBLIC COMMENTS, FOR SEVEN (7) WORKING DAYS STARTING FROM ----- TO ----- NO COMMENTS HAVE BEEN RECEIVED ON THE DRAFT PROSPECTUS / COMMENTS HAVE BEEN RECIVED AND ADDRESSED

DATE OF PUBLIC SUBSCRIPTION: FROM ----- TO ----- (DURING BANKING HOURS) (BOTH DAYS INCLUSIVE)

LEAD MANAGER/ CONSULTANT TO THE ISSUE

BANKERS TO THE ISSUE (RETAIL PORTION)

1.-----Bank Ltd.2.-----3.-----4.-----5.-----6.-----7.-----

In order to facilitate investors, -----Bank Limited ("---") is providing the facility of electronic submission of application (e-IPO) to their account holders. ---[name of bank] account holders can use ---[name of bank] net banking to submit their application via link <http://----->. Further, please note that online applications can be submitted 24 hours a day during the subscription period which will close at midnight on -----[Date].

Online applications can be submitted through Centralized E-IPO system (CES) of Central Depository Company of Pakistan Limited (CDC) and ---[name of bank] e-IPO system. CES and ---[name of bank] e-IPO system can be accessed via web link <http://-----> respectively. For details please refer to section ---- of the Prospectus.

The Company's Sukuk is Proposed to be listed at the Pakistan Stock Exchange Limited

Underwriters for Retail Portion of the Issue:	Joint Advisor & Arranger and Designated Market Maker:	Trustee / Investment Agent:	Shariah Advisor/ Shariah Board-----:
--	--	------------------------------------	---

Prospectus and Subscription Forms can be downloaded from the following websites <http://-----> and <http://-----> For further information/queries you may contact:

Mr./Ms..... Phone:..... Email:...	Mr./Ms..... Phone:..... Email:...	Mr./Ms..... Phone:..... Email:...
--	--	--

DATE OF PUBLICATION OF THIS PROSPECTUS: -----

UNDERTAKING BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

DATE: -----

WE, Mr./Ms.----- (name & designation) AND Mr./Ms.----- (name & designation) OF ----- LIMITED HEREBY CERTIFY THAT:

1. THIS PROSPECTUS CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, WHICH IS MATERIAL IN THE CONTEXT OF THE ISSUE AND NOTHING HAS BEEN CONCEALED IN THIS RESPECT;
2. THE INFORMATION CONTAINED IN THIS PROSPECTUS IS TRUE AND CORRECT TO THE BEST OF OUR KNOWLEDGE AND BELIEF;
3. THE OPINIONS AND INTENTIONS EXPRESSED THEREIN ARE HONESTLY HELD;
4. THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKES THIS PROSPECTUS AS A WHOLE OR ANY PART THEREOF MISLEADING;
5. ALL REQUIREMENTS OF THE SECURITIES ACT, 2015, THE DISCLOSURES IN PUBLIC OFFERING REGULATIONS, 2017 FOR PREPARATION OF PROSPECTUS, RELATING TO APPROVAL AND DISCLOSURES HAVE BEEN FULFILLED; AND
6. NO CHARGES, FEE, EXPENSES, PAYMENTS ETC. HAVE BEEN COMMITTED TO BE PAID TO ANY PERSON IN RELATION TO THIS PUBLIC OFFERING EXCEPT FOR THOSE AS DISCLOSED IN PART 10 OF THE PROSPECTUS.

FOR AND BEHALF OF ----- LIMITED

-sd-

Mr./Ms.....
PRESIDENT & CEO

-sd-

Mr./Ms.....
CHIEF FINANCIAL OFFICER

GLOSSARY OF ABBREVIATIONS AND TECHNICAL TERMS

Issuer	----- Limited
Board / BOD	Board of Directors of ----- Limited
CAGR	Compounded Annual Growth Rate
CDC	The Central Depository Company of Pakistan Limited
CDS	Central Depository System
Consultant to the Issue/ Lead Manger	----- Limited
Credit Rating Agency	-----Rating Agency Limited (“---”)
Conditions	The terms and conditions governing and regulating the Sukuk
CY	Calendar Year
DFI	Development Financial Institutions
DSL Regulations	Chapter 5B of the Rule Book of the Pakistan Stock Exchange Limited titled “Listing of Debt Securities Regulations”, as amended from time to time

EPS	Earnings per Share
FY	Financial Year
GOP	Government of Pakistan
Investor Agreement	The Investor Agreement entered into between each Pre-IPO Investor and the Issuer, prior to the Issue Date
Issue Date	Issue Date means (i) the date of closing of the subscription list for the public offering of the Sukuk Certificates in the event the Sukuk Certificates are fully subscribed, or (ii) in the case of undersubscription, the date on which the entire amount of the Sukuk Issue has been fully subscribed, which shall be achieved by the Issuer by no later than ---- (----) days from the date of closing of the subscription list for the public offering of the Sukuk Certificates.
KIBOR	Karachi Inter-Bank Offer Rate (Ask Side)
Designated Market Maker	----- Limited
PSX	Pakistan Stock Exchange Limited
PKR or Rs.	Pakistani Rupee
SECP or the Commission	Securities & Exchange Commission of Pakistan
Sukuk	Fully paid up, rated, listed ---- <i>[Plz mention other features like secured/unsecured, convertible/non-convertible, cumulative/non-cumulative etc.]</i> Sukuk to be issued as an instrument of redeemable capital under Section 66 of the Companies Act, 2017.
Sukuk Holders	Sukuk Holders mean the persons shown as holders of Sukuk in the records of the CDS, who shall be the beneficiaries under the Trust Deed/ Issuance Agreement.
Sukuk Issue	Issuance of Sukuk Certificates of PKR ---- million (<i>mention full amount of the sukuk issue</i>)
Transaction Documents	<ol style="list-style-type: none"> 1. Trust Deed/Issuance Agreement 2. The Investor Agreements; 3. Subscription Undertaking; and 4. Sukuk Certificates (when issued)
Trust Deed/ Issuance Agreement	The Trust Deed/Issuance Agreement executed between the(name of the issuer) and the Trustee/Issuance Agent dated -----
Trustee / Investment Agent	----- Limited
Transfer Agent & Balloter	----- Limited
Transaction Legal Counsel	-----

A) SUMMARY OF THE ISSUE

Issue Size	PKR ----- million
Pre-IPO Placement	PKR ----- million
Initial Public Offering (IPO)	PKR ----- million
Purpose	<i>[Please mention the purpose of utilization of the proceeds of the issue]</i>
Utilization of Proceeds	<i>[The amount of funds raised from the issuance of Sukuk shall be utilized to finance]</i>

Minimum Investment	The Sukuk will be offered in denominations of PKR 5,000/- or multiples thereof to the investors subject to a minimum Investment amount of PKR 5,000/-.
Issue Date	(i) the date of closing of the subscription list for the public offering of the Sukuk Certificates in the event the Sukuk Certificates are fully subscribed (ii) in the case of undersubscription, the date on which the entire amount of the Sukuk Issue has been fully subscribed, which shall be achieved by the Issuer by no later than 15 (fifteen) days from the date of closing of the subscription list for the public offering of the Sukuk Certificates.
Tenor	----
Principal Redemptions	----
Profit Rate	-----
Profit Payment Frequency	[monthly/ quarterly/ semiannually]
Issue Price	Par (i.e. each Sukuk having a face value of PKR 5,000/-)
Security	-----
Transaction Legal Counsel	-----
Listing	Pakistan Stock Exchange Limited
Entity Rating	Long Term Rating: ---- Short Term Rating: ----- Rating Agency: -----
Instrument Rating	"-----" (-----), assigned by -----
Subscription Date	---- to ---- (during banking hours) (both days inclusive)
Risk Factors	For details please refer to Part ---- of the Prospectus
Trustee/Investment Agent to the Issue	----- Limited
Shariah Advisor	Shariah Board of ----- Limited
Compliance Officer	Mr./Ms.----- Company Secretary ----- Limited Tel: ----- Fax: -----
Underwriters to the Issue	-----Limited
Designated Market Maker	----- Limited
Bankers to the Issue	1. ---- Bank Limited 2. ---- Bank Limited 3. ---- Bank Limited 4. ---- Bank Limited 5. ---- Bank Limited 6. ---- Bank Limited 7. ---- Bank Limited
Transferability	The Sukuk will be inducted into the CDC, transfer shall be made in accordance with the Central Depository Act, 1997 and CDC Regulations

B) SUMMARY OF RISKS RELATED TO THE ISSUE

Following are the key risks related to the Sukuk Issue:

- (i)
- (ii)
- (iii)

[Please refer to Part ----- for detailed description of risk factors.]

TABLE OF CONTENTS		PAGE NO.
PART 1:	APPROVAL, CONSENTS AND LISTING ON THE STOCK EXCHANGE	
PART 2:	SUMMARY OF THE PROSPECTUS	
PART 3:	PRINCIPLE PURPOSE OF THE ISSUE	
PART 4:	DETAILS OF THE ISSUE AND RELATED INFORMATION	
PART 5:	RISK FACTORS	
PART 6:	RATING REPORTS, TRUSTEE AND SECURITY	
PART 6A:	ENTITY RATING REPORT	
PART 6B:	INSTRUMENT RATING REPORT	
PART 6C:	TRUSTEE AND SECURITY	
PART 7:	LEGAL PROCEEDINGS AND OVERDUE LOANS	
PART 8:	UNDERWRITING ARRANGEMENT, COMMISSIONS, BROKERAGE AND OTHER EXPENSES TO THE ISSUE	
PART 9:	MISCELLANEOUS INFORMATION	
PART 10:	MATERIAL CONTRACTS / DOCUMENTS RELATED TO THE ISSUE	
PART 11:	APPLICATION AND ALLOTMENT INSTRUCTIONS	
PART 12:	SIGNATORIES TO THE PROSPECTUS	
PART 13:	MEMORANDUM OF ASSOCIATION	
PART 14:	APPLICATION FORM	

PART 1:

APPROVAL, CONSENTS AND LISTING ON THE STOCK EXCHANGE

1.1. APPROVAL OF THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Approval of the Securities and Exchange Commission of Pakistan (the “Commission” or the “SECP”) as required under Section 87(2), read with Section 88(1) of the Securities Act, 2015 (the “Act”) has been obtained for the Issue, circulation and publication of this Prospectus.

DISCLAIMER:

IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS APPROVAL, SECP DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER AND ANY OF ITS SCHEMES STATED HEREIN OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED WITH REGARDS TO THEM BY THE ISSUER IN THIS PROSPECTUS.

SECP HAS NOT EVALUATED QUALITY OF THE ISSUE AND ITS APPROVAL FOR ISSUE, CIRCULATION AND PUBLICATION OF PROSPECTUS SHOULD NOT BE CONSTRUED AS ANY COMMITMENT OF THE SAME. THE PUBLIC / INVESTORS SHOULD CONDUCT THEIR OWN INDEPENDENT DUE DILIGENCE AND ANALYSIS REGARDING THE QUALITY OF THE ISSUE BEFORE SUBSCRIBING.

1.2. APPROVAL OF THE PROSPECTUS BY THE PAKISTAN STOCK EXCHANGE LIMITED

The Prospectus for the issue of fully paid-up, rated, ----- *[Plz mention other features like secured/unsecured, convertible/non-convertible, cumulative/non-cumulative etc.]* Sukuk Issue (“Mudaraba/Musharikah /Ijara etc. Sukuk” or “Sukuk”) has been approved by the Pakistan Stock Exchange Limited (“PSX”) in accordance with the requirements of its Listing of Debt Securities Regulations.

DISCLAIMER:

- A) PSX HAS NOT EVALUATED THE QUALITY OF THE ISSUE AND ITS APPROVAL SHOULD NOT BE CONSIDERED AND CONSTRUED AS ANY COMMITMENT OF THE SAME. THE PUBLIC / INVESTORS SHOULD CONDUCT THEIR OWN INDEPENDENT INVESTIGATION AND ANALYSIS REGARDING THE QUALITY OF THE ISSUE BEFORE SUBSCRIBING.**
- B) THE PUBLICATION OF THIS DOCUMENT DOES NOT REPRESENT SOLICITATION BY PSX.**
- C) *THE CONTENTS OF THIS DOCUMENT DO NOT CONSTITUTE AN INVITATION TO INVEST IN SUKUK OR SUBSCRIBE FOR ANY SECURITIES OR OTHER FINANCIAL INSTRUMENT BY PSX, NOR SHOULD IT OR ANY PART OF IT FORM THE BASIS OF, OR BE RELIED UPON IN ANY CONNECTION WITH ANY CONTRACT OR COMMITMENT WHATSOEVER OF PSX.***
- D) IT IS CLARIFIED THAT INFORMATION IN THIS PROSPECTUS SHOULD NOT BE CONSTRUED AS ADVICE ON ANY PARTICULAR MATTER BY PSX AND MUST NOT BE TREATED AS A SUBSTITUTE FOR SPECIFIC ADVICE.**
- E) PSX DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THIS DOCUMENT TO ANY ONE, ARISING FROM ANY REASON, INCLUDING, BUT NOT LIMITED TO, INACCURACIES, INCOMPLETENESS, AND/OR MISTAKES, FOR DECISION AND/OR ACTIONS TAKEN BASED ON THIS DOCUMENT.**
- F) PSX NEITHER TAKES RESPONSIBILITY FOR THE CORRECTNESS OF CONTENTS OF THIS DOCUMENT NOR THE ABILITY OF THE ISSUER TO FULFIL ITS OBLIGATIONS THERE UNDER.**

G) ADVICE FROM A SUITABLY QUALIFIED PROFESSIONAL SHOULD ALWAYS BE SOUGHT BY INVESTORS IN RELATION TO ANY INVESTMENT IN SECURITIES.

1.3. APPROVAL FROM OTHER REGULATOR *(if applicable, along with terms & conditions be disclosed here)*

1.4. APPROVAL OF SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN UNDER SECTION 83 OF COMPANIES ACT, 2017 *(In case of convertibility of debt instrument/sukuk into shares)*

On the basis of special resolution passed in the Extraordinary General Meeting held on -----, the Commission has allowed ----- under section 83 of the Companies Act, 2017 to issue, by way of other than right offer, up to ----- million ordinary shares to the Sukuk holders upon conversion of the Sukuk on occurrence of a conversion event.

1.5. FILING OF PROSPECTUS AND OTHER DOCUMENTS WITH THE REGISTRAR OF COMPANIES

----- *[name of the issuer]* has delivered to the Registrar of Companies as required under Sections 57 (1) of the Act, a copy of this Prospectus signed by all the Directors of -----*[name of the issuer]*.

1.6. LISTING OF SUKUK AT PSX

Application has been submitted by the Issuer to PSX for listing of the Sukuk.

If for any reason the application for formal listing is not accepted by PSX or approval for formal listing is not granted by PSX before the expiration of twenty-one (21) days from the date of closing of the subscription period / list or such longer period not exceeding forty-two (42) days as may, within the said twenty-one (21) days, be notified to the applicants for permission by the PSX, the Issuer undertakes that a notice to that effect will immediately be published in the press and will refund subscription money to the applicants without surcharge as required under the provisions of Section 69 of the Companies Act.

However, and, if any such money is not repaid within eight (08) days after the -----*[name of the issuer]* becomes liable to repay it, the Directors of the -----*[name of the issuer]* shall be jointly and severally liable to repay that money from the expiration of the eighth day together with surcharge at the rate of two per cent (2.00%) for every month or part thereof from the expiration of the eight day and, in addition, shall be liable to a penalty of level 3 on the standard scale in accordance with the provisions of sub-section (2) of Section 69 of the Companies Act.

The surcharge mechanism has been mentioned here in order to ensure regulatory compliance. However, from the shariah perspective, since this surcharge is a form of interest, the applicants are advised to dispose any such received amount as charity.

As required under sub-section (3) of Section 69 of the Companies Act, the subscription money, shall be deposited and kept in a separate bank account in a scheduled bank so long as the Issuer may become liable to repay it under sub-section (2) of Section 69 of the Companies Act.

1.8. COMPLIANCE OFFICER

Mr./Ms.-----

Company Secretary

----- Limited

[Name of the Issuer with address]

Tel: -----

Fax: -----

PART 2:

SUMMARY OF THE PROSPECTUS

2.1. PRIMARY BUSINESS OF THE ISSUER

----- Limited is licensed/Registered by ----- . The ---- [Issuer] offers a full range of services in -----

2.2 LISTED COMPANY:

The Company/Issuer is already listed on the Pakistan Stock Exchange since-----and current Market Price of its shares stood at Rs...../- per share [Date] and the average daily closing market price for the last six months stood at Rs.----/- . For more information about Company's history, management, and financial information, please refer to its website at at <http://-----> Contact person of the Company: Mr./Ms.----
--Phone----Email:.....

2.3. SALIENT FEATURES OF THE ISSUE

----- Limited [*name of Issuer*] is issuing fully paid up, rated, ----- Sukuk Certificates to be issued as an instrument of redeemable capital under Section 66 of the Companies Act, 2017.

The total Sukuk Issue size is of PKR -----/- (Pak -----million only). The Sukuk Certificates are ----- [*whether secured/unsecured, subordinated, rated, listed, perpetual, cumulative /non-cumulative*] and will be offered in denominations of PKR 5,000/- or multiples thereof to the investors subject to a minimum investment amount of PKR 5,000/-. The Sukuk Certificates of PKR ----- million have been offered to investors through pre-IPO subscription (Pre-IPO Portion) and the remaining PKR ----- million shall be offered to general public through this prospectus (IPO Portion).

The Sukuk Certificates being issued have been assigned a rating of "----" [*rating assigned*] by -----[*name of the rating agency*] and will carry a ----- [*Profit rate*]. Profit will be payable [*monthly/quarterly/semi annually*] (365 days in a year) in arrears on the outstanding investment amount. The first such profit payment will fall due at the end of 1st calendar month end from the Issue Date and subsequently every month end thereafter.

----- [*Other profit related conditions/ stoppers, if any*]

----- [*Call Option /Put Option related conditions, if any, specifically mentioning whether Put Option shall be available to the Sukuk Holders or not*]

----- Limited has been appointed as trustee/Investment Agent to secure the interests of the investors. ----- has been appointed as the Designated Market Maker for this Issue and the Sukuk shall be listed on the PSX via Initial Public Offering, thereby creating liquidity for the Issue.

2.4. PRINCIPLE PURPOSE OF THE ISSUE AND UTILIZATION OF PROCEEDS

-----[Complete details of the Principal purpose of the Issue].

2.5. FINANCIAL HIGHLIGHTS OF THE ISSUER

Financials - PKR million	2020	2019	2018	2017
Paid-up capital				
Equity (including surplus on revaluation of assets)				
Profit / return / earned				
Net Profit / Return				
Profit before Provisions				
Profit after Taxation				
Earnings per Share (EPS)- (PKR)				
Book Value per Share (BVPS) (including & excluding surplus (PKR)				

The Issuer is a listed Company and it regularly placed its annually/half yearly/quarterly accounts on its website at <http://----->

2.6. OUTSTANDING LEGAL PROCEEDINGS

All the outstanding legal proceedings of the Issuer have been disclosed in Part ----. Further, there are /no outstanding legal proceeding other than the normal course of business involving sponsors, substantial shareholders and directors of Issuer and associated companies, over which the Issuer has control, that could have material impact on the Issuer.

2.7. RISK FACTORS

A summary of the risks related to the Issue is given on page ---- of this Prospectus while detailed description of risk factors is given in Part 6 of this Prospectus.

2.8. SUMMARY OF RELATED PARTY TRANSACTIONS

For related party transactions of the Issuer for the last three years (i.e.-----) please refer to its account placed on its website at-----:

PART 3:

PRINCIPLE PURPOSE OF THE ISSUE

The Issue amount will contribute towards ----- . The funds raised will be utilized in ----
----- as permitted by its Memorandum & Articles of Association.

[The President & CEO of the Bank has undertaken that that IPO proceeds shall be utilized as per the purpose disclosed in the prospectus.]

PART 4:

DETAILS OF THE ISSUE AND RELATED INFORMATION

4.1. INSTRUMENT (SUKUK) STRUCTURE:

[Diagram of the Instrument/ Sukuk structure showing all parties to the transaction]

The Sukuk has been structured on the basis of Islamic principle of ----- *[please mention whether Modaraba, Musharikhah, Ijara etc.]* where *[in case of Modaraba] one partner gives money to another for investment in a business. The capital provider / Sukuk Holders are called "Rabb-ulMaal/Arbab ul Amwaal", while the management and work are the exclusive responsibility of the other partner, the ----- [name of the issuer] , who is called the "Mudarib". The Mudaraba structure will be as follows:*

4.2. PRE-IPO INVESTORS

The Pre-IPO portion for the Sukuk closed at PKR ----- million out of the total issue size of PKR ----- million and the disbursement of Pre-IPO portion was completed on -----[Date].

The list of investors in the PreIPO portion along with their respective investment amount is provided below:

S. No.	Investor Name	Pre-IPO Participation (PKR)	% of Total Issue Size
01			
02			
03			
	Total		

All the Pre-IPO investors have signed the Investor Agreements for the above-mentioned participation amount.

4.3. TERM SHEET OF THE ISSUE:

Issuer / Mudarib	----- Limited ("---" or the "Issuer");
-------------------------	--

Instrument/Issue/Transaction	Fully paid up, rated, -----[features of the instrument] listed --- Sukuk Certificates to be issued as instrument of redeemable capital under Section 66 of the Companies Act, 2017
Issue Size	Up to PKR -----/- (Pak Rupees ---- Only);
Issue Title/Name	The Instrument has been named as “-----” and being marketed under the same; with the logo as mentioned on the top of the Term sheet.
Tenor	-----
Principal Redemption	-----
Purpose	-----
Profit Payment	Profit will be payable[plz mention monthly/quarterly/semi-annually etc.] (365 days in a year) in arrears on the outstanding investment amount. The first such profit payment will fall due at the end of[Date/Day] from the issue date and subsequently The profit payment to the Sukuk Holders will be[whether cumulative/non-cumulative] in nature.
Profit Rate	----- [Base Rate plus a margin of ---% per annum.] Base Rate is defined as -----.
Loss Sharing/ Dividend Stopper (If any)	-----[Please disclose relevant event/circumstance affecting profit payment]
Security	-----[Whether secured or unsecured]
Face Value	Pak Rupees Five Thousand per certificate (PKR 5,000);
Issue Price	Pak Rupees Five Thousand per certificate (PKR 5,000);
Minimum Investment Amount	Pak Rupees Five Thousand (PKR 5,000);
Eligible Investors for IPO	General Public including individual and institutional investors;
Placement and Transferability	The Sukuk shall be inducted into the Central Depository System of Central Depository Company of Pakistan Limited and shall be transferred in accordance with the Central Depositories Act, 1997 and CDC Regulations;
Call Option	-----[Call option details, if any]
Put Option	-----[Call option details, if any]
Seniority of Claim / Sub-ordination	-----[In case of liquidation, sukuk holders seniority of claim]
Issuer Rating	---- (Long Term), --- (Short Term) by -----[name of the rating agency];
Instrument Rating	-----by ----[name of the rating agency]; The --- Sukuk shall be rated throughout the life of the Instrument.
Listing and Public Subscription	Sukuk’s listing will be done via issuance of Prospectus at Pakistan Stock Exchange (PSX); The public subscription will remain open for ----days or any other period approved by the PSX and SECP;

Classification on the Balance Sheet	Sukuk shall be classified as "Liabilities" in the Balance Sheet;
Transaction Legal Counsel	-----.
Investment Agent / Trustee to the Issue	-----
Issuer's Registered Office	-----
Compliance Officer	Mr./Ms.-----
Registrar / Transfer Agent	-----Limited;
Designated Market Maker	-----Limited;
Joint Advisors & Arrangers (Joint Advisors or JAA)	----- Limited;
Applicable Laws	-----

4.4. DISCRETION FOR REDUCTION OF PROFIT *(If applicable)*

4.5. OPENING AND CLOSING OF SUBSCRIPTION LIST

The subscription list will open at the commencement of the banking hours on -----[Date] and close at the end of banking hours on -----[Date].

4.6. INVESTORS ELIGIBILITY

1. Pakistani citizens resident in Pakistan;
2. Pakistani citizens residing outside Pakistan;
3. Persons holding two nationalities including Pakistani nationality;
4. Foreign nationals whether living in or outside Pakistan;
5. Companies, bodies corporate or other legal entities incorporated or established in or outside Pakistan (to the extent permitted by their constitutive documents and existing regulations, as the case may be);
6. Mutual funds, provident/pension/gratuity funds/trusts (subject to the terms of their trust deeds and existing regulations); and
7. Branches in Pakistan of companies and bodies corporate incorporated outside Pakistan.

4.7. FACILITIES AVAILABLE TO FOREIGN/NON-RESIDENT PAKISTANI INVESTORS

Companies are permitted under paragraph 6 (with specific reference to sub para (B) (VIII)) of Chapter 20 of the State Bank of Pakistan's ("SBP") Foreign Exchange Manual (the "Manual") to issue -----[Type of instrument/Sukuk] on repatriation basis to non-residents who are covered under paragraph 6 (A) of Chapter 20 of the Manual, i.e. (I) A Pakistan national resident outside Pakistan, (II) A person who holds dual nationality including Pakistan nationality, whether living in or outside Pakistan, (III) A foreign national, whether living in or outside Pakistan and (IV) A firm (including a partnership) or trust or mutual fund registered and functioning outside Pakistan, excluding entities owned or controlled by a foreign

government, provided the issue price, is paid in foreign exchange through normal banking channel by remittance from abroad or out of foreign currency account maintained by the subscriber/purchaser in Pakistan and the purchase price (whether negotiated privately or otherwise) is not less than the price quoted on the PSX.

Non-residents who wish to subscribe Sukuk out of the general public portion may contact any of the bankers to the issue (retail portion) for taking instructions regarding payment of subscription money against Sukuk offered to general public / retail investors. List of bankers to the issue for retail portion is available on title page of this Prospectus.

The Sukuk issued to non-resident investors shall be intimated by the -----[Issuer] to the designated Authorized Dealer, along with the documents prescribed in the Manual within 30 days of issue.

Non-residents who are covered under paragraph 6 (A) of Chapter 20 of the Manual do not require SBP's approval to invest in the Sukuk being issued in terms of this Prospectus. Furthermore, under paragraph 7(vii) of Chapter 20 of the Manual the Authorized Dealer shall allow repatriation of profit, net of applicable taxes and proceeds on sale of listed Sukuk (i.e. divestment proceeds) not exceeding the market value less brokerage/commission on provision of prescribed documents.

Payments made by non-residents shall be supported by proof of receipt of foreign currency through normal banking channels. Such proof shall be submitted along with the Application by the non-residents.

4.8. MINIMUM AMOUNT OF APPLICATION AND BASIS OF ALLOTMENT OF SUKUK

The basis and conditions of allotment shall be as follows:

- a) Face value of the Sukuk is PKR 5,000/-.
- b) The minimum amount of application for subscription of Sukuk is PKR 5,000/-.
- c) Applications for Sukuk below the aggregate face value of PKR 5,000/- shall not be entertained.
- d) Applications for Sukuk by the general public, including institutions and individuals, must be for a minimum of the aggregate face value of PKR 5,000/- or in multiples thereof.
- e) If the Sukuk to be issued to the general public are sufficient for the purpose, all applications shall be accommodated.
- f) If the issue is oversubscribed in terms of amount, then all applications shall be accommodated initially for Sukuk of face value of PKR 5,000/- each and the balance Sukuk shall be allotted on prorata basis to all applicants who applied for Sukuk in multiples of PKR 5,000/-.
- g) If the issue is over-subscribed in terms of number of applications and the amount, the Sukuk shall be allotted through computer balloting in the presence of representatives of PSX.
- h) Allotment of Sukuk shall be subject to scrutiny of applications for subscription.

4.9. MINIMUM SUBSCRIPTION

The minimum amount of subscription on which the Directors will proceed to allot Sukuk is PKR ----- million.

4.10. REFUND OF MONEY TO UNSUCCESSFUL APPLICANTS

----- [name of the issuer] shall take a decision within ten (10) days of the closure of subscription list as to which applications have been accepted or are successful and refund the money in cases of unaccepted or unsuccessful applications within ten (10) days of the date of such decision as required under regulation 5B 4.19 read with regulation 5B 4.20 of the PSX Rule Book.

As per sub-section (2) of Section 68 of the Companies Act, 2017, if a refund is not made within the time specified therein, the Directors of the Company shall be jointly and severally liable to repay the money with surcharge at the rate of 2.00%, for every month or part thereof from the expiration of the 15th day and, in addition, shall be liable to a penalty of level 3 on the standard scale.

The surcharge mechanism has been mentioned here in order to ensure regulatory compliance. However, from the shariah perspective, since this surcharge is a form of interest, the applicants are advised to dispose any such received amount as charity.

4.11. ISSUE AND CREDIT OF SUKUK

----- [name of the issuer] shall credit Sukuk to the successful allottees within twenty-one (21) days of closure of subscription list in compliance with the requirements of PSX. Sukuk will be issued only in the Book-Entry Form through credit in their CDS Accounts. The applicants, therefore, must provide their CDS Account Number (Investor Account Number or Sub-Account Number) in the Sukuk Subscription Form.

The Sukuk issued shall be subject to the terms & conditions for the issuance of the Sukuk specified in the Trust Deed/Issuance Agreement dated -----.

If the -----[Issuer] defaults on complying with the requirements of the Listing Regulations, it will pay to PSX a penalty of PKR 5,000/- per day during which the default continues. PSX may also notify the fact of such default and the name of the Bank by notice and also by publication, in the Daily Quotations.

The surcharge mechanism has been mentioned here in order to ensure regulatory compliance. However, from the shariah perspective, since this surcharge is a form of interest, PSX is advised to dispose any such received amount as charity.

4.12. TRANSFER OF SUKUK

The Sukuk will be inducted into the CDC, transfer shall be made in accordance with the Central Depository Act, 1997 and CDC Regulations.

4.13. SUKUK / DEBT SECURITIES ISSUED IN PRECEEDING YEARS

The -----[name of the issuer] has not/has issued any Sukuk since its incorporation. The details are as follows (if applicable):

4.14. REDEMPTION RESERVE

-----[Please disclose whether or not any redemption reserves is being created].

4.15. CONVERSION MECHANISM [In case of convertibility of sukuk in to shares]

-----[Details of events that triggers convertibility of sukuk in to shares]

-----[The mechanism for determination of number of shares to be issued to Sukuk Holders at the time of conversion.]

-----[Details regarding approvals required for conversion of sukuk in to shares]

The -----[name of the issuer] has obtained approval of the shareholders for the conversion of Sukuk and approval of the Securities and Exchange Commission of Pakistan under section 83(1)(b) of the Companies Act, 2017 has also been obtained.

4.16. CALL OPTION [If applicable]

-----[Issuer] may exercise a Call Option on the subject Sukuk on or after ----- years from issuance date subject to the following conditions (the “Call Option Conditions”):

- (a) prior approval from----- has been obtained for exercise of the call
- (b) -----
- (c) Call Option price should be -----[disclose the basis of call option price calculation]

4.17. MARKET MAKING

----- Limited will act as Designated Market Maker for the Sukuk. The Designated Market Maker will at all times hold at least one percent (1%) of the Issue size.

The Designated Market Maker shall mandatorily make available two-way quotes on daily basis with a maximum spread of 10% till complete redemption of the Sukuk.

The Designated Market Maker will be obligated to replenish its orders/quotes within 90 seconds following full execution, withdrawal, expiration or any change in the price of either bid or offer.

The Market Making Orders/Quotes are to be maintained on both sides during Market Making period as per Market Making agreement which shall be for the tenure of the Debt Security.

The Designated Market Maker shall be allowed to Blank Sale in Debt Security subject to sufficient preexisting interest at the end of each Blank Sale day to validate that the Designated Market Maker can deliver the quantity sold blank during the trading day.

Market Marker shall make available copy of the Prospectus to the investors at all times.

4.18. DEDUCTION OF ZAKAT

Zakat is deductible in case of the Sukuk being held by Muslim citizens of Pakistan, except where a statutory declaration of exemption is filed, and in case of certain non-corporate entities such as Trusts, Funds, etc. (subject to being qualified for non-deduction of Zakat under the Zakat and Ushr Ordinance, 1980). Zakat is withheld at 2.5% of the redeemed principal amount.

4.19. INCOME TAX ---[Please disclose as per current Income Tax Rates]

Any income derived from investment in Sukuk shall be subject to income tax as per the Income Tax Ordinance, 2001. Withholding tax, as specified in Part III Division IB of the First Schedule of the said ordinance shall be applicable.

4.20. DEDUCTION OF WITHHOLDING TAX ---[Please disclose as per current Tax Rates]

Profit paid to Sukuk Holders will be subject to withholding tax under section 150A of the Income Tax Ordinance, 2001 specified in Part III Division IB of the First Schedule of the said Ordinance or any time to time amendments therein. Rates of tax specified under Division IB are as follows:

Category	Tax Rate for Persons appearing in Active Tax Payer List	Tax Rate for Persons not appearing in Active Tax Payer List
Company	15%	30%
Individual or Association of Persons (If return on Investment is more than one million)	12.50%	25%
Individual or Association of Persons (If return on Investment is less than one million)	10%	20%

4.21. CAPITAL GAINS ---[Please disclose as per current Tax Rates]

Any capital gain derived from the sale of Sukuk shall be subject to capital gain tax as per section 37A of the Income Tax Ordinance, 2001. Applicable Capital Gain Tax Rates for FY20 are as follows:

- (a) For persons appearing in Active Tax Payer List: 15.0%
- (b) For persons not appearing in Active Tax Payer List: 30.0%

4.22. DISCLOSURE OF DEFERRED TAXATION

The -----[name of the issuer] recognises deferred tax asset / liability on deficit / surplus on revaluation of operating fixed assets and securities which is adjusted against the related deficit / surplus in accordance with the requirements of International Accounting Standard (IAS) 12, 'Income Taxes'. The balance of deferred tax asset (net) as of -----[Date] was PKR ----- million (unconsolidated). For detail please refer to Company's website at <http://----->.

4.23. SHARIAH ADVISOR TO THE ISSUE

Shariah Board of the -----[name of the issuer] is acting as Shariah Advisor to the Issue and it has provided its consent to include and publish its name in the Prospectus. Profiles of the members of the Shariah Board are provided below:

SHARIAH BOARD OF THE -----[Issuer]

The -----[Issuer] has a Shariah Supervisory Board in order to ensure compliance of Shariah guidelines issued by Shariah Board in all operations in general and revenue generating activities. The -----[name of the issuer] has a committed professional team in the Shariah Compliance department consisting of Shariah Scholars along with business graduates from reputed organizations.

- (i) **Mr/Mufti.....Chairman, Shariah Supervisory Board** *[Profile including qualification he/she holds, membership of committees etc. Current Position]*
- (ii) **Mr/Mufti.....Member, Shariah Supervisory Board** *[Profile including qualification he/she holds, membership of committees etc. Current Position]*
- (iii).....

4.24. SHARIAH OPINION

[Plz place hereunder scanned copy of the Shariah Opinion granted by the Shariah Scholars/Board on the structure of the Sukuk]

4.25. [Regulatory requirements of other Regulators viz. SBP, like MCR, CAR, leverage ratio requirement, etc.]

4.26. MODE OF PAYMENT OF PROFIT

The payment of profit shall be credited in Sukuk Holders’ bank accounts electronically on ----- *[monthly/quarterly/semi-annually]* basis. The applicants, therefore, must provide their International Bank Account Number (IBAN) in the Sukuk Subscription Form.

4.27. INTEREST OF PRE-IPO INVESTORS

Except as provided below, the Pre-IPO Investors only have interest in this Sukuk as Sukuk Holders:

- ----- Limited, ----- Limited and -----Bank Limited are acting as Bankers to the Issue for the Sukuk and have also participated in the Pre-IPO portion

4.28. STATEMENT BY THE ISSUER

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Limited
Stock Exchange Road
Karachi

On behalf of ----- Limited, (“-----” or the “Bank”), we hereby confirm that all material information as required under the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the Prospectus and that whatever is stated in Prospectus and the supporting

documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and on behalf of ----- Limited

-sd-

Mr./Ms.-----
President & CEO

-sd-

Mr./Ms.-----
Chief Financial Officer

Date: -----

4.29. STATEMENT BY CONSULTANT TO THE ISSUE

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Limited
Stock Exchange Road
Karachi

Being mandated as Consultant to this Initial Public Offering of Sukuk of ----- Limited, we hereby confirm that all material information as required under the Securities Act, 2015, the Listing of Companies and Securities Regulation of Pakistan Stock Exchange Limited and Public Offering Regulations, 2017 has been disclosed in this prospectus and that whatever is stated in the prospectus and in the supporting documentations is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and on behalf of ----- Limited

-sd-

Mr./Ms.-----
MD, Investment Banking

Date: -----

PART 5:

RISK FACTORS

5.1. RISK FACTORS RELATED TO THE SUKUK ISSUE:

5.1.1. Summary of Risk Factors related to the Sukuk Issue:

[Disclose all risk factors. In case the issuer is bank, the risk factor shall cover all conditions imposed by the relevant regulator which have an adverse impact on the sukuk holders]

- i) The profit payment to Sukuk Holders will be subject to the condition that*;
- j) the Issue may be called by the Issuer after -----years from the date of Issuance (either partially or in full), subject to ----- approval;*
- k) the Issuer may permanently convert the Sukuk (either partially or in full) into common shares at its own discretion (in case of -----) or at the discretion of -----;*

5.1.2. Details on Risk Factors related to the Sukuk Issue:

5.1.2.1. Internal Risk Factors:

- a) Lock-in Clause & Loss Absorbency Clauses, *[in case of bank]***

Loss Absorption Features at Point of Non - Viability [in case of bank]

- b) Security and Subordination**

5.1.2.2. External Risk Factors:

- a) Instrument Liquidity**

- b) Market Interest Rate**

Market Interest rates and the Sukuk value, in general, carry an inverse relationship; as interest rates fall, the price of instruments in the market place generally rises. Conversely, when interest rates rise, the price of instruments will tend to fall. There is a risk that any increase in KIBOR may adversely affect the profit yield on the Sukuk Certificates and hence lower down its market price.

There is no guarantee that market prices will always be favorable to the investors.

5.2. RISK FACTORS RELATED TO THE ISSUER:

5.2.1. Internal Risk Factors:

- a) Strategic Risk**

Strategic risk arises due to wrong assumptions in strategic decision making or the failure to react correctly to long-term changes in strategic parameters.

- b) Shariah Non-compliance Risk**

Shariah non-compliance risk is the risk that arises from Issuer's failure to comply with the Shariah rules and principles prescribed and / or the Shariah Board of the Issuer. It remains the most important operational risk for an -----[Issuer]. Compliance of Shariah guidelines must permeate throughout the organization and its adherence should be reflected in the products and activities.

c) Credit Risk

Credit risk arises from the potential that an obligor is either unwilling to perform on an obligation or its ability to perform such obligations is impaired resulting in economic loss to the Issuer. This credit risk arises mainly from both direct financing activities as well as contingent liabilities.

d) Liquidity Risk

Liquidity risk is the potential loss to the Issuer arising from its inability either to meet its obligations (financial) or to fund increases in assets as they fall due without incurring unacceptable costs or losses.

Liquidity risk is defined as the potential loss arising from the Issuer's inability to meet in an orderly way its contractual obligations when due. Liquidity risk arises in the general funding of the Issuer's activities and in the management of its assets.

5.2.2. External Risk Factors:

a) Market Risk

Market risk is defined as the risk of losses in on-and-off balance sheet positions arising from movements in market prices e.g. fluctuations in values in tradable, marketable or leasable assets. The risks relate to the current and future volatility of market values of specific assets and of foreign exchange rates and benchmark yields.

b) Yield / Profit Rate Risk

Yield / Profit rate risk includes all material yield risk positions of the Issuer taking into account all repricing and maturity data. It includes current balances and contractual yield rates; the -----[Issuer] understands that its Islamic financing and related assets shall be repriced as per their respective contracts.

c) Foreign Exchange Risk

Currency risk is the risk of loss arising from the fluctuations of exchange rates.

d) Equity Position risk

Equity position includes strategic investments and investment in equities for generating revenue in short term.

e) Country Risk

Country Risk can be defined as the risk of adverse impact of certain factors on a country's specific economic, political and social scenario which affects the ability of the country (or a borrower in that country) to repay its obligations.

f) Systemic Risk

Systemic risk is the risk of a total or partial collapse of the financial system. Such a collapse could be due to technical factors or market driven (psychological reasons).

TO THE BEST OF OUR KNOWLEDGE IT IS STATED THAT ALL MATERIAL RISK FACTORS HAVE BEEN DISCLOSED IN THIS PARAGRAPH AND THAT NOTHING HAS BEEN CONCEALED IN THIS RESPECT. HOWEVER, THERE MAY BE ADDITIONAL RISK FACTORS, WHICH ARE NOT DISCLOSED HEREIN, THAT ARE NOT PRESENTLY KNOWN TO US OR THAT ARE CURRENTLY DEEMED TO BE LESS SIGNIFICANT, WHICH MAY MATERIALLY AND ADVERSELY AFFECT THE ISSUER'S BUSINESS, ITS FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS.

PART 6

RATING REPORTS, TRUSTEE AND SECURITY

PART 6A:

ENTITY RATING REPORT

[The credit rating report from credit rating agency in legible form, should be placed here]

PART 6B:

INSTRUMENT RATING REPORT

HISTORICAL ISSUER RATING

As of -----[Date], ----- Credit Rating Agency Limited ("---") has assigned a long-term rating of "---" (---) to the Issuer. The rating indicates strong capacity for timely payment of financial commitments and low expectation of credit risk. The short-term rating consistently stands at "---" (--- maintained at Stable.

These ratings reflect -----[Issuer] sustained business profile. Entity rating history of the Issuer for the last five reviews are summarized below:

Dissemination Date	Long Term Rating	Short Term Rating	Outlook	Action
--------------------	------------------	-------------------	---------	--------

PART 6C:

TRUSTEE AND SECURITY

THE SECURITY

[As per the Security Documents].

THE TRUSTEE

In order to safeguard the interests of the Sukuk Holders, ----- Limited has been appointed to act as Trustee/Investment Agent for the Issue. The Issuer shall pay to the Trustee/ Investment Agent in respect of its acting as Trustee/ Investment Agent a fixed fee of PKR -----/- per annum. The fee shall be payable at the beginning of each year commencing from the date of signing of the Trust Deed and on each subsequent anniversary thereof.

Although the Sukuk are unsecured, the rights of the Sukuk holders are still protected as per the terms of the Trust Deed/Issuance Agreement. The Trust Deed/ Issuance Agreement executed between the Issuer and the Trustee/Investment Agent specifies the functions and obligations of the Trustee/Investment Agent. Furthermore, the Trustee/Investment Agent has all the powers available to it under the Trusts Act, 1882 and the Structuring of the Debt Securities Regulations, 2020.

The Trust Deed/ Issuance Agreement

The Trust Deed/ Issuance Agreement signed between the Issuer and ----- Limited specifies the rights and the obligations of the Trustee/Investment Agent. In the event of Issuer defaulting on any of its obligations under the terms of the Trust Deed/ Issuance Agreement, the Trustee/Investment Agent may enforce Issuer's obligations in accordance with the terms of the Trust Deed/ Issuance Agreement.

POWERS OF THE TRUSTEE/ INVESTMENT AGENT

The Trustee/Investment Agent shall have all the powers and discretions conferred upon trustees by the Trust Act, 1882 (to the extent not inconsistent with these presents) / Structuring of the Debt Securities Regulations, 2020 and in addition thereto and subject to the terms of the Regulations, it is expressly declared as follows:

- (a) -----
- (b) -----
- (c) -----

OBLIGATIONS OF THE TRUSTEE/INVESTMENT AGENT

[To be disclosed as per Trust Deed/ Issuance Agreement]

TRUSTEE/INVESTMENT AGENT AND SUKUK HOLDERS

[To be disclosed as per Trust Deed/ Issuance Agreement]

OBLIGATION TO ACT WITH DUE CARE

Both the Issuer and the Trustee/Investment Agent agree to act in good faith and with due diligence and with all reasonable care which is in the circumstances required in the performance of their duties and obligations under the Trust Deed/Issuance Agreement or when exercising any power, authority or discretion which is vested in them under the Trust Deed/ Issuance Agreement.

REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE ISSUER *[As per the trust deed/ issuance agreement]*

The Issuer hereby represents and warrants:

- (a) that the execution by it of the Trust Deed/ Issuance Agreement and the issuance of the Sukuk does not contravene any of the provisions of its constitutive documents and rules and regulations, consents, or any law or any agreement to which it is expressed to be a party and constitute valid, legal and binding obligations of the Issuer in terms thereof;
- (b) that all actions on the part of its officers, directors and shareholders necessary to authorize the execution of and performance by it of the obligations expressed to be assumed by it under the Trust Deed/ Issuance Agreement and the Sukuk have been taken;
- (c) that no Event of Default has occurred as of the date of the Trust Deed/ Issuance Agreement;
- (d) that there is no reason to the knowledge of the Issuer whereby the application of the Issuer for listing of the Sukuk or approval of the Prospectus may be revoked or cancelled by the SECP or the Stock Exchange, as the case may be;
- (e) that it shall inform the Trustee/Investment Agent of (i) any general meeting of the Issuer convened for the purpose of considering any resolution for the winding up of the Issuer; (ii) any such resolution being proposed (whether in a general meeting or otherwise); or (iii) any petition for the winding up of the Issuer or for the appointment of an administrator of the Issuer or a receiver in respect of the property or assets of the Issuer and any breach by the Receiver in respect of the property or assets of the Issuer and any breach or alleged breach by the Issuer of any of its obligations under the Trust Deed/issuance agreement;
- (f) that the Sukuk and the Trust Deed/Issuance agreement executed by the Issuer are valid, enforceable and binding obligations of the Issuer and there has been no Event of Default in relation to any such documents; and
- (g) that all governmental, regulatory, creditors' and corporate consents, approvals, registrations and authorizations (to the extent required) for the purposes of the Sukuk Issue (other than for the listing on the Stock Exchange and those specifically stated hereunder) have been obtained.

The Issuer hereby covenants with the Trustee/Investment Agent:

- (a) that if the redemption option or partial redemption option (as defined in the Trust Deed/issuance agreement) has been exercised by the Issuer, the Issuer shall on the option redemption date / partial option redemption date and within 7 (seven) Business Days of each Profit Payment Date, pay to the Sukuk Holders, the option redemption amount/ partial option redemption amount and profit payment amount in accordance with the terms hereof;
- (b) that the Issuer shall ensure that the Issuer or its appointed registrar will, at all times maintain a correct register of Sukuk Holders showing their names and addresses, the amount of Sukuk held

by each and the date on which such Sukuk Holder was registered as the holder and the date on which he ceased to be so registered; provided nevertheless the Issuer shall not be responsible for the foregoing where the Sukuk Holders have not intimated the transfer of the Sukuk in writing to the Issuer or the registrar, as applicable;

- (c) that the Issuer will duly perform and observe the obligations imposed upon it by the Trust Deed/issuance agreement;
- (d) that as and when requested by the Trustee/ investment agent, the Issuer shall ensure that the Issuer or registrar shall provide to the Trustee/investment agent the Register of Sukuk Holders and/or extracts therefrom as well as any other document or information pertaining to the Sukuk and the Sukuk Holders, in addition, the Issuer shall ensure that the Issuer or the Registrar shall send extracts of the Register of Sukuk Holders to the Trustee/ investment agent on a monthly basis;
- (e) that the Issuer shall ensure that the annual audited accounts of the Issuer are available on the Issuer's website within 30 (thirty) days of publication of such accounts and semi- annual and quarterly accounts within 15 (fifteen) days of publication;
- (f) that the Issuer shall ensure that during the period that the Sukuk or any of them are outstanding, the Issuer will comply with any laws, regulations or conditions applicable to financial ratios and commitments applicable to the business of the Issuer;
- (g) that payment of all amounts by the Issuer to the Sukuk Holders in respect of the Sukuk will be made free and clear of deductions of any nature whatsoever except for deductions, if any required compulsorily to be made by law, for which the Issuer will provide suitable evidence of having deposited the amount deducted with the relevant government authority / department / treasury;
- (h) that the Issuer shall ensure that any investment in the Sukuk by the sponsors of the Issuer, individually or collectively, either at the time of subscription or acquired by transfer, does not exceed in the aggregate, at any time, 50% (fifty percent) of the total amount of the outstanding value of the Sukuk;
- (i) that the Issuer shall not directly or indirectly, finance the purchase of any Sukuk Certificates by any person or entity or grant any advances against the security of any Sukuk Certificates issued hereunder to any Sukuk Holder; and
- (j) that the Issuer shall, at all times, comply with the requirements of applicable laws.

EVENTS OF DEFAULT [*As per the trust deed/ issuance agreement*]

An Event of Default will be deemed to have occurred, by a declaration in writing of the Trustee/Investment Agent informing the Issuer, that the Trustee/Investment Agent has been notified in writing by the Sukuk Holders representing more than 50% (fifty percent) of the total outstanding value of the Sukuk or supported by an Extra Ordinary Resolution passed at the meeting of the Sukuk Holder(s) certifying the occurrence of any of the following events: [*As per the trust deed/ issuance agreement*]

CONSEQUENCES OF EVENTS OF DEFAULT [*As per the trust deed/ issuance agreement*]

APPLICATION OF PROCEEDS [*As per the trust deed/ issuance agreement*]

- (a) In the event of a winding up order being made by a court of competent jurisdiction,
- (b) Upon enforcement of the Issuer's profit payment obligations / the Issuer's option redemption obligations / Issuer's non-option redemption obligations in terms of the Trust Deed/Issuance Agreement, any Proceeds recovered / received by the Trustee/Investment Agent from such enforcement shall be applied by the Trustee/Investment Agent in the following manner.....

- (c) Payment of the Proceeds to the Sukuk Holders shall be made by the Trustee/Investment Agent net of any deductions required under the law (against surrender of the original Sukuk, where applicable).

MANDATORY CONVERSION *(If applicable)*

Conversion Events include each of the following events:

- (a)
- (b)

Cumulative/ Non-Cumulative Feature (If applicable)

Conversion Mechanism: *(If applicable)*

EXERCISE TO THE CALL OPTION *(If applicable)*

PART 7:

LEGAL PROCEEDINGS AND OVERDUE LOANS

7.1. Legal Proceedings

There are no pending legal proceedings other than those mentioned in note ----- of the unconsolidated financials for the period ended ----- and; extracts of the referred note are provided below:

Note ----- of the unconsolidated financials for the period ended -----

7.2. Overdue Loans

The[*Issuer*], its Chief Executive and directors, its sponsors, and its associated companies have no overdue loans (local and/or foreign currency).

PART 8:

UNDERWRITING ARRANGEMENT, COMMISSIONS, BROKERAGE AND OTHER EXPENSES TO THE ISSUE

8.1. UNDERWRITING

The present Public Issue of Sukuk of PKR ----- million has been fully underwritten as follows:

S.No.	Name of Underwriter	No. Of Sukuk Certificates	Amount in Rupees
--------------	----------------------------	----------------------------------	-------------------------

If and to the extent that the Sukuk offered to the general public shall not have been subscribed and paid for in full by the closing date, the underwriters shall within 5 business days of being called upon by ----- to do so, subscribe or procure subscribers to subscribe and pay in readily available funds in accordance with their underwriting commitments.

In the opinion of the Directors of the -----[Issuer], the resources of the underwriters are sufficient to discharge their underwriting obligations.

8.2. UNDERWRITING EXPENSES

The underwriters will be paid underwriting management fees of up to ----% on the amount of the public portion underwritten by them; ---% of the underwriting management fee shall be paid within --- days of signing of Underwriting Management Agreement whereas the payment of the remaining portion / Additional Underwriting Management Fee shall be as disclosed in the Underwriting Management Agreement, as advised and approved by the Shariah Advisor.

8.3. NO BUYBACK / REPURCHASE AGREEMENT

THE UNDERWRITERS NOR ANY OF THEIR ASSOCIATES HAVE ENTERED INTO ANY BUYBACK OR REPURCHASE AGREEMENT WITH THE SPONSORS, THE -----[Issuer] OR ANY OTHER PERSON IN RESPECT OF THIS PUBLIC ISSUE.

ALSO, NEITHER THE ISSUER NOR ANY OF ITS ASSOCIATES HAVE ENTERED INTO ANY BUY BACK / REPURCHASE AGREEMENT WITH THE UNDERWRITERS OR THEIR ACCOCIATES.

THE ISSUER AND ITS ASSOCIATES SHALL NOT BUY BACK / RE-PURCHASE CERTIFICATES FROM THE UNDERWRITERS AND THEIR ASSOCIATES.

8.4. FEES AND EXPENSES FOR CENTRAIZED E-IPO SYSTEM

The commission on application received through CES will be paid to CDC, which shall not be more than 0.8% of the amount of successful applications. CDC will share the fee with other participants of CES at a ratio agreed amongst them.

8.5. COMMISSION TO THE BANKERS TO THE ISSUE

A commission at the rate of -----% of the amount collected, in respect of successful applications will be paid to the Bankers to the Issue for services to be rendered by them in connection with the Public Offer. No commission shall be paid to the Bankers in respect of the Sukuk actually taken up by the underwriters by virtue of their respective underwriting commitments.

8.6. BROKERAGE COMMISSION

Brokerage commission shall be paid to the TREC holders of PSX, at the rate of 1.0% of paid-up value of Sukuk actually sold through them. No brokerage commission shall be payable in respect of Sukuk taken up by the Underwriters by virtue of their underwriting commitment.

8.7. EXPENSES TO THE ISSUE

The initial expenses of the issue paid or payable by the -----[Issuer] inclusive of commission to the Underwriters, Bankers to the Issue and members of the PSX, etc., are estimated to be as follows:

Key Expenses to the Issue	Rate	Amount (PKR)
Commission to Bankers to the Issue		
Out of Pocket Expenses of Bankers to the Issue		
CDC e-IPO charges*		
Other Bank's e-IPO Charges		
Underwriting Management Fees - General Public		
Commission to the TREC Holders of PSX		
Consultant to the Issue/Advisor and Arranger Fee		
Processing Fee - Pre IPO		
Trustee/Investment Agent Fee		
Rating Fee		
Legal Counsel Fee		
CDC Annual Fees for Eligible Security		
CDC Security Deposit		
CDC Fresh Issue Fee		
PSX Initial Listing Fee		
PSX Annual Listing Fee		
SECP Processing Fee		
SECP Supervisory Fee		
Auditors Fee for various certificates		
Printing & Publication of Prospectus/Application Forms		
Balloter and Registrar Fee		
Market Making (first year)		
Miscellaneous costs		
Total		

Note: Stamp duty fee (if any) will be calculated based on the advice of Transaction Legal Counsel

*CDC E-IPO fee is 0.8% of the general portion actually received through that system. Therefore, the actual cost is dependent on the subscriptions received through E-IPO. Currently only 1 bank is offering E-IPO services for this IPO in addition to CDC.

PART 9:**MISCELLANEOUS INFORMATION**

9.1. REGISTERED OFFICE / CENTRAL OFFICE Registered Office Address: ----- Phone: ----- Fax: ----- Email: ----- Website: -----	9.2. AUDITOR OF THE ISSUER M/s. -----, Chartered Accountants Address: ----- Contact No.: ----- Email: -----
9.3. LEGAL ADVISORS OF THE ISSUER [Name and Contact details] 1.----- 2.-----	9.4. LEGAL ADVISOR TO THE ISSUE [Name and Contact details] 1.----- 2.-----
9.5. REGISTRAR AND TRANSFER AGENT -----Limited Office: ----- UAN: ----- FAX: ----- Email & Website:: -----	9.6. CONSULTANT TO THE ISSUE -----Limited Address: -----Phone: ----- Fax: ----- Email & Website: -----
9.7. TRUSTEE / INVESTMENT AGENT -----Limited Office: ----- UAN: ----- FAX: ----- Email & Website:: -----	9.8. COMPLIANCE OFFICER -----Company Secretary ----- Limited -----Tel: +-----Ext. ----- Fax: -----
9.9. BANKERS TO THE ISSUE 1.----- 2.-----	9.10. DESIGNATED MARKET MAKER -----Limited Office: ----- UAN: ----- FAX: ----- Email & Website:: -----

PATR 10:**MATERIAL CONTRACTS / DOCUMENTS RELATED TO THE ISSUE****10.1. UNDERWRITING AGREEMENTS**

S. No.	Underwriters Name	Amount (PKR)	Date of Agreement
--------	-------------------	--------------	-------------------

10.2. INVESTOR AGREEMENTS

S. No.	Pre-IPO Investors	Amount (PKR)	Date of Agreement
--------	-------------------	--------------	-------------------

10.3. OTHER MATERIAL DOCUMENTS

S. No.	Description	Date
1	Trust Deed/Issuance Agreement between ----- Limited and - ----- Limited	
2	Instrument Credit Rating Report by ----	
3	Entity Credit Rating Report by ----	

4	Approval of Pakistan Stock Exchange Limited vide letter reference no. ----
5	Approval of the Securities and Exchange Commission of Pakistan vide letter reference no. ----
6	Market Making Agreement between ----- Limited and ---- Limited

10.4. INSPECTION OF DOCUMENTS AND CONTRACTS

All the Balance Sheets and Profit & Loss Accounts, Copies of the Memorandum and the Articles of Association, the Auditor's Certificates, Trust Deed/Issuance Agreement, the Credit Rating Reports by -- -, Clearance letter from PSX and the approval letters from SECP, and the copies of agreements referred to in this Prospectus may be inspected during usual business hours on any working day at the registered office of the Bank from the date of publication of this Prospectus until the closing of the Subscription Period.

PART 11:

APPLICATION AND ALLOTMENT INSTRUCTIONS

11.1. ELIGIBLE INVESTORS

Eligible Investors include:

- a) Pakistani citizens resident in or outside Pakistan or persons holding dual nationalities including Pakistani nationality;
- b) Foreign nationals whether living in or outside Pakistan;
- c) Companies, bodies corporate or other legal entities incorporated or established in or outside Pakistan (to the extent permitted by their constitutive documents and existing regulations, as the case may be);
- d) Mutual Funds, Provident / pension / gratuity funds / trusts, (subject to the terms of the Trust Deed and existing regulations); and
- e) Branches in Pakistan of companies and bodies corporate incorporated outside Pakistan.

11.2. OPENING AND CLOSING OF SUBSCRIPTION LIST

The subscription list will open at the commencement of the banking hours ----- and close at the end of banking hours on -----.

11.3. COPIES OF THE PROSPECTUS

Copies of the Prospectus and applications forms can be obtained from the registered office of the ----- Limited, the Consultant to the Issue and the Bankers to the Issue. The Prospectus and the Application Forms can also be downloaded from the following websites:

11.4. The applicants are required to complete the relevant sections of the application in order to get the Securities in scrip-less form. In accordance with the provisions of the Central Depositories Act, 1997 and the CDCPL Regulations, credit of such securities is allowed ONLY in the applicant's own CDC account.

11.5. Name(s) and address(es) must be written in full block letters, in english, and should not be abbreviated.

11.6. All applications must bear the name and signature corresponding with that recorded with the applicant's banker. In case of difference of signature with the bank and computerized national identity card (CNIC) or national identity card for overseas Pakistani (NICOP) or passport, both the signatures should be affixed on the application form.

11.7. APPLICATIONS MADE BY INDIVIDUAL INVESTORS

- a) In case of individual investors, a photocopy of the CNIC (in case of resident Pakistanis) / NICOP or Passport (in case of non-resident Pakistanis) as the case may be, should be enclosed and the number of CNIC / NICOP / Passport should be written against the name of the applicant.
- b) Original CNIC / NICOP / Passport, along with a photocopy, must be produced for verification to the Banker to the issue and the applicant's banker (if different from the Banker to the issue) at the time of presenting an application. The photocopy will, after verification, be retained by the branch along with the application.

11.8. APPLICATIONS MADE BY INSTITUTIONAL INVESTORS

- a) Applications made by companies, corporate bodies, mutual funds, provident / pension / gratuity funds / trusts and other legal entities must be accompanied by a photocopy of their memorandum and articles of association or equivalent instrument / document. Where applications are made by virtue of power of attorney, the same should also be submitted along with the application.
- b) Photocopies of the documents mentioned in paragraph (a) above must be produced for verification to the Banker to the Issue and the applicant's banker (if different from the banker to the issue) at the time of presenting the application. The copies, will after verification, be retained by the bank branch along with the application.

11.9. ADDITIONAL INSTRUCTIONS FOR INVESTORS

- a) Only one application will be accepted against each account, however, in case of joint accounts, one application may be submitted in the name of each joint account holder.
- b) Joint application in name of more than two persons will not be accepted. In case of joint application each applicant must sign the application, form and submit copies of their CNICs / NICOP / Passports. The securities will be credited to the CDS account mentioned on the face of the form and where any amount is refundable, in whole or in part, the same will be refunded by cheque or other means by post, or through the bank where the application was submitted, to the person named first on the application form, without interest, profit, or return. Please note that application will be considered as a single application for the purpose of allotment of securities.

- c) Subscription money must be paid by cheque drawn on applicant's own bank account or pay order / bank draft payable to one of the Bankers to the Issue in favor of "IPO of ----- Limited - Sukuk" and crossed "A/C PAYEE ONLY".
- d) For the application made through pay order / bank draft, it would be permissible for a Banker to the Issue to deduct the bank charges while making refund of subscription money to unsuccessful applicants through pay order / bank draft individually for each application.
- e) The applicant should have at least one bank account with any of the commercial banks. The applicants not having a bank account at all (non-account holders) are not allowed to submit application for subscription of securities.
- f) Applications are not to be made by minors and / or persons of unsound mind.
- g) Applicants should ensure that the bank branch, to which the application is submitted, completes the relevant portion of the application form.
- h) Applicants should retain the bottom portion of their application forms as provisional acknowledgment of submission of their applications. This should not be construed as an acceptance of the application or a guarantee that the applicant will be allotted the number of securities for which the application has been made.
- i) Making of any false statements in the application or willfully embodying incorrect information therein shall make the application fictitious and the applicant or the bank shall be liable for legal action.
- j) Banker to the issue are prohibited to recover any charges from the subscribers for collecting subscription applications. Hence, the applicants are advised not to pay any extra charges to the Bankers to the issue.
- k) It would be permissible for a Banker to the issue to refund subscription money to unsuccessful applicants having an account in its bank by crediting such account instead of remitting the same by cheque, pay order or bank draft. Applicants should, therefore, not fail to give their bank account numbers.
- l) Submission of false and fictitious applications is prohibited, and such Application Money may be forfeited under section 87(8) of Securities Act, 2015.

عوام الناس کو مطلع کیا جاتا ہے کہ سیکورٹیز ایکٹ 2015 کی سیکشن نمبر (7) کے تحت جھوٹی یا جعلی درخواستیں دینا قانوناً ناجرم ہے۔ خلاف ورزی کرنے والوں کی رقم، جو کہ درخواست کے ساتھ جمع کرائی جاتی ہے، سیکورٹیز ایکٹ 2015 کی سیکشن نمبر (8) کے تحت ضبط کی جاسکتی ہے۔

11.10. ADDITIONAL INSTRUCTIONS FOR FOREIGN / NON-RESIDENT INVESTORS

- a) In case of Foreign investors who are not individuals, applications must be accompanied with a letter on applicant's letterhead stating the legal status of the applicant, place of incorporation and operations and line of business. A copy of Memorandum of Association or equivalent document should also be enclosed, if available. Where applications are made by virtue of Power of Attorney, the same must be lodged with the applications. Copies of these documents can be attested by the Bank Manager in the country of applicant's residence.
- b) Foreign / Non-resident investors should follow the payment instructions given in para ---- of the prospectus.

11.11. PUBLIC SUBSCRIPTION THROUGH E-IPO

E-IPO is submission of application for subscription of securities electronically through internet, Automated Teller Machines (ATM) and mobile phones. In order to facilitate the public during IPOs, SECP has introduced the concept of e-IPO. The following two systems are available for e-IPOs:

i. Centralized e-IPO System (CES):

In order to facilitate investors, the Central Depository Company of Pakistan ("CDC") in collaboration with 1Link (Private) Limited (1Link) has developed a Centralized eIPO System ("CES") through which

applications for subscription of securities offered to the general public can be made electronically/online. CES has been made available in this Initial Public Offering (IPO) and can be accessed through the web link <https://eservices.cdcaccess.com.pk>. Payment of subscription money can be made through 1LINK's member banks available for CES, list of which is available on above-mentioned website.

For making application through CES, investors must be registered with CES. Registration with CES is onetime activity, free of cost and can be done under a self-registration process by filling the CES registration form, which is available 24/7 all-round the year. Investors who have valid Computerized National Identity Card (CNIC), International Bank Account Number (IBAN) with any of the commercial bank, email address, mobile phone number and CDS Account (Investor account or sub account) can register themselves with CES.

In addition to the above, CDC has also introduced a new facility in CES through which sub-account holder(s) will request their respective TREC Holders who are Participants in Central Depository System (CDS) to make electronic subscription on their behalf for subscription of securities of a specific company by authorizing (adding the details of) their respective Participant(s) in CES.

Consequently, authorized Participants will electronically subscribe on behalf of their sub-account holder(s) in securities offered through Initial Public Offerings (IPOs) and will also be able to make payment against such electronic subscriptions through all the available channels mentioned on CES only after receiving the subscription amount from the sub-account holder(s). To enable this feature, the CDS Participant may request CDC to activate his ID on the CES portal.

The securities will be credited directly in Investors' sub-account. In case the sub-account of the investor has been blocked or closed, after the subscription, then securities shall be parked into the CDC's IPO Facilitation Account and investor can contact CDC for credit of securities in its respective account.

Investors who do not have CDS account can visit www.cdcpakistan.com for information regarding opening CDS account. For further guidance and queries regarding CES and opening of CDS account, investors may contact CDC at phone number: 0800 – 23275 (CDCPL) and e-mail: info@cdcpak.com or Mr. Farooq Ahmed Butt at Phone 111-111-500 and email: farooq_butt@cdcpak.com.

Investors who are registered with CES can submit their applications through the web link www.cdceipo.com 24 hours a day during the subscription period which will close at midnight on April 21, 2020.

ii. E-IPO Facilities by Bankers to the Issue:

For this IPO, ----- Bank Limited (----) is providing e-IPO facility to its accountholders. --- account holders can use ---- Net Banking to submit their application via link <http://----->.

11.12. BENEFITS OF E-IPO

E-IPO has the following benefits:

1. It enables the investors to make application for subscription of securities including Sukuk through the internet without going to the bank and waiting in long queues;
2. It is efficient and simultaneously facilitative for both the Issuer and the investors;
3. It is available for use 24 hours during the subscription period; and
4. If you are registered with CES or accountholder of a bank providing e-IPO facility, you may get SMS for new IPOs.
5. By applying through CES you can also track your application status.

11.13. FACILITIES AVAILABLE TO FOREIGN/NON-RESIDENT PAKISTANI INVESTORS

Companies are permitted under paragraph 6 (with specific reference to sub para (B) (VIII)) of Chapter 20 of the State Bank of Pakistan's ("SBP") Foreign Exchange Manual (the "Manual") to issue Sukuk on repatriation basis to non-residents who are covered under paragraph 6 (A) of Chapter 20 of the Manual, i.e. (I) A Pakistan national resident outside Pakistan, (II) A person who holds dual nationality including Pakistan nationality, whether living in or outside Pakistan, (III) A foreign national, whether living in or outside Pakistan and (IV) A firm (including a partnership) or trust or mutual fund registered and functioning outside Pakistan, excluding entities owned or controlled by a foreign government, provided the issue price, is paid in foreign exchange through normal banking channel by remittance from abroad or out of foreign currency account maintained by the subscriber/purchaser in Pakistan and the purchase price (whether negotiated privately or otherwise) is not less than the price quoted on the PSX.

Non-residents who wish to subscribe Sukuk out of the general public portion may contact any of the bankers to the issue (retail portion) for taking instructions regarding payment of subscription money against Sukuk offered to general public / retail investors. List of bankers to the issue for retail portion is available on title page of this Prospectus.

The Sukuk issued to non-resident investors shall be intimated by the Bank to the designated Authorized Dealer, along with the documents prescribed in the Manual within 30 days of issue.

Non-residents who are covered under paragraph 6 (A) of Chapter 20 of the Manual do not require SBP's approval to invest in the Sukuk being issued in terms of this Prospectus. Furthermore, under paragraph 7(vii) of Chapter 20 of the Manual the Authorized Dealer shall allow repatriation of profit, net of applicable taxes and proceeds on sale of listed Sukuk (i.e. divestment proceeds) not exceeding the market value less brokerage/commission on provision of prescribed documents.

Payments made by non-residents shall be supported by proof of receipt of foreign currency through normal banking channels. Such proof shall be submitted along with the Application by the non-residents.

11.14. CODE OF OCCUPATIONS

Code	Occupation	Code	Occupation
01	Business	06	Professional
02	Business Executive	07	Student
03	Service	08	Agriculturist
04	Housewife	09	Industrialist
05	Household	10	Other

11.15. NATIONALITY CODE

Code	Name of Country	Code	Name of Country
001	U.S.A.	006	Bangladesh
002	U.K.	007	China
003	U.A.E.	008	Bahrain
004	K.S.A.	009	Other
005	Oman		

11.16. MINIMUM AMOUNT OF APPLICATION AND BASIS OF ALLOTMENT OF SUKUK

The basis and conditions of allotment shall be as follows: l) Face value of the Sukuk is PKR 5,000/-.

- a) The minimum amount of application for subscription of Sukuk is PKR 5,000/-.
- b) Applications for Sukuk below the aggregate face value of PKR 5,000/- shall not be entertained.
- c) Applications for Sukuk by the general public, including institutions and individuals, must be for a minimum of the aggregate face value of PKR 5,000/- or in multiples thereof.
- d) If the Sukuk to be issued to the general public are sufficient for the purpose, all applications shall be accommodated.
- e) If the issue is oversubscribed in terms of amount, then all applications shall be accommodated initially for Sukuk of face value of PKR 5,000/- each and the balance Sukuk shall be allotted on prorata basis to all applicants who applied for Sukuk in multiples of PKR 5,000/-.
- f) If the issue is over-subscribed in terms of number of applications and the amount, the Sukuk shall be allotted through computer balloting in the presence of representatives of PSX.
- g) Allotment of Sukuk shall be subject to scrutiny of applications for subscription.

11.17. REFUND OF MONEY TO UNSUCCESSFUL APPLICANTS

----- (name of the Issuer) shall take a decision within ten (10) days of the closure of subscription list as to which applications have been accepted or are successful and refund the money in cases of unaccepted or unsuccessful applications within ten (10) days of the date of such decision as required under regulation No. ---- read with regulation No. ---- of the PSX Rule Book.

As per sub-section (2) of Section 68 of the Companies Act, 2017, if a refund is not made within the time specified therein, the Directors of the Company shall be jointly and severally liable to repay the money with surcharge at the rate of 2.00%, for every month or part thereof from the expiration of the 15th day and, in addition, shall be liable to a penalty of level 3 on the standard scale.

The surcharge mechanism has been mentioned here in order to ensure regulatory compliance. However, from the shariah perspective, since this surcharge is a form of interest, the applicants are advised to dispose any such received amount as charity.

11.18. MINIMUM SUBSCRIPTION

The minimum amount of subscription on which the Directors will proceed to allot Sukuk is PKR ----- million.

11.19. ISSUE AND CREDIT OF SUKUK

----- (name of the Issuer) shall credit Sukuk to the successful allottees within twenty-one (21) days of closure of subscription list in compliance with the requirements of PSX. Sukuk will be issued only in the Book-Entry Form through credit in their CDS Accounts. The applicants, therefore, must provide their CDS Account Number (Investor Account Number or Sub-Account Number) in the Sukuk Subscription Form.

The Sukuk issued shall be subject to the terms & conditions for the issuance of the Sukuk specified in the Trust Deed/Issuance Agreement dated -----.

If the ----- (name of the Issuer) defaults on complying with the requirements of the Listing Regulations, it will pay to PSX a penalty of PKR 5,000/- per day during which the default continues. PSX may also notify the fact of such default and the name of the Bank by notice and also by publication, in the Daily Quotations.

The surcharge mechanism has been mentioned here in order to ensure regulatory compliance. However, from the shariah perspective, since this surcharge is a form of interest, PSX is advised to dispose any such received amount as charity.

11.20. TRANSFER OF SUKUK

The Sukuk will be inducted into the CDC, transfer shall be made in accordance with the Central Depository Act, 1997 and CDC Regulations.

11.21. BANKERS TO THE ISSUE

1. ----- Bank Limited
2. ----- Bank Limited
3. ----- Bank Limited
4. ----- Bank Limited
5. ----- Bank Limited
6. ----- Bank Limited
7. ----- Bank Limited

11.22. DEDUCTION OF ZAKAT

Zakat is deductible in case of the Sukuk being held by Muslim citizens of Pakistan, except where a statutory declaration of exemption is filed, and in case of certain non-corporate entities such as Trusts, Funds, etc. (subject to being qualified for non-deduction of Zakat under the Zakat and Ushr Ordinance, 1980). Zakat is withheld at 2.5% of the redeemed principal amount.

11.23. INCOME TAX *-[as per current tax rates]*

Any income derived from investment in Sukuk shall be subject to income tax as per the Income Tax Ordinance, 2001. Withholding tax, as specified in Part III Division IB of the First Schedule of the said ordinance shall be applicable.

11.24. DEDUCTION OF WITHHOLDING TAX *-[as per current tax rates]*

Profit paid to Sukuk Holders will be subject to withholding tax under section 150A of the Income Tax Ordinance, 2001 specified in Part III Division IB of the First Schedule of the said Ordinance or any time to time amendments therein. Rates of tax specified under Division IB are as follows:

Category	Tax Rate for Persons appearing in Active Tax Payer List	Tax Rate for Persons not appearing in Active Tax Payer List
Company	15%	30%
Individual or Association of Persons (If return on Investment is more than one million)	12.50%	25%
Individual or Association of Persons (If return on Investment is less than one million)	10%	20%

11.25. CAPITAL GAINS *-[as per current tax rates]*

Any capital gain derived from the sale of Sukuk shall be subject to capital gain tax as per section 37A of the Income Tax Ordinance, 2001. Applicable Capital Gain Tax Rates for FY20 are as follows:

- (c) For persons appearing in Active Tax Payer List: 15.0%
- (d) For persons not appearing in Active Tax Payer List: 30.0%

11.26. DISCLOSURE OF DEFERRED TAXATION

The -----[name of the issuer] recognises deferred tax asset / liability on deficit / surplus on revaluation of operating fixed assets and securities which is adjusted against the related deficit / surplus in accordance with the requirements of International Accounting Standard (IAS) 12, 'Income Taxes'. The balance of deferred tax asset (net) as of -----[Date] was PKR ----- million (unconsolidated). For detail please refer to Company's website at <http://----->.

PART 12:

SIGNATORIES TO THE PROSPECTUS

Name	Designation	Signature
------	-------------	-----------

Signed by the above in the presence of following witnesses:

Witness 1

-sd-

Name: -----

Designation: -----

CNIC: -----

Witness 1

-sd-

Name: -----

Designation: -----

CNIC: -----

PART 13:

MEMORANDUM OF ASSOCIATION -

[Please place legible scanned copy of the Memorandum of Association of the Company hereunder]

PART 14:

APPLICATION FORM

ADVICE FOR INVESTORS

INVESTORS ARE STRONGLY ADVISED IN THEIR OWN INTEREST TO CAREFULLY READ THE CONTENTS OF THIS PROSPECTUS, ESPECIALLY THE RISK FACTORS GIVEN PART 6 OF THIS PROSPECTUS BEFORE MAKING ANY INVESTMENT DECISION.

SUBMISSION OF FALSE AND FICTITIOUS APPLICATIONS IS PROHIBITED AND SUCH APPLICATIONS' MONEY MAY BE FORFEITED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015.

Company's Name & LOGO

PROSPECTUS

DATE & PLACE OF INCORPORATION: REGISTRATION NO.: REGISTERED OFFICE ADDRESS:	TELEPHONE NO.: CONTACT PERSON: EMAIL & WEBSITE ADDRESS:
---	---

THE ISSUE SIZE OF FULLY PAID UP, RATED,[Plz mention other features like secured/unsecured, convertible/non-convertible, cumulative/non-cumulative etc.] SUKUK ("SUKUK") IS PKR MILLION, OUT OF WHICH SUKUK OF PKR MILLION (---% OF ISSUE SIZE) ARE TO BE ISSUED TO THE PRE-IPO INVESTORS AND PKR ---- MILLION (---% OF ISSUE SIZE) ARE BEING OFFERED TO THE GENERAL PUBLIC BY WAY OF INITIAL PUBLIC OFFER THROUGH THIS PROSPECTUS

RATE OF RETURN/ PROFIT: -----

INSTRUMENT RATING: (long term and short term)----- BY----- RATING AGENCY LIMITED

LISTING VENUE: PAKISTAN STOCK EXCHANGE LIMITED

AS PER PSX'S LISTING OF COMPANIES AND SECURITIES REGULATIONS, THE DRAFT PROSPECTUS WAS PLACED ON PSX'S WEBSITE, FOR SEEKING PUBLIC COMMENTS, FOR SEVEN (7) WORKING DAYS STARTING FROM ----- TO -----, NO COMMENTS HAVE BEEN RECEIVED ON THE DRAFT PROSPECTUS/ / COMMENTS HAVE BEEN RECIVED AND ADDRESSED.

DATE OF PUBLIC SUBSCRIPTION: FROM ----- TO ----- (DURING BANKING HOURS) (BOTH DAYS INCLUSIVE)

LEAD MANAGER/CONSULTANT TO THE ISSUE

BANKERS TO THE ISSUE (RETAIL PORTION)

1.----Bank Ltd.2.-----3.-----4.-----5.-----6.-----7.-----

In order to facilitate investors, -----Bank Limited ("--") is providing the facility of electronic submission of application (e-IPO) to their account holders. ---[name of bank] account holders can use ---[name of bank] net banking to submit their application via link <http://----->. Further, please note that online applications can be submitted 24 hours a day during the subscription period which will close at midnight on -----[Date].

Online applications can be submitted through Centralized E-IPO system (CES) of Central Depository Company of Pakistan Limited (CDC) and ---[name of bank] e-IPO system. CES and ---[name of bank] e-IPO system can be accessed via web link <http://-----> respectively. For details please refer to section ---- of the Prospectus.

The Company's Sukuk is Proposed to be listed at the Pakistan Stock Exchange Limited

Underwriters for Retail Portion of the Issue:	Joint Advisor & Arranger and Designated Market Maker:	Trustee / Investment Agent:	Shariah Advisor/ Shariah Board-----:
--	--	------------------------------------	---

Prospectus and Subscription Forms can be downloaded from the following websites <http://-----> and <http://----->

For further information/queries you may contact:

Mr./Ms..... Phone:..... Email:...	Mr./Ms..... Phone:..... Email:...	Mr./Ms..... Phone:..... Email:...
--	--	--

DATE OF PUBLICATION OF THIS PROSPECTUS: -----

UNDERTAKING BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

DATE: -----

WE, Mr./Ms.----- (name & designation) AND Mr./Ms.----- (name & designation) OF -----
----- LIMITED HEREBY CERTIFY THAT:

7. THIS PROSPECTUS CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, WHICH IS MATERIAL IN THE CONTEXT OF THE ISSUE AND NOTHING HAS BEEN CONCEALED IN THIS RESPECT;
8. THE INFORMATION CONTAINED IN THIS PROSPECTUS IS TRUE AND CORRECT TO THE BEST OF OUR KNOWLEDGE AND BELIEF;
9. THE OPINIONS AND INTENTIONS EXPRESSED THEREIN ARE HONESTLY HELD;
10. THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKES THIS PROSPECTUS AS A WHOLE OR ANY PART THEREOF MISLEADING;
11. ALL REQUIREMENTS OF THE SECURITIES ACT, 2015, THE DISCLOSURES IN PUBLIC OFFERING REGULATIONS, 2017 FOR PREPARATION OF PROSPECTUS, RELATING TO APPROVAL AND DISCLOSURES HAVE BEEN FULFILLED; AND
12. NO CHARGES, FEE, EXPENSES, PAYMENTS ETC. HAVE BEEN COMMITTED TO BE PAID TO ANY PERSON IN RELATION TO THIS PUBLIC OFFERING EXCEPT FOR THOSE AS DISCLOSED IN PART 10 OF THE PROSPECTUS.

FOR AND BEHALF OF ----- LIMITED

-sd-

Mr./Ms.....
PRESIDENT & CEO

-sd-

Mr./Ms.....
CHIEF FINANCIAL OFFICER

GLOSSARY OF ABBREVIATIONS AND TECHNICAL TERMS

Issuer	----- Limited
Board / BOD	Board of Directors of ----- Limited
CAGR	Compounded Annual Growth Rate
CDC	The Central Depository Company of Pakistan Limited
CDS	Central Depository System
Consultant to the Issue/ Lead Manger	----- Limited
Credit Rating Agency	-----Rating Agency Limited (“---”)
Conditions	The terms and conditions governing and regulating the Sukuk
CY	Calendar Year
DFI	Development Financial Institutions
DSL Regulations	Chapter 5B of the Rule Book of the Pakistan Stock Exchange Limited titled “Listing of Debt Securities Regulations”, as amended from time to time
EPS	Earnings per Share
FY	Financial Year
GOP	Government of Pakistan
Investor Agreement	The Investor Agreement entered into between each Pre-IPO Investor and the Issuer, prior to the Issue Date
Issue Date	Issue Date means (i) the date of closing of the subscription list for the public offering of the Sukuk Certificates in the event the Sukuk Certificates are fully subscribed, or (ii) in the case of undersubscription, the date on which the entire amount of the Sukuk Issue has been fully subscribed, which shall be achieved by the Issuer by no later than ---- (----) days from the date of closing of the subscription list for the public offering of the Sukuk Certificates.
KIBOR	Karachi Inter-Bank Offer Rate (Ask Side)
Designated Market Maker	---- Limited
PSX	Pakistan Stock Exchange Limited
PKR or Rs.	Pakistani Rupee
SECP or the Commission	Securities & Exchange Commission of Pakistan
Sukuk	Fully paid up, rated, listed ---- <i>[Plz mention other features like secured/unsecured, convertible/non-convertible, cumulative/non-cumulative etc.]</i> Sukuk to be issued as an instrument of redeemable capital under Section 66 of the Companies Act, 2017.
Sukuk Holders	Sukuk Holders mean the persons shown as holders of Sukuk in the records of the CDS, who shall be the beneficiaries under the Trust Deed/Issuance Agreement.
Sukuk Issue	Issuance of Sukuk Certificates of PKR ---- million (mention full amount of the sukuk issue)
Transaction Documents	4. Trust Deed/Issuance Agreement 5. The Investor Agreements; 6. Subscription Undertaking; and 7. Sukuk Certificates (when issued)

Trust Deed/ Issuance Agreement	The Trust Deed/Issuance Agreement executed between the(name of the issuer) and the Trustee/Issuance Agent dated -----
Trustee / Investment Agent	----- Limited
Transfer Agent & Balloter	----- Limited
Transaction Legal Counsel	-----

A) SUMMARY OF THE ISSUE

Issue Size	PKR ----- million
Pre-IPO Placement	PKR ----- million
Initial Public Offering (IPO)	PKR ----- million
Purpose	<i>[Please mention the purpose of utilization of the proceeds of the issue]</i>
Utilization of Proceeds	<i>[The amount of funds raised from the issuance of Sukuk shall be utilized to finance]</i>
Minimum Investment	The Sukuk will be offered in denominations of PKR 5,000/- or multiples thereof to the investors subject to a minimum Investment amount of PKR 5,000/-
Issue Date	(iii) the date of closing of the subscription list for the public offering of the Sukuk Certificates in the event the Sukuk Certificates are fully subscribed (iv) in the case of undersubscription, the date on which the entire amount of the Sukuk Issue has been fully subscribed, which shall be achieved by the Issuer by no later than 15 (fifteen) days from the date of closing of the subscription list for the public offering of the Sukuk Certificates
Tenor	-----
Principal Redemptions	-----
Profit Rate	-----
Profit Payment Frequency	[monthly/quarterly/semiannually]
Issue Price	Par (i.e. each Sukuk having a face value of PKR 5,000/-)
Security	-----
Transaction Legal Counsel	-----
Listing	Pakistan Stock Exchange Limited
Entity Rating	Long Term Rating: ----- Short Term Rating: ----- Rating Agency: -----
Instrument Rating	"-----" (-----), assigned by -----
Subscription Date	----- to ---- (during banking hours) (both days inclusive)
Risk Factors	For details please refer to Part ---- of the Prospectus
Trustee/Investment Agent to the Issue	----- Limited

Shariah Advisor	Shariah Board of ----- Limited
Compliance Officer	Mr./Ms.----- Company Secretary ----- Limited Tel: ----- Fax: -----
Underwriters to the Issue	-----Limited
Designated Market Maker	----- Limited
Bankers to the Issue	8. ---- Bank Limited 9. ---- Bank Limited 10.---- Bank Limited 11.---- Bank Limited 12.---- Bank Limited 13.---- Bank Limited 14.---- Bank Limited
Transferability	The Sukuk will be inducted into the CDC, transfer shall be made in accordance with the Central Depository Act, 1997 and CDC Regulations
Governing Law	-----

B) SUMMARY OF RISKS RELATED TO THE ISSUE

Following are the key risks related to the Sukuk Issue:

- (iv)
- (v)
- (vi)

[Please refer to Part ----- for detailed description of risk factors.]

PART 1:	APPROVAL, CONSENTS AND LISTING ON THE STOCK EXCHANGE
PART 2:	SUMMARY OF THE PROSPECTUS
PART 3:	OVERVIEW, HISTORY AND PROSPECTS
PART 3A:	SHARE CAPITAL AND RELATED MATTERS
PART 4:	PRINCIPLE PURPOSE OF THE ISSUE
PART 5:	DETAILS OF THE ISSUE AND RELATED INFORMATION
PART 6:	RISK FACTORS
PART 7:	FINANCIAL INFORMATION
PART 7A:	REVALUATION OF FIXED ASSETS
PART 7B:	ENTITY RATING REPORT
PART 7C:	INSTRUMENT RATING REPORT
PART 7D:	TRUSTEE AND SECURITY
PART 8:	MANAGEMENT OF THE ISSUER
PART 9:	LEGAL PROCEEDINGS AND OVERDUE LOANS
PART 10:	UNDERWRITING ARRANGEMENT, COMMISSIONS, BROKERAGE AND OTHER EXPENSES TO THE ISSUE
PART 11:	MISCELLANEOUS INFORMATION
PART 12:	MATERIAL CONTRACTS / DOCUMENTS RELATED TO THE ISSUE
PART 13:	APPLICATION AND ALLOTMENT INSTRUCTIONS
PART 14:	SIGNATORIES TO THE PROSPECTUS
PART 15:	MEMORANDUM OF ASSOCIATION
PART 16:	APPLICATION FORM

PART 1:

APPROVAL, CONSENTS AND LISTING ON THE STOCK EXCHANGE

1.1. APPROVAL OF THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Approval of the Securities and Exchange Commission of Pakistan (the “Commission” or the “SECP”) as required under Section 87(2), read with Section 88(1) of the Securities Act, 2015 (the “Act”) has been obtained for the Issue, circulation and publication of this Prospectus.

DISCLAIMER:

IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS APPROVAL, SECP DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER AND ANY OF ITS SCHEMES STATED HEREIN OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED WITH REGARDS TO THEM BY THE ISSUER IN THIS PROSPECTUS.

SECP HAS NOT EVALUATED QUALITY OF THE ISSUE AND ITS APPROVAL FOR ISSUE, CIRCULATION AND PUBLICATION OF PROSPECTUS SHOULD NOT BE CONSTRUED AS ANY COMMITMENT OF THE SAME. THE PUBLIC / INVESTORS SHOULD CONDUCT THEIR OWN INDEPENDENT DUE DILIGENCE AND ANALYSIS REGARDING THE QUALITY OF THE ISSUE BEFORE SUBSCRIBING.

1.2. APPROVAL OF THE PROSPECTUS BY THE PAKISTAN STOCK EXCHANGE LIMITED

The Prospectus for the issue of fully paid-up, rated, ----- *[Plz mention other features like secured/unsecured, convertible/non-convertible, cumulative/non-cumulative etc.]* Sukuk Issue (“Mudaraba/Musharikah /Ijara etc. Sukuk” or “Sukuk”) has been approved by the Pakistan Stock Exchange Limited (“PSX”) in accordance with the requirements of its Listing of Debt Securities Regulations.

DISCLAIMER:

C) PSX HAS NOT EVALUATED THE QUALITY OF THE ISSUE AND ITS APPROVAL SHOULD NOT BE CONSIDERED AND CONSTRUED AS ANY COMMITMENT OF THE SAME. THE PUBLIC / INVESTORS SHOULD CONDUCT THEIR OWN INDEPENDENT INVESTIGATION AND ANALYSIS REGARDING THE QUALITY OF THE ISSUE BEFORE SUBSCRIBING.

D) THE PUBLICATION OF THIS DOCUMENT DOES NOT REPRESENT SOLICITATION BY PSX.

C) *THE CONTENTS OF THIS DOCUMENT DO NOT CONSTITUTE AN INVITATION TO INVEST IN SUKUK*

OR SUBSCRIBE FOR ANY SECURITIES OR OTHER FINANCIAL INSTRUMENT BY PSX, NOR SHOULD IT OR ANY PART OF IT FORM THE BASIS OF, OR BE RELIED UPON IN ANY CONNECTION WITH ANY CONTRACT OR COMMITMENT WHATSOEVER OF PSX.

H) IT IS CLARIFIED THAT INFORMATION IN THIS PROSPECTUS SHOULD NOT BE CONSTRUED AS ADVICE ON ANY PARTICULAR MATTER BY PSX AND MUST NOT BE TREATED AS A SUBSTITUTE FOR SPECIFIC ADVICE.

I) PSX DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THIS DOCUMENT TO ANY ONE, ARISING FROM ANY REASON, INCLUDING, BUT NOT LIMITED TO, INACCURACIES, INCOMPLETENESS, AND/OR MISTAKES, FOR DECISION AND/OR ACTIONS TAKEN BASED ON THIS DOCUMENT.

J) PSX NEITHER TAKES RESPONSIBILITY FOR THE CORRECTNESS OF CONTENTS OF THIS DOCUMENT NOR THE ABILITY OF THE ISSUER TO FULFIL ITS OBLIGATIONS THERE UNDER.

K) ADVICE FROM A SUITABLY QUALIFIED PROFESSIONAL SHOULD ALWAYS BE SOUGHT BY INVESTORS IN RELATION TO ANY INVESTMENT IN SECURITIES.

1.3. APPROVAL FROM OTHER REGULATOR *(if applicable, along with terms & conditions be disclosed here)*

1.4. APPROVAL OF SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN UNDER SECTION 83 OF COMPANIES ACT, 2017 *(In case of convertibility of debt instrument/sukuk into shares)*

On the basis of special resolution passed in the Extraordinary General Meeting held on -----, the Commission has allowed ----- under section 83 of the Companies Act, 2017 to issue, by way of other than right offer, up to ----- million ordinary shares to the Sukuk holders upon conversion of the Sukuk on occurrence of a conversion event.

1.5. FILING OF PROSPECTUS AND OTHER DOCUMENTS WITH THE REGISTRAR OF COMPANIES

----- *[name of the issuer]* has delivered to the Registrar of Companies as required under Sections 57 (1) of the Act, a copy of this Prospectus signed by all the Directors of -----*[name of the issuer]*.

1.6. LISTING AT PSX

Application has been submitted by the Issuer to PSX for listing of the Sukuk.

If for any reason the application for formal listing is not accepted by PSX or approval for formal listing is not granted by PSX before the expiration of twenty-one (21) days from the date of closing of the subscription period / list or such longer period not exceeding forty-two (42) days as may, within the said twenty-one (21) days, be notified to the applicants for permission by the PSX, the Issuer undertakes that a notice to that effect will immediately be published in the press and will refund subscription money to the applicants without surcharge as required under the provisions of Section 69 of the Companies Act.

However, and, if any such money is not repaid within eight (08) days after the -----*[name of the issuer]* becomes liable to repay it, the Directors of the -----*[name of the issuer]* shall be jointly and severally liable to repay that money from the expiration of the eighth day together with surcharge at the rate of two per cent (2.00%) for every month or part thereof from the expiration of the eight day and, in addition, shall be liable to a penalty of level 3 on the standard scale in accordance with the provisions of sub-section (2) of Section 69 of the Companies Act.

The surcharge mechanism has been mentioned here in order to ensure regulatory compliance. However, from the shariah perspective, since this surcharge is a form of interest, the applicants are advised to dispose any such received amount as charity.

As required under sub-section (3) of Section 69 of the Companies Act, the subscription money, shall be deposited and kept in a separate bank account in a scheduled bank so long as the Issuer may become liable to repay it under sub-section (2) of Section 69 of the Companies Act.

1.8. COMPLIANCE OFFICER

Mr./Ms.-----

Company Secretary

----- Limited

[Name of the Issuer with address]

Tel: -----

Fax: -----

PART 2:

SUMMARY OF THE PROSPECTUS

2.1. PRIMARY BUSINESS OF THE ISSUER

----- Limited is licensed/Registered by ----- . The ---- [Issuer] offers a full range of services in -----

2.2. SPONSORS

-----*[name of the issuer]* sponsors include -----*[please disclose names of all sponsors, whether individuals or institutions]*.

2.3. SALIENT FEATURES OF THE ISSUE

----- Limited *[name of Issuer]* is issuing fully paid up, rated, ----- Sukuk Certificates to be issued as an instrument of redeemable capital under Section 66 of the Companies Act, 2017.

The total Sukuk Issue size is of PKR -----/- (Pak -----million only). The Sukuk Certificates are ----- *[whether secured/unsecured, subordinated, rated, listed, perpetual, cumulative /non-cumulative]* and will be offered in denominations of PKR 5,000/- or multiples thereof to the investors subject to a minimum investment amount of PKR 5,000/. The Sukuk Certificates of PKR ----- million have been offered to investors through pre-IPO subscription (Pre-IPO Portion) and the remaining PKR ----- million shall be offered to general public through this prospectus (IPO Portion).

The Sukuk Certificates being issued have been assigned a rating of “----” *[rating assigned]* by -----*[name of the rating agency]* and will carry a ----- *[Profit rate]* . Profit will be payable *[monthly/quarterly/semi annually]* (365 days in a year) in arrears on the outstanding investment amount. The first such profit payment will fall due at the end of 1st calendar month end from the Issue Date and subsequently every month end thereafter.

----- *[Other profit related conditions/ stoppers, if any]*

----- *[Call Option /Put Option related conditions, if any specifically mentioning whether Put Option shall be available to the Sukuk Holders or not]*

----- Limited has been appointed as trustee/Investment Agent to secure the interests of the investors. ----- has been appointed as the Designated Market Maker for this Issue and the Sukuk shall be listed on the PSX via Initial Public Offering, thereby creating liquidity for the Issue.

2.4. PRINCIPLE PURPOSE OF THE ISSUE AND UTILIZATION OF PROCEEDS

-----[Complete details of the Principal purpose of the Issue].

2.5. FINANCIAL HIGHLIGHTS OF THE ISSUER

Financials - PKR million	2020	2019	2018	2017
Paid-up capital				
Equity (including surplus on revaluation of assets)				
Profit / return / earned				
Net Profit / Return				
Profit before Provisions				
Profit after Taxation				
Earnings per Share (EPS)- (PKR)				
Book Value per Share (BVPS) (including & excluding surplus (PKR)				

Detailed financial information has been disclosed in **Part ----** of this Prospectus.

2.6. OUTSTANDING LEGAL PROCEEDINGS

All the outstanding legal proceedings of the Issuer have been disclosed in Part ----. Further, there are /no outstanding legal proceeding other than the normal course of business involving sponsors, substantial shareholders and directors of Issuer and associated companies, over which the Issuer has control, that could have material impact on the Issuer.

2.7. RISK FACTORS

A summary of the risks related to the Issue is given on page ---- of this Prospectus while detailed description of risk factors is given in Part 6 of this Prospectus.

2.8. SUMMARY OF RELATED PARTY TRANSACTIONS

Summary of related party transactions of the Issuer for the last three years (i.e.-----) is provided below:

PART 3:

OVERVIEW, HISTORY AND PROSPECTS

3.1. BACKGROUND & HISTORY

Name of the Issuer	----- Limited
Date of Incorporation	-----
Date of Commencement of Business	-----

Registration Number	-----
Listing Information	-----

----- was incorporated on ----- as a public/Private limited company to carry out the business of -----
 ----- . Subsequently, ----. (*Background information about the issuer including major achievements*).

3.2. PATTERN OF SHAREHOLDING

----- [*name of the issuer*] major sponsors include Pattern of shareholding of [*name of the issuer*] as of -----[*Date*] is given below:

Shareholder Category	No. of Shares	Percentage
Associated Companies, Undertakings and Related Parties		
Mutual Funds		
Directors and their Spouses(s) and Minor Children		
Executives		
Public Sector Companies and Corporations		
Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Takaful, Modarabas & Pension Funds		
General Public (Local & Foreign)		
Foreign Companies		
Others		
Total		
Shares held by Sponsors		
Shareholders Name	No. of Shares	Percentage
1.		
2.		
3.		
4.		
5.		
6.		
Total		

3.3. KEY REVENUE AND COST DRIVERS OF THE ISSUER

3.4. ORGANIZATION STRUCTURE OF THE ISSUER

3.6. AWARDS AND ACHIEVEMENTS [*Complete details of awards and achievements alongwith dates*]

3.7. PRODUCTS AND SERVICES [*Summary of the products/services offered by the Issuer*]

3.10. OPERATING AND FINANCIAL PERFORMANCE HIGHLIGHTS

[Commentary on financial performance for the last five years along with charts]

3.11. END USERS, DEMAND FOR THE PRODUCTS AND COMPETITORS

3.12. INTELLECTUAL PROPERTY RIGHTS [If applicable]

S. No.	Trade Mark No.	Name of the Trade Mark
1		
2		
3		

3.13. FUTURE OUTLOOK OF THE ISSUER

3.14. APPROVAL TO CONDUCT BUSINESS [Approval /licensing status from the relevant regulatory body]

3.15. GROUP STRUCTURE OF THE ISSUER AND DETAILS OF ASSOCIATED COMPANIES

Name of Company	Nature of Business	Nature of Relation	Shareholding (---%)	Carrying Value as of ---- [Date] (PKR mn.)
-----------------	--------------------	--------------------	---------------------	--

3.16. RELATED PARTY TRANSACTIONS

3.17. PERFORMANCE OF ASSOCIATED LISTED COMPANIES

Key details of the company and financial performance over the past three (03) years are provided below:

Name of the Company	
Date of Incorporation	
Registration No.	
Nature of Business	
Date of Listing	

Financial Highlights:

PKR million (Unconsolidated)	CY20	CY19	CY18	CY17
Paid-up Capital				
Equity				
Total Assets				
Total Liabilities				
Profit / (Loss) before Tax				
Profit / (Loss) after Tax				
Rate of Cash Dividends Paid				
Book Value per share (BVPS)				
Earnings per Share (EPS)				
Return on Equity (ROE)				

Return on Total Assets (ROA)				
------------------------------	--	--	--	--

3.18. INDUSTRY OVERVIEW *[Performance overview of the industry in which the issuer operates]*

PART 3A:

SHARE CAPITAL AND RELATED MATTERS

(I) SHARE CAPITAL

Number of shares	Fully Paid up ordinary shares of Rs. 10/- each	Rupees

(II) PATTERN OF SHAREHOLDING

Pattern of shareholding of the -----[*name of the issuer*] as of -----[*Date*] is given below:

Shareholder Category	No. of Shares	Percentage
Associated Companies, Undertakings and Related Parties		
Mutual Funds		
Directors and their Spouses(s) and Minor Children		
Executives		
Public Sector Companies and Corporations		
Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Takaful, Modarabas & Pension Funds		
General Public (Local & Foreign)		
Foreign Companies		
Others		
Total		

(III) SHARES ISSUED IN PRECEDING YEARS

Details of shares issued in the history of the -----[*name of the Issuer*] are given below:

S. No.	Description of Ordinary Shares Issued <i>[whether by way of right issue, bonus issue, IPO & Pre-IPO, by way of other than right or others (plz specify).]</i>	Number of Shares Issued	Par Value	Date of allotment

[Details of Shares issued during preceding by way of other than cash].

(IV) UNDERTAKING FOR UTILIZATION OF IPO PROCEEDS

The President & CEO of the Bank has undertaken that that IPO proceeds shall be utilized as per the purpose disclosed in the prospectus.

PART 4:

PRINCIPLE PURPOSE OF THE ISSUE

The Issue amount will contribute towards ----- . The funds raised will be utilized in ----- as permitted by its Memorandum & Articles of Association.

PART 5:

DETAILS OF THE ISSUE AND RELATED INFORMATION

5.1. INSTRUMENT (SUKUK) STRUCTURE:

[Diagram of the Instrument/ Sukuk structure showing all parties to the transaction]

The Sukuk has been structured on the basis of Islamic principle of ----- *[please mention whether Modaraba, Musharikhah, Ijara etc.]* where *[in case of Modaraba] one partner gives money to another for investment in a business. The capital provider / Sukuk Holders are called "Rabb-ulMaal/Arbab ul Amwaal", while the management and work are the exclusive responsibility of the other partner, the -----[name of the issuer] , who is called the "Mudarib". The Mudaraba structure will be as follows:]*

5.2. PRE-IPO INVESTORS

The Pre-IPO portion for the Sukuk closed at PKR ----- million out of the total issue size of PKR ----- million and the disbursement of Pre-IPO portion was completed on -----[Date].

The list of investors in the PreIPO portion along with their respective investment amount is provided below:

S. No.	Investor Name	Pre-IPO Participation (PKR)	% of Total Issue Size
01			
02			
03			
	Total		

All the Pre-IPO investors have signed the Investor Agreements for the above-mentioned participation amount.

5.3. TERM SHEET OF THE ISSUE:

Issuer / Mudarib	----- Limited (“---” or the “Issuer”);
Instrument/Issue/ Transaction	Fully paid up, rated, -----[<i>features of the instrument</i>] listed --- Sukuk Certificates to be issued as instrument of redeemable capital under Section 66 of the Companies Act, 2017
Issue Size	Up to PKR -----/- (Pak Rupees ---- Only);
Issue Title/Name	The Instrument has been named as “-----” and being marketed under the same; with the logo as mentioned on the top of the Term sheet.
Tenor	-----
Principal Redemption	-----
Purpose	-----
Profit Payment	Profit will be payable[plz mention monthly/quarterly/semi-annually etc.] (365 days in a year) in arrears on the outstanding investment amount. The first such profit payment will fall due at the end of[Date/Day] from the issue date and subsequently The profit payment to the Sukuk Holders will be[whether cumulative/non-cumulative] in nature.
Profit Rate	----- [Base Rate plus a margin of ---% per annum.] Base Rate is defined as -----.
Loss Sharing/ Dividend Stopper	-----[<i>Please disclose relevant event/circumstance affecting profit payment</i>]
Security	-----[Whether secured or unsecured]
Face Value	Pak Rupees Five Thousand per certificate (PKR 5,000);
Issue Price	Pak Rupees Five Thousand per certificate (PKR 5,000);
Minimum Investment Amount	Pak Rupees Five Thousand (PKR 5,000);
Eligible Investors for IPO	General Public including individual and institutional investors;
Placement and Transferability	The Sukuk shall be inducted into the Central Depository System of Central Depository Company of Pakistan Limited and shall be transferred in accordance with the Central Depositories Act, 1997 and CDC Regulations;
Call Option	-----[<i>Call option details, if any</i>]
Put Option	-----[<i>Call option details, if any</i>]
Seniority of Claim / Sub-ordination <i>(In case of liquidation)</i>	
Issuer Rating	---- (Long Term), --- (Short Term) by -----[name of the rating agency];

Instrument Rating	----by ----[name of the rating agency];; The --- Sukuk shall be rated throughout the life of the Instrument.
Listing and Public Subscription	Listing will be done via issuance of Prospectus at Pakistan Stock Exchange (PSX); The public subscription will remain open for ----days or any other period approved by the PSX and SECP;
Classification on the Balance Sheet	Sukuk shall be classified as "Liabilities" in the Balance Sheet;
Transaction Legal Counsel	-----.
Investment Agent / Trustee to the Issue	-----
Issuer's Registered Office	-----
Compliance Officer	Mr./Ms.-----
Registrar / Transfer Agent	-----Limited;
Designated Market Maker	-----Limited;
Joint Advisors & Arrangers (Joint Advisors or JAA)	----- Limited;
Applicable Laws	-----

5.4. DISCRETION FOR REDUCTION OF PROFIT *(If applicable)*

5.5. OPENING AND CLOSING OF SUBSCRIPTION LIST

The subscription list will open at the commencement of the banking hours on -----[Date] and close at the end of banking hours on -----[Date].

5.6. INVESTORS ELIGIBILITY

8. Pakistani citizens resident in Pakistan;
9. Pakistani citizens residing outside Pakistan;
10. Persons holding two nationalities including Pakistani nationality;
11. Foreign nationals whether living in or outside Pakistan;
12. Companies, bodies corporate or other legal entities incorporated or established in or outside Pakistan (to the extent permitted by their constitutive documents and existing regulations, as the case may be);
13. Mutual funds, provident/pension/gratuity funds/trusts (subject to the terms of their trust deeds and existing regulations); and
14. Branches in Pakistan of companies and bodies corporate incorporated outside Pakistan.

5.7. FACILITIES AVAILABLE TO FOREIGN/NON-RESIDENT PAKISTANI INVESTORS

Companies are permitted under paragraph 6 (with specific reference to sub para (B) (VIII)) of Chapter 20 of the State Bank of Pakistan's ("SBP") Foreign Exchange Manual (the "Manual") to issue -----[Type of instrument/Sukuk] on repatriation basis to non-residents who are covered under paragraph 6 (A) of Chapter 20 of the Manual, i.e. (I) A Pakistan national resident outside Pakistan, (II) A person who holds dual nationality including Pakistan nationality, whether living in or outside Pakistan, (III) A foreign national, whether living in or outside Pakistan and (IV) A firm (including a partnership) or trust or mutual fund registered and functioning outside Pakistan, excluding entities owned or controlled by a foreign government, provided the issue price, is paid in foreign exchange through normal banking channel by remittance from abroad or out of foreign currency account maintained by the subscriber/purchaser in Pakistan and the purchase price (whether negotiated privately or otherwise) is not less than the price quoted on the PSX.

Non-residents who wish to subscribe Sukuk out of the general public portion may contact any of the bankers to the issue (retail portion) for taking instructions regarding payment of subscription money against Sukuk offered to general public / retail investors. List of bankers to the issue for retail portion is available on title page of this Prospectus.

The Sukuk issued to non-resident investors shall be intimated by the -----[Issuer] to the designated Authorized Dealer, along with the documents prescribed in the Manual within 30 days of issue.

Non-residents who are covered under paragraph 6 (A) of Chapter 20 of the Manual do not require SBP's approval to invest in the Sukuk being issued in terms of this Prospectus. Furthermore, under paragraph 7(vii) of Chapter 20 of the Manual the Authorized Dealer shall allow repatriation of profit, net of applicable taxes and proceeds on sale of listed Sukuk (i.e. divestment proceeds) not exceeding the market value less brokerage/commission on provision of prescribed documents.

Payments made by non-residents shall be supported by proof of receipt of foreign currency through normal banking channels. Such proof shall be submitted along with the Application by the non-residents.

5.8. MINIMUM AMOUNT OF APPLICATION AND BASIS OF ALLOTMENT OF SUKUK

The basis and conditions of allotment shall be as follows:

- a) Face value of the Sukuk is PKR 5,000/-.
- i) The minimum amount of application for subscription of Sukuk is PKR 5,000/-.
- j) Applications for Sukuk below the aggregate face value of PKR 5,000/- shall not be entertained.
- k) Applications for Sukuk by the general public, including institutions and individuals, must be for a minimum of the aggregate face value of PKR 5,000/- or in multiples thereof.
- l) If the Sukuk to be issued to the general public are sufficient for the purpose, all applications shall be accommodated.
- m) If the issue is oversubscribed in terms of amount, then all applications shall be accommodated initially for Sukuk of face value of PKR 5,000/- each and the balance Sukuk shall be allotted on prorata basis to all applicants who applied for Sukuk in multiples of PKR 5,000/-.
- n) If the issue is over-subscribed in terms of number of applications and the amount, the Sukuk shall be allotted through computer balloting in the presence of representatives of PSX.
- o) Allotment of Sukuk shall be subject to scrutiny of applications for subscription.

5.9. MINIMUM SUBSCRIPTION

The minimum amount of subscription on which the Directors will proceed to allot Sukuk is PKR ----- million.

5.10. REFUND OF MONEY TO UNSUCCESSFUL APPLICANTS

----- [*name of the issuer*] shall take a decision within ten (10) days of the closure of subscription list as to which applications have been accepted or are successful and refund the money in cases of unaccepted or unsuccessful applications within ten (10) days of the date of such decision as required under regulation 5B 4.19 read with regulation 5B 4.20 of the PSX Rule Book.

As per sub-section (2) of Section 68 of the Companies Act, 2017, if a refund is not made within the time specified therein, the Directors of the Company shall be jointly and severally liable to repay the money with surcharge at the rate of 2.00%, for every month or part thereof from the expiration of the 15th day and, in addition, shall be liable to a penalty of level 3 on the standard scale.

The surcharge mechanism has been mentioned here in order to ensure regulatory compliance. However, from the shariah perspective, since this surcharge is a form of interest, the applicants are advised to dispose any such received amount as charity.

5.11. ISSUE AND CREDIT OF SUKUK

----- [*name of the issuer*] shall credit Sukuk to the successful allottees within twenty-one (21) days of closure of subscription list in compliance with the requirements of PSX. Sukuk will be issued only in the Book-Entry Form through credit in their CDS Accounts. The applicants, therefore, must provide their CDS Account Number (Investor Account Number or Sub-Account Number) in the Sukuk Subscription Form.

The Sukuk issued shall be subject to the terms & conditions for the issuance of the Sukuk specified in the Trust Deed/Issuance Agreement dated -----.

If the -----[*Issuer*] defaults on complying with the requirements of the Listing Regulations, it will pay to PSX a penalty of PKR 5,000/- per day during which the default continues. PSX may also notify the fact of such default and the name of the Bank by notice and also by publication, in the Daily Quotations.

The surcharge mechanism has been mentioned here in order to ensure regulatory compliance. However, from the shariah perspective, since this surcharge is a form of interest, PSX is advised to dispose any such received amount as charity.

5.12. TRANSFER OF SUKUK

The Sukuk will be inducted into the CDC, transfer shall be made in accordance with the Central Depository Act, 1997 and CDC Regulations.

5.13. SUKUK/ DEBT SECURITIES ISSUED IN PRECEEDING YEARS

The -----[*name of the issuer*] has not/has issued any Sukuk since its incorporation. The details are as follows (if applicable):

5.14. REDEMPTION RESERVE

-----[*Please disclose whether or not any redemption reserves is being created*].

5.15. CONVERSION MECHANISM [*In case of convertibility of sukuk in to shares*]

-----[*Details of events that triggers convertibility of sukuk in to shares*]

-----[*The mechanism for determination of number of shares to be issued to Sukuk Holders at the time of conversion.*]

-----[*Details regarding approvals required for conversion of sukuk in to shares*]

The -----[*name of the issuer*] has obtained approval of the shareholders for the conversion of Sukuk and approval of the Securities and Exchange Commission of Pakistan under section 83(1)(b) of the Companies Act, 2017 has also been obtained.

5.16. CALL OPTION [*If applicable*]

-----[*Issuer*] may exercise a Call Option on the subject Sukuk on or after ----- years from issuance date subject to the following conditions (the “Call Option Conditions”):

- (d) prior approval from----- has been obtained for exercise of the call
- (e) -----
- (f) Call Option price should be -----[*disclose the basis of call option price calculation*]

5.17. MARKET MAKING

----- Limited will act as Designated Market Maker for the Sukuk. The Designated Market Maker will at all times hold at least one percent (1%) of the Issue size.

The Designated Market Maker shall mandatorily make available two-way quotes on daily basis with a maximum spread of 10% till complete redemption of the Sukuk.

The Designated Market Maker will be obligated to replenish its orders/quotes within 90 seconds following full execution, withdrawal, expiration or any change in the price of either bid or offer.

The Market Making Orders/Quotes are to be maintained on both sides during Market Making period as per Market Making agreement which shall be for the tenure of the Debt Security.

The Designated Market Maker shall be allowed to Blank Sale in Debt Security subject to sufficient preexisting interest at the end of each Blank Sale day to validate that the Designated Market Maker can deliver the quantity sold blank during the trading day.

Market Marker shall make available copy of the Prospectus to the investors at all times.

5.18. DEDUCTION OF ZAKAT

Zakat is deductible in case of the Sukuk being held by Muslim citizens of Pakistan, except where a statutory declaration of exemption is filed, and in case of certain non-corporate entities such as Trusts, Funds, etc. (subject to being qualified for non-deduction of Zakat under the Zakat and Ushr Ordinance, 1980). Zakat is withheld at 2.5% of the redeemed principal amount.

5.19. INCOME TAX ---[Please disclose as per current Tax Rates]

Any income derived from investment in Sukuk shall be subject to income tax as per the Income Tax Ordinance, 2001. Withholding tax, as specified in Part III Division IB of the First Schedule of the said ordinance shall be applicable.

5.20. DEDUCTION OF WITHHOLDING TAX ---[Please disclose as per current Tax Rates]

Profit paid to Sukuk Holders will be subject to withholding tax under section 150A of the Income Tax Ordinance, 2001 specified in Part III Division IB of the First Schedule of the said Ordinance or any time to time amendments therein. Rates of tax specified under Division IB are as follows:

Category	Tax Rate for Persons appearing in Active Tax Payer List	Tax Rate for Persons not appearing in Active Tax Payer List
Company	15%	30%
Individual or Association of Persons (If return on Investment is more than one million)	12.50%	25%
Individual or Association of Persons (If return on Investment is less than one million)	10%	20%

5.21. CAPITAL GAINS ---[Please disclose as per current Tax Rates]

Any capital gain derived from the sale of Sukuk shall be subject to capital gain tax as per section 37A of the Income Tax Ordinance, 2001. Applicable Capital Gain Tax Rates for FY20 are as follows:

- (c) For persons appearing in Active Tax Payer List: 15.0%
- (d) For persons not appearing in Active Tax Payer List: 30.0%

5.22. DISCLOSURE OF DEFERRED TAXATION

Deferred tax is recognised using the balance sheet liability method on all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for the taxation purposes. Deferred tax is calculated at the rates that are expected to apply to the period when the differences are expected to reverse based on tax rates that have been enacted or substantively enacted by the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available, against which the asset can be utilised. The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised.

The -----[name of the issuer] also recognises deferred tax asset / liability on deficit / surplus on revaluation of operating fixed assets and securities which is adjusted against the related deficit / surplus in accordance with the requirements of International Accounting Standard (IAS) 12, 'Income Taxes'. The balance of deferred tax asset (net) as of -----[Date] was PKR ----- million (unconsolidated).

5.23. SHARIAH ADVISOR TO THE ISSUE

Shariah Board of the -----[name of the issuer] is acting as Shariah Advisor to the Issue and it has provided its consent to include and publish its name in the Prospectus. Profiles of the members of the Shariah Board are provided below:

SHARIAH BOARD OF THE -----[Issuer]

The -----[Issuer] has a Shariah Supervisory Board in order to ensure compliance of Shariah guidelines issued by Shariah Board in all operations in general and revenue generating activities. The -----[name of the issuer] has a committed professional team in the Shariah Compliance department consisting of Shariah Scholars along with business graduates from reputed organizations.

- (i) **Mr/Mufti.....Chairman, Shariah Supervisory Board** *[Profile including qualification he/she holds, membership of committees etc. Current Position]*
- (ii) **Mr/Mufti.....Member, Shariah Supervisory Board** *[Profile including qualification he/she holds, membership of committees etc. Current Position]*
- (iii).....

5.24. SHARIAH OPINION

[Plz place hereunder scanned copy of the Shariah Opinion granted by the Shariah Scholars/Board on the structure of the Sukuk]

5.25. [Regulatory requirements of other Regulators viz. SBP, like MCR, CAR, leverage ratio requirement, etc.]

5.28. MODE OF PAYMENT OF PROFIT

The payment of profit shall be credited in Sukuk Holders' bank accounts electronically on ----- [monthly/quarterly/semi annually] basis. The applicants, therefore, must provide their International Bank Account Number (IBAN) in the Sukuk Subscription Form.

5.29. INTEREST OF PRE-IPO INVESTORS

Except as provided below, the Pre-IPO Investors only have interest in this Sukuk as Sukuk Holders:

- ----- Limited, ----- Limited and -----Bank Limited are acting as Bankers to the Issue for the Sukuk and have also participated in the Pre-IPO portion

5.30. STATEMENT BY THE ISSUER

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Limited
Stock Exchange Road
Karachi

On behalf of ----- Limited, (“-----” or the “Bank”), we hereby confirm that all material information as required under the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the Prospectus and that whatever is stated in Prospectus and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and on behalf of ----- Limited

-sd-

Mr./Ms.-----
President & CEO

-sd-

Mr./Ms.-----
Chief Financial Officer

Date: -----

5.31. STATEMENT BY CONSULTANT TO THE ISSUE

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Limited
Stock Exchange Road
Karachi

Being mandated as Consultant to this Initial Public Offering of Sukuk of ----- Limited, we hereby confirm that all material information as required under the Securities Act, 2015, the Listing of Companies and Securities Regulation of Pakistan Stock Exchange Limited and Public Offering Regulations, 2017 has been disclosed in this prospectus and that whatever is stated in the prospectus and in the supporting documentations is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and on behalf of ----- Limited

-sd-

Mr./Ms.-----

MD, Investment Banking

Date: -----

PART 6:

RISK FACTORS

6.1. RISK FACTORS RELATED TO THE SUKUK ISSUE:

6.1.1. Summary of Risk Factors related to the Sukuk Issue:

[Disclose all risk factors. In case the issuer is bank, the risk factor shall cover all conditions imposed by the relevant regulator which have an adverse impact on the sukuk holders]

- l) The profit payment to Sukuk Holders will be subject to the condition that*;
- m) the Issue may be called by the Issuer after -----years from the date of Issuance (either partially or in full), subject to ----- approval;*
- n) the Issuer may permanently convert the Sukuk (either partially or in full) into common shares at its own discretion (in case of -----) or at the discretion of -----;*

6.1.2. Details on Risk Factors related to the Sukuk Issue:

6.1.2.1. Internal Risk Factors:

a) Lock-in Clause & Loss Absorbency Clauses, [in case of bank]

Loss Absorption Features at Point of Non - Viability [in case of bank]

b) Security and Subordination

6.1.2.2. External Risk Factors:

a) Instrument Liquidity

b) Market Interest Rate

Market Interest rates and the Sukuk value, in general, carry an inverse relationship; as interest rates fall, the price of instruments in the market place generally rises. Conversely, when interest rates rise, the price of instruments will tend to fall. There is a risk that any increase in KIBOR may adversely affect the profit yield on the Sukuk Certificates and hence lower down its market price.

There is no guarantee that market prices will always be favorable to the investors.

6.2. RISK FACTORS RELATED TO THE ISSUER:

6.2.1. Internal Risk Factors:

a) Strategic Risk

Strategic risk arises due to wrong assumptions in strategic decision making or the failure to react correctly to long-term changes in strategic parameters.

b) Shariah Non-compliance Risk

Shariah non-compliance risk is the risk that arises from Issuer's failure to comply with the Shariah rules and principles prescribed and / or the Shariah Board of the Issuer. It remains the most important operational risk for an -----[Issuer]. Compliance of Shariah guidelines must permeate throughout the organization and its adherence should be reflected in the products and activities.

c) Credit Risk

Credit risk arises from the potential that an obligor is either unwilling to perform on an obligation or its ability to perform such obligations is impaired resulting in economic loss to the Issuer. This credit risk arises mainly from both direct financing activities as well as contingent liabilities.

d) Liquidity Risk

Liquidity risk is the potential loss to the Issuer arising from its inability either to meet its obligations (financial) or to fund increases in assets as they fall due without incurring unacceptable costs or losses.

Liquidity risk is defined as the potential loss arising from the Issuer's inability to meet in an orderly way its contractual obligations when due. Liquidity risk arises in the general funding of the Issuer's activities and in the management of its assets.

6.2.2. External Risk Factors:

a) Market Risk

Market risk is defined as the risk of losses in on-and-off balance sheet positions arising from movements in market prices e.g. fluctuations in values in tradable, marketable or leasable assets. The risks relate to the current and future volatility of market values of specific assets and of foreign exchange rates and benchmark yields.

b) Yield / Profit Rate Risk

Yield / Profit rate risk includes all material yield risk positions of the Issuer taking into account all repricing and maturity data. It includes current balances and contractual yield rates; the -----[Issuer] understands that its Islamic financing and related assets shall be repriced as per their respective contracts.

c) Foreign Exchange Risk

Currency risk is the risk of loss arising from the fluctuations of exchange rates.

d) Equity Position risk

Equity position includes strategic investments and investment in equities for generating revenue in short term.

e) Country Risk

Country Risk can be defined as the risk of adverse impact of certain factors on a country's specific economic, political and social scenario which affects the ability of the country (or a borrower in that country) to repay its obligations.

f) Systemic Risk

Systemic risk is the risk of a total or partial collapse of the financial system. Such a collapse could be due to technical factors or market driven (psychological reasons).

TO THE BEST OF OUR KNOWLEDGE IT IS STATED THAT ALL MATERIAL RISK FACTORS HAVE BEEN DISCLOSED IN THIS PARAGRAPH AND THAT NOTHING HAS BEEN CONCEALED IN THIS RESPECT.

HOWEVER, THERE MAY BE ADDITIONAL RISK FACTORS, WHICH ARE NOT DISCLOSED HEREIN, THAT ARE NOT PRESENTLY KNOWN TO US OR THAT ARE CURRENTLY DEEMED TO BE LESS SIGNIFICANT, WHICH MAY MATERIALLY AND ADVERSELY AFFECT THE ISSUER'S BUSINESS, ITS FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS.

PART 7:

FINANCIAL INFORMATION

7.1. AUDITORS CERTIFICATE ON ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

[Legible signed scanned copy of the auditor certificate to be placed here]

7.2. AUDITORS CERTIFICATE FOR BREAKUP VALUE OF SHARES

[Legible signed scanned copy of the auditor certificate to be placed here]

7.3. AUDITORS CERTIFICATE UNDER SECTION 2 OF THE FIRST SCHEDULE TO THE PUBLIC OFFERING REGULATIONS, 2017 FOR THE PURPOSE OF INCLUSION IN THE PROSPECTUS FOR PROPOSED ISSUE OF SUKUK CERTIFICATES BY THE ISSUER

[Legible signed scanned copy of the auditor certificate to be placed here]

7.4. SUMMARY OF HISTORICAL FINANCIALS (UNCONSOLIDATED)

Profit and Loss Account - PKR million	FY20	FY19	FY18	FY17	FY16	FY15	FY14
Profit / return / earned							
Profit / return expensed							
Net Profit / Return							
Total Other Income							
Total Income							
Operating Expenses							
(Provision)/Reversal of provision and write offs - net							
Profit before Taxation							
Profit after Taxation							
Statement of Financial Position - PKR million	FY20	FY19	FY18	FY17	FY16	FY15	FY14
Paid-up capital							
Reserves							
Unappropriated profit							
Shareholders' Equity							
Surplus on revaluation of assets - net of tax							
Equity including Surplus							
Total Assets							
Earning Assets							
Gross Islamic Financing / Advances							
Provisions (Specific and General)							
Islamic Financing - net							
Non-Performing Financings ¹							
Investments - net							

Total Liabilities							
Deposits and Other Accounts							
Current and Saving accounts (CASA)							
Borrowings							
Cost bearing Liabilities							
Key Ratios	FY20	FY19	FY18	FY17	FY16	FY15	FY14

7.5. SUMMARY OF HISTORICAL FINANCIALS (CONSOLIDATED)

7.6. SUMMARY OF MAJOR ITEMS OF REVENUE AND EXPENDITURE (UNCONSOLIDATED)

<i>PKR million</i>	FY20	FY19	FY18
Breakup of Profit / Return Earned			
Breakup of Profit / Return Expensed			
Breakup of Other Income			

<i>PKR million</i>	FY20	FY19	FY18
Breakup of Operating Expenses			

7.7. REVENUE FROM MAJOR PRODUCT/MAJOR ACTIVITIES

Profit / Return Earned (PKR Million):	2020	as % of total Profit / Return Earned	2019	as % of total Profit / Return Earned	2018	as % of total Profit / Return Earned

7.8. PEER COMPARISON

A comparison of peers is given below: *[The comparison should include major items of financial performance, key ratios, capacity, out lets/branches, product line etc.]*

PART 7A:

REVALUATION OF FIXED ASSETS

During the year -----, the Issuers freehold land and buildings on leasehold land were revalued by M/s. ----- -- Ltd., ----- Ltd. and -----Associates on the basis of their professional assessment of the present market value. As a result of revaluation, the market value of freehold land and buildings on leasehold land were determined at Rs. ----- million.

Revaluation surplus on fixed assets as per audited unconsolidated financial statements for the period ended ----- is PKR ----- million.

PART 7B:

ENTITY RATING REPORT

[The credit rating report from credit rating agency in legible form, should be placed here]

PART 7C:

INSTRUMENT RATING REPORT

HISTORICAL ISSUER RATING

As of -----[Dtae], ----- Credit Rating Agency Limited (“---”) has assigned a long-term rating of “---” (---) to the Issuer. The rating indicates strong capacity for timely payment of financial commitments and low expectation of credit risk. The short-term rating consistently stands at “---” (--- maintained at Stable.

These ratings reflect -----[Issuer] sustained business profile. Entity rating history of the Issuer for the last five reviews are summarized below:

Dissemination Date	Long Term Rating	Short Term Rating	Outlook	Action

PART 7D:

TRUSTEE AND SECURITY

THE SECURITY

[As per the Security Documents].

THE TRUSTEE

In order to safeguard the interests of the Sukuk Holders, ----- Limited has been appointed to act as Trustee/Investment Agent for the Issue. The Issuer shall pay to the Trustee/ Investment Agent in respect of its acting as Trustee/ Investment Agent a fixed fee of PKR -----/- per annum. The fee shall be payable at the beginning of each year commencing from the date of signing of the Trust Deed and on each subsequent anniversary thereof.

Although the Sukuk are unsecured, the rights of the Sukuk holders are still protected as per the terms of the Trust Deed/Issuance Agreement. The Trust Deed/ Issuance Agreement executed between the Issuer and the Trustee/Investment Agent specifies the functions and obligations of the Trustee/Investment Agent. Furthermore, the Trustee/Investment Agent has all the powers available to it under the Trusts Act, 1882 and the Structuring of the Debt Securities Regulations, 2020.

The Trust Deed/ Issuance Agreement

The Trust Deed/ Issuance Agreement signed between the Issuer and ----- Limited specifies the rights and the obligations of the Trustee/Investment Agent. In the event of Issuer defaulting on any of its obligations under the terms of the Trust Deed/ Issuance Agreement, the Trustee/Investment Agent may enforce Issuer's obligations in accordance with the terms of the Trust Deed/ Issuance Agreement.

POWERS OF THE TRUSTEE/ INVESTMENT AGENT

The Trustee/Investment Agent shall have all the powers and discretions conferred upon trustees by the Trust Act, 1882 (to the extent not inconsistent with these presents) / Structuring of the Debt Securities Regulations, 2020 and in addition thereto and subject to the terms of the Regulations, it is expressly declared as follows:

- (d) -----
- (e) -----
- (f) -----

OBLIGATIONS OF THE TRUSTEE/INVESTMENT AGENT

[To be disclosed as per Trust Deed/ Issuance Agreement]

TRUSTEE/INVESTMENT AGENT AND SUKUK HOLDERS

[To be disclosed as per Trust Deed/ Issuance Agreement]

OBLIGATION TO ACT WITH DUE CARE

Both the Issuer and the Trustee/Investment Agent agree to act in good faith and with due diligence and with all reasonable care which is in the circumstances required in the performance of their duties and obligations under the Trust Deed/Issuance Agreement or when exercising any power, authority or discretion which is vested in them under the Trust Deed/ Issuance Agreement.

REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE ISSUER

The Issuer hereby represents and warrants:

- (h) that the execution by it of the Trust Deed/ Issuance Agreement and the issuance of the Sukuk does not contravene any of the provisions of its constitutive documents and rules and regulations, consents, or any law or any agreement to which it is expressed to be a party and constitute valid, legal and binding obligations of the Issuer in terms thereof;
- (i) that all actions on the part of its officers, directors and shareholders necessary to authorize the execution of and performance by it of the obligations expressed to be assumed by it under the Trust Deed/ Issuance Agreement and the Sukuk have been taken;
- (j) that no Event of Default has occurred as of the date of the Trust Deed/ Issuance Agreement;
- (k) that there is no reason to the knowledge of the Issuer whereby the application of the Issuer for listing of the Sukuk or approval of the Prospectus may be revoked or cancelled by the SECP or the Stock Exchange, as the case may be;
- (l) that it shall inform the Trustee/Investment Agent of (i) any general meeting of the Issuer convened for the purpose of considering any resolution for the winding up of the Issuer; (ii) any such resolution being proposed (whether in a general meeting or otherwise); or (iii) any petition for the winding up of the Issuer or for the appointment of an administrator of the Issuer or a receiver in respect of the property or assets of the Issuer and any breach by the Receiver in respect of the property or assets of the Issuer and any breach or alleged breach by the Issuer of any of its obligations under the Trust Deed/issuance agreement;
- (m) that the Sukuk and the Trust Deed/Issuance agreement executed by the Issuer are valid, enforceable and binding obligations of the Issuer and there has been no Event of Default in relation to any such documents; and
- (n) that all governmental, regulatory, creditors' and corporate consents, approvals, registrations and authorizations (to the extent required) for the purposes of the Sukuk Issue (other than for the listing on the Stock Exchange and those specifically stated hereunder) have been obtained.

The Issuer hereby covenants with the Trustee/Investment Agent:

- (k) that if the redemption option or partial redemption option (as defined in the Trust Deed/issuance agreement) has been exercised by the Issuer, the Issuer shall on the option redemption date / partial option redemption date and within 7 (seven) Business Days of each Profit Payment Date, pay to the Sukuk Holders, the option redemption amount/ partial option redemption amount and profit payment amount in accordance with the terms hereof;
- (l) that the Issuer shall ensure that the Issuer or its appointed registrar will, at all times maintain a correct register of Sukuk Holders showing their names and addresses, the amount of Sukuk held by each and the date on which such Sukuk Holder was registered as the holder and the date on which he ceased to be so registered; provided nevertheless the Issuer shall not be responsible for the foregoing where the Sukuk Holders have not intimated the transfer of the Sukuk in writing to the Issuer or the registrar, as applicable;
- (m) that the Issuer will duly perform and observe the obligations imposed upon it by the Trust Deed/issuance agreement;
- (n) that as and when requested by the Trustee/ investment agent, the Issuer shall ensure that the Issuer or registrar shall provide to the Trustee/investment agent the Register of Sukuk Holders and/or extracts therefrom as well as any other document or information pertaining to the Sukuk and the Sukuk Holders, in addition, the Issuer shall ensure that the Issuer or the Registrar shall send extracts of the Register of Sukuk Holders to the Trustee/ investment agent on a monthly basis;
- (o) that the Issuer shall ensure that the annual audited accounts of the Issuer are available on the Issuer's website within 30 (thirty) days of publication of such accounts and semi- annual and quarterly accounts within 15 (fifteen) days of publication;

- (p) that the Issuer shall ensure that during the period that the Sukuk or any of them are outstanding, the Issuer will comply with any laws, regulations or conditions applicable to financial ratios and commitments applicable to the business of the Issuer;
- (q) that payment of all amounts by the Issuer to the Sukuk Holders in respect of the Sukuk will be made free and clear of deductions of any nature whatsoever except for deductions, if any required compulsorily to be made by law, for which the Issuer will provide suitable evidence of having deposited the amount deducted with the relevant government authority / department / treasury;
- (r) that the Issuer shall ensure that any investment in the Sukuk by the sponsors of the Issuer, individually or collectively, either at the time of subscription or acquired by transfer, does not exceed in the aggregate, at any time, 50% (fifty percent) of the total amount of the outstanding value of the Sukuk;
- (s) that the Issuer shall not directly or indirectly, finance the purchase of any Sukuk Certificates by any person or entity or grant any advances against the security of any Sukuk Certificates issued hereunder to any Sukuk Holder; and
- (t) that the Issuer shall, at all times, comply with the requirements of applicable laws.

EVENTS OF DEFAULT [As per the trust deed/ issuance agreement]

An Event of Default will be deemed to have occurred, by a declaration in writing of the Trustee/Investment Agent informing the Issuer, that the Trustee/Investment Agent has been notified in writing by the Sukuk Holders representing more than 50% (fifty percent) of the total outstanding value of the Sukuk or supported by an Extra Ordinary Resolution passed at the meeting of the Sukuk Holder(s) certifying the occurrence of any of the following events: [As per the trust deed/ issuance agreement]

CONSEQUENCES OF EVENTS OF DEFAULT [As per the trust deed/ issuance agreement]

APPLICATION OF PROCEEDS [As per the trust deed/ issuance agreement]

- (d) In the event of a winding up order being made by a court of competent jurisdiction,
- (e) Upon enforcement of the Issuer’s profit payment obligations / the Issuer’s option redemption obligations / Issuer’s non-option redemption obligations in terms of the Trust Deed/Issuance Agreement, any Proceeds recovered / received by the Trustee/Investment Agent from such enforcement shall be applied by the Trustee/Investment Agent in the following manner.....
- (f) Payment of the Proceeds to the Sukuk Holders shall be made by the Trustee/Investment Agent net of any deductions required under the law (against surrender of the original Sukuk, where applicable).

MANDATORY CONVERSION (If applicable)

Conversion Events include each of the following events:

- (c)
- (d)

Cumulative/ Non-Cumulative Feature (If applicable)

Conversion Mechanism: *(If applicable)*

EXERCISE TO THE CALL OPTION *(If applicable)*

PART 8:

MANAGEMENT OF THE ISSUER

8.1. BOARD OF DIRECTORS OF THE ISSUER

The Issuer's affairs are governed by the Board of Directors (the "Board"), which comprises ---- directors, including the Chairman and the President and CEO. The Board is responsible for policy related issues and is headed by the Chairman. The President and CEO has overall responsibility for the Issuer's strategic direction and for managing the Bank's business and its functions.

Board of Directors of the Issuer

Name	Designation	CNIC No.	Address	Directorships in Other Companies
-------------	--------------------	-----------------	----------------	---

Profiles of Directors

Mr./Ms. ----- – Chairman *[The profile of director/Chairman/Managing Director/CEO should include qualification and experience and major achievements]*

Mr./Ms. ----- – MD *[The profile should include qualification and experience and major achievements]*

Mr./Ms. ----- – Director *[The profile of directors should include qualification and experience and major achievements]*

8.2. SENIOR MANAGEMENT

Mr./Ms. -----President & Chief Executive Officer [The profile of senior management should include qualification and experience and achievements]

Mr./Ms. ----- – Country Head of Distribution

Mr./Ms. ----- - Head of Risk Management

Mr./Ms. ----- - Chief Financial Officer

Mr./Ms. ----- , *Company Secretary*

Mr./Ms. ----- - *Head of Operations*

Mr./Ms. ----- - *Head of Human Resource*

Mr./Ms. ----- - *Head of Compliance*

Mr./Ms. ----- - *Head of Shariah Compliance*

Mr./Ms. ----- *Head of Internal Audit*

Mr./Ms. ----- - *Head of Legal Affairs*

Mr./Ms. ----- - *Head of Information System*

8.3. ELECTION OF DIRECTORS

The Directors of the Bank are elected for a term of 03 years in accordance with the procedure laid down in section 159 of the Companies Act, 2017 and Banking Companies Ordinance, 1962.

The Directors shall comply with the provisions of Sections 154 to 159 and Sections 161 and 167 of the Companies Act, 2017 relating to the election of Directors and matters ancillary thereto.

Subject to the provisions of the Companies Act, 2017 the Issuer may from time to time increase or decrease the number of Directors.

Any casual vacancy occurring on the Board of Directors may be filled up by the Directors, but the person so appointed shall be subject to retirement at the same time as if he / she had become a Director on the day on which the Director in whose place he / she is chosen was last elected as Director.

The Issuer may remove a Director in accordance with the provisions of the Companies Act, 2017.

The present Directors of the Issuer except CEO were elected/re-elected on -----[Date] for a period of 03 years. The President & CEO was appointed on -----[Date].

8.4. INTEREST OF DIRECTORS AND THEIR SHAREHOLDING

The directors may deem to be interested to the extent of fees payable to them for attending Board meetings. The Directors performing whole time services in the -----[Issuer] may also be deemed interested in the remuneration payable to them by the -----[Issuer]. The nominee directors have interest in the -----[Issuer] to the extent of representing the sponsors in the -----[Issuer].

Few Directors also have interest to the extent of their shareholding in the -----[Issuer] as disclosed below:

Name of Director	No. of Shares Held	% of Shareholding

8.5. AMOUNT OF BENEFITS TO SPONSOR SHAREHOLDER AND DIRECTORS DURING THE LAST THREE YEARS

No amount of benefits has been paid or given during the last three years or is intended to be paid or given to any sponsor shareholders or to any officer of the -----[Issuer] other than as remuneration for services rendered as whole-time executives of the -----[Issuer] or as meeting fee for attending Directors Committee meetings to nonexecutive directors as per the approved scale of fee.

8.6. BOARD AUDIT COMMITTEE

The Board Audit Committee supervises the internal audit function of the -----[Issuer] and comprises of the following members:

- Mr./Ms.----
- Mr./Ms.----
- Mr./Ms.----

8.7. BOARD HUMAN RESOURCE MANAGEMENT COMMITTEE

The Board HR Committee comprises of the following members:

- Mr./Ms.----
- Mr./Ms.----
- Mr./Ms.----

8.8. BOARD REMUNERATION COMMITTEE

The Board Remuneration Committee comprises of the following members:

- Mr./Ms.----
- Mr./Ms.----
- Mr./Ms.----

8.9. BOARD RISK MANAGEMENT COMMITTEE

The Board Risk Management Committee comprises of the following members:

- Mr./Ms.----
- Mr./Ms.----
- Mr./Ms.----

8.10. POWER OF DIRECTORS

As required under clause 47 of Part I of Table A of First Schedule of the Companies Act, 2017 and the Articles of Association of the Company, the authority to conduct business of the[Issuer] is vested with its Board of Directors and they may exercise all such powers of the[Issuer] as are not required by the Companies Act, 2017 or the Articles of Association of the Bank or by a special resolution, required to be exercised by the[Issuer] in the general meeting of the shareholders.

8.11. BORROWING POWERS

According to article 56 of the Articles of Association of the[Issuer], the Directors may from time to time raise or borrow any sum or sums of money for the purposes of the[Issuer] provided that such mode of finance is permissible under Islamic Shariah as determined by the[Issuer]'s Shariah Supervisory Board.

8.12. INDEMNITY

As per the Article 118 of the Articles of Association, every officer or agent for the time being of the[Issuer] shall be indemnified out of the assets of the[Issuer] against any liability incurred by him in defending any proceedings, whether civil or criminal, arising out of his dealings in relation to the affairs of the[Issuer], except those brought by the[Issuer] against him in which judgment is given in his favor or which he is acquitted or in connection with any application under section 492 of the Companies Act, 2017 in which relief is granted to him by Court.

8.13. CORPORATE GOVERNANCE

The Bank is compliant with all the rules and regulations applicable to the[Issuer] with regards to the Listed Companies (Code of Corporate Governance) Regulation, 2017.

8.14. NUMBER OF DIRECTORS

Pursuant to section 154 of the Companies Act, 2017, the number of directors of a listed company should not be less than seven (7). At present, the Board consists of ----- directors, including the President & CEO.

8.15. QUALIFICATION OF DIRECTORS

Pursuant to Article 46 of the Articles of Association of the Bank, save as provided in section 153 of the Companies Act, 2017, no person shall be appointed as Director unless he is a Member and holds qualification shares of Rs. 5,000 (Rupees Five Thousand Only).

8.16. REMUNERATION OF DIRECTORS

According to article 53 of the Articles of Association, subject to any approval or limits required by law, the terms and conditions and remuneration of a Director performing extra services, including the holding of the office of Chairman, the Chief Executive and any Director for attending the meetings of the Directors or a committee of Directors shall be determined by the Board of Directors. A Director shall be entitled to obtain reimbursement of all reasonable expenses as he may incur in attending meetings of the Board, or general meetings, or which he may otherwise incur in or about the business of the[Issuer].

PART 9:

LEGAL PROCEEDINGS AND OVERDUE LOANS

9.1. Legal Proceedings

There are no pending legal proceedings other than those mentioned in note ----- of the unconsolidated financials for the period ended ----- and; extracts of the referred note are provided below:

Note ----- of the unconsolidated financials for the period ended -----

9.2. OVERDUE LOANS

The[Issuer], its Chief Executive and directors, its sponsors, and its associated companies have no overdue loans (local and/or foreign currency).

PART 10:

UNDERWRITING ARRANGEMENT, COMMISSIONS, BROKERAGE AND OTHER EXPENSES TO THE ISSUE

10.1. UNDERWRITING

The present Public Issue of Sukuk of PKR ----- million has been fully underwritten as follows:

S.No.	Name of Underwriter	No. Of Sukuk Certificates	Amount in Rupees
--------------	----------------------------	----------------------------------	-------------------------

If and to the extent that the Sukuk offered to the general public shall not have been subscribed and paid for in full by the closing date, the underwriters shall within 5 business days of being called upon by ----- to do so, subscribe or procure subscribers to subscribe and pay in readily available funds in accordance with their underwriting commitments.

In the opinion of the Directors of the -----[Issuer], the resources of the underwriters are sufficient to discharge their underwriting obligations.

10.2. UNDERWRITING EXPENSES

The underwriters will be paid underwriting management fees of up to ----% on the amount of the public portion underwritten by them; ---% of the underwriting management fee shall be paid within ---days of signing of Underwriting Management Agreement whereas the payment of the remaining portion / Additional Underwriting Management Fee shall be as disclosed in the Underwriting Management Agreement, as advised and approved by the Shariah Advisor.

10.3. NO BUYBACK / REPURCHASE AGREEMENT

THE UNDERWRITERS NOR ANY OF THEIR ASSOCIATES HAVE ENTERED INTO ANY BUYBACK OR REPURCHASE AGREEMENT WITH THE SPONSORS, THE -----[Issuer] OR ANY OTHER PERSON IN RESPECT OF THIS PUBLIC ISSUE.

ALSO, NEITHER THE ISSUER NOR ANY OF ITS ASSOCIATES HAVE ENTERED INTO ANY BUY BACK / REPURCHASE AGREEMENT WITH THE UNDERWRITERS OR THEIR ACCOCIATES.

THE ISSUER AND ITS ASSOCIATES SHALL NOT BUY BACK / RE-PURCHASE CERTIFICATES FROM THE UNDERWRITERS AND THEIR ASSOCIATES.

10.4. FEES AND EXPENSES FOR CENTRAIZED E-IPO SYSTEM

The commission on application received through CES will be paid to CDC, which shall not be more than 0.8% of the amount of successful applications. CDC will share the fee with other participants of CES at a ratio agreed amongst them.

10.5. COMMISSION TO THE BANKERS TO THE ISSUE

A commission at the rate of -----% of the amount collected, in respect of successful applications will be paid to the Bankers to the Issue for services to be rendered by them in connection with the Public Offer. No commission shall be paid to the Bankers in respect of the Sukuk actually taken up by the underwriters by virtue of their respective underwriting commitments.

10.6. BROKERAGE COMMISSION

Brokerage commission shall be paid to the TREC holders of PSX, at the rate of 1.0% of paid-up value of Sukuk actually sold through them. No brokerage commission shall be payable in respect of Sukuk taken up by the Underwriters by virtue of their underwriting commitment.

10.7. EXPENSES TO THE ISSUE

The initial expenses of the issue paid or payable by the -----[Issuer] inclusive of commission to the Underwriters, Bankers to the Issue and members of the PSX, etc., are estimated to be as follows:

Key Expenses to the Issue	Rate	Amount (PKR)
Commission to Bankers to the Issue		
Out of Pocket Expenses of Bankers to the Issue		
CDC e-IPO charges*		
Other Bank's e-IPO Charges		
Underwriting Management Fees - General Public		
Commission to the TREC Holders of PSX		
Consultant to the Issue/Advisor and Arranger Fee		
Processing Fee - Pre IPO		
Trustee/Investment Agent Fee		

Rating Fee		
Legal Counsel Fee		
CDC Annual Fees for Eligible Security		
CDC Security Deposit		
CDC Fresh Issue Fee		
PSX Initial Listing Fee		
PSX Annual Listing Fee		
SECP Processing Fee		
SECP Supervisory Fee		
Auditors Fee for various certificates		
Printing & Publication of Prospectus/Application Forms		
Balloter and Registrar Fee		
Market Making (first year)		
Miscellaneous costs		
Total		

Note: Stamp duty fee (if any) will be calculated based on the advice of Transaction Legal Counsel

*CDC E-IPO fee is 0.8% of the general portion actually received through that system. Therefore, the actual cost is dependent on the subscriptions received through E-IPO. Currently only 1 bank is offering E-IPO services for this IPO in addition to CDC.

PART 11:

MISCELLANEOUS INFORMATION

11.1. REGISTERED OFFICE / CENTRAL OFFICE Registered Office Address: ----- Phone: ----- Fax: ----- Email: ----- Website: -----	11.2. AUDITOR OF THE ISSUER M/s. -----, Chartered Accountants Address: -----. Contact No.: ----- Email: -----
11.3. LEGAL ADVISORS OF THE ISSUER [Name and Contact details] 1.----- 2.-----	11.4. LEGAL ADVISOR TO THE ISSUE [Name and Contact details] 1.----- 2.-----
11.5. REGISTRAR AND TRANSFER AGENT -----Limited Office: ----- UAN: ----- FAX: ----- Email & Website:: -----	11.6. CONSULTANT TO THE ISSUE -----Limited Address: -----Phone: ----- Fax: ----- Email & Website: -----
11.7. TRUSTEE / INVESTMENT AGENT -----Limited Office: ----- UAN: ----- FAX: ----- Email & Website:: -----	11.8. COMPLIANCE OFFICER -----Company Secretary ----- Limited -----Tel: +-----Ext. ----- Fax: -----
11.9. BANKERS TO THE ISSUE 1.----- 2.-----	11.10. DESIGNATED MARKET MAKER -----Limited Office: ----- UAN: ----- FAX: ----- Email & Website:: -----

PATR 12:

MATERIAL CONTRACTS / DOCUMENTS RELATED TO THE ISSUE

12.1. UNDERWRITING AGREEMENTS

S. No.	Underwriters Name	Amount (PKR)	Date of Agreement
--------	-------------------	--------------	-------------------

12.2. INVESTOR AGREEMENTS

S. No.	Pre-IPO Investors	Amount (PKR)	Date of Agreement
--------	-------------------	--------------	-------------------

12.3. OTHER MATERIAL DOCUMENTS

S. No.	Description	Date
1	Trust Deed/Issuance Agreement between ----- Limited and - ----- Limited	

2	Instrument Credit Rating Report by ----
3	Entity Credit Rating Report by ----
4	Approval of Pakistan Stock Exchange Limited vide letter reference no. ----
5	Approval of the Securities and Exchange Commission of Pakistan vide letter reference no. ----
6	Market Making Agreement between ----- Limited and JS ---- Limited

12.4. INSPECTION OF DOCUMENTS AND CONTRACTS

All the Balance Sheets and Profit & Loss Accounts, Copies of the Memorandum and the Articles of Association, the Auditor's Certificates, Trust Deed/Issuance Agreement, the Credit Rating Reports by ---, Clearance letter from PSX and the approval letters from SECP, and the copies of agreements referred to in this Prospectus may be inspected during usual business hours on any working day at the registered office of the Bank from the date of publication of this Prospectus until the closing of the Subscription Period.

PART 13:

APPLICATION AND ALLOTMENT INSTRUCTIONS

13.1. ELIGIBLE INVESTORS

Eligible Investors include:

- f) Pakistani citizens resident in or outside Pakistan or persons holding dual nationalities including Pakistani nationality;
- g) Foreign nationals whether living in or outside Pakistan;
- h) Companies, bodies corporate or other legal entities incorporated or established in or outside Pakistan (to the extent permitted by their constitutive documents and existing regulations, as the case may be);
- i) Mutual Funds, Provident / pension / gratuity funds / trusts, (subject to the terms of the Trust Deed and existing regulations); and
- j) Branches in Pakistan of companies and bodies corporate incorporated outside Pakistan.

13.2. OPENING AND CLOSING OF SUBSCRIPTION LIST

The subscription list will open at the commencement of the banking hours ----- and close at the end of banking hours on -----.

13.3. COPIES OF THE PROSPECTUS

Copies of the Prospectus and applications forms can be obtained from the registered office of the ----- Limited, the Consultant to the Issue and the Bankers to the Issue. The Prospectus and the Application Forms can also be downloaded from the following websites:

<http://----->, <https://-----com.pk>, www.psx.com.pk and <https://----->

13.4. The applicants are required to complete the relevant sections of the application in order to get the Securities in scrip-less form. In accordance with the provisions of the Central Depositories Act, 1997 and the CDCPL Regulations, credit of such securities is allowed ONLY in the applicant's own CDC account.

13.5. Name(s) and address(es) must be written in full block letters, in english, and should not be abbreviated.

13.6. All applications must bear the name and signature corresponding with that recorded with the applicant's banker. In case of difference of signature with the bank and computerized national identity card (CNIC) or national identity card for overseas Pakistani (NICOP) or passport, both the signatures should be affixed on the application form.

13.7. APPLICATIONS MADE BY INDIVIDUAL INVESTORS

- c) In case of individual investors, a photocopy of the CNIC (in case of resident Pakistanis) / NICOP or Passport (in case of non-resident Pakistanis) as the case may be, should be enclosed and the number of CNIC / NICOP / Passport should be written against the name of the applicant.
- d) Original CNIC / NICOP / Passport, along with a photocopy, must be produced for verification to the Banker to the issue and the applicant's banker (if different from the Banker to the issue) at the time of presenting an application. The photocopy will, after verification, be retained by the branch along with the application.

13.8. APPLICATIONS MADE BY INSTITUTIONAL INVESTORS

- c) Applications made by companies, corporate bodies, mutual funds, provident / pension / gratuity funds / trusts and other legal entities must be accompanied by a photocopy of their memorandum and articles of association or equivalent instrument / document. Where applications are made by virtue of power of attorney, the same should also be submitted along with the application.
- d) Photocopies of the documents mentioned in paragraph (a) above must be produced for verification to the Banker to the Issue and the applicant's banker (if different from the banker to the issue) at the time of presenting the application. The copies, will after verification, be retained by the bank branch along with the application.

13.9. ADDITIONAL INSTRUCTIONS FOR INVESTORS

- m) Only one application will be accepted against each account, however, in case of joint accounts, one application may be submitted in the name of each joint account holder.
- n) Joint application in name of more than two persons will not be accepted. In case of joint application each applicant must sign the application, form and submit copies of their CNICs / NICOP / Passports. The securities will be credited to the CDS account mentioned on the face of the form and where any amount is refundable, in whole or in part, the same will be refunded by cheque or other means by post, or through

the bank where the application was submitted, to the person named first on the application form, without interest, profit, or return. Please note that application will be considered as a single application for the purpose of allotment of securities.

- o) Subscription money must be paid by cheque drawn on applicant's own bank account or pay order / bank draft payable to one of the Bankers to the Issue in favor of "IPO of ----- Limited - Sukuk" and crossed "A/C PAYEE ONLY".
- p) For the application made through pay order / bank draft, it would be permissible for a Banker to the Issue to deduct the bank charges while making refund of subscription money to unsuccessful applicants through pay order / bank draft individually for each application.
- q) The applicant should have at least one bank account with any of the commercial banks. The applicants not having a bank account at all (non-account holders) are not allowed to submit application for subscription of securities.
- r) Applications are not to be made by minors and / or persons of unsound mind.
- s) Applicants should ensure that the bank branch, to which the application is submitted, completes the relevant portion of the application form.
- t) Applicants should retain the bottom portion of their application forms as provisional acknowledgment of submission of their applications. This should not be construed as an acceptance of the application or a guarantee that the applicant will be allotted the number of securities for which the application has been made.
- u) Making of any false statements in the application or willfully embodying incorrect information therein shall make the application fictitious and the applicant or the bank shall be liable for legal action.
- v) Banker to the issue are prohibited to recover any charges from the subscribers for collecting subscription applications. Hence, the applicants are advised not to pay any extra charges to the Bankers to the issue.
- w) It would be permissible for a Banker to the issue to refund subscription money to unsuccessful applicants having an account in its bank by crediting such account instead of remitting the same by cheque, pay order or bank draft. Applicants should, therefore, not fail to give their bank account numbers.
- x) Submission of false and fictitious applications is prohibited, and such Application Money may be forfeited under section 87(8) of Securities Act, 2015.

عوام الناس کو مطلع کیا جاتا ہے کہ سیکورٹیز ایکٹ 2015 کی شق نمبر (7) کے تحت جھوٹی یا جعلی درخواستیں دینا قانوناً ناجرم ہے۔ خلاف ورزی کرنے والوں کی رقم، جو کہ درخواست کے ساتھ جمع کرائی جاتی ہے، سیکورٹیز ایکٹ 2015 کی شق نمبر (8) کے تحت ضبط کی جاسکتی ہے۔

13.10. ADDITIONAL INSTRUCTIONS FOR FOREIGN / NON-RESIDENT INVESTORS

- c) In case of Foreign investors who are not individuals, applications must be accompanied with a letter on applicant's letterhead stating the legal status of the applicant, place of incorporation and operations and line of business. A copy of Memorandum of Association or equivalent document should also be enclosed, if available. Where applications are made by virtue of Power of Attorney, the same must be lodged with the applications. Copies of these documents can be attested by the Bank Manager in the country of applicant's residence.
- d) Foreign / Non-resident investors should follow the payment instructions given in para ---- of the prospectus.

13.11. PUBLIC SUBSCRIPTION THROUGH E-IPO

E-IPO is submission of application for subscription of securities electronically through internet, Automated Teller Machines (ATM) and mobile phones. In order to facilitate the public during IPOs, SECP has introduced the concept of e-IPO. The following two systems are available for e-IPOs:

i. Centralized e-IPO System (CES):

In order to facilitate investors, the Central Depository Company of Pakistan ("CDC") in collaboration with 1Link (Private) Limited (1Link) has developed a Centralized eIPO System ("CES") through which applications for

subscription of securities offered to the general public can be made electronically/online. CES has been made available in this Initial Public Offering (IPO) and can be accessed through the web link <https://eservices.cdcaccess.com.pk>. Payment of subscription money can be made through 1LINK's member banks available for CES, list of which is available on above-mentioned website.

For making application through CES, investors must be registered with CES. Registration with CES is onetime activity, free of cost and can be done under a self-registration process by filling the CES registration form, which is available 24/7 all-round the year. Investors who have valid Computerized National Identity Card (CNIC), International Bank Account Number (IBAN) with any of the commercial bank, email address, mobile phone number and CDS Account (Investor account or sub account) can register themselves with CES.

In addition to the above, CDC has also introduced a new facility in CES through which sub-account holder(s) will request their respective TREC Holders who are Participants in Central Depository System (CDS) to make electronic subscription on their behalf for subscription of securities of a specific company by authorizing (adding the details of) their respective Participant(s) in CES.

Consequently, authorized Participants will electronically subscribe on behalf of their sub-account holder(s) in securities offered through Initial Public Offerings (IPOs) and will also be able to make payment against such electronic subscriptions through all the available channels mentioned on CES only after receiving the subscription amount from the sub-account holder(s). To enable this feature, the CDS Participant may request CDC to activate his ID on the CES portal.

The securities will be credited directly in Investors' sub-account. In case the sub-account of the investor has been blocked or closed, after the subscription, then securities shall be parked into the CDC's IPO Facilitation Account and investor can contact CDC for credit of securities in its respective account.

Investors who do not have CDS account can visit www.cdcpakistan.com for information regarding opening CDS account. For further guidance and queries regarding CES and opening of CDS account, investors may contact CDC at phone number: 0800 – 23275 (CDCPL) and e-mail: info@cdcpak.com or Mr. Farooq Ahmed Butt at Phone 111-111-500 and email: farooq_butt@cdcpak.com.

Investors who are registered with CES can submit their applications through the web link www.cdceipo.com 24 hours a day during the subscription period which will close at midnight on April 21, 2020.

ii. E-IPO Facilities by Bankers to the Issue:

For this IPO, ---- Limited (UBL) is providing e-IPO facility to its accountholders. --- account holders can use --- Net Banking to submit their application via link <http://----->.

13.12. BENEFITS OF E-IPO

E-IPO has the following benefits:

6. It enables the investors to make application for subscription of securities including Sukuk through the internet without going to the bank and waiting in long queues;
7. It is efficient and simultaneously facilitative for both the Issuer and the investors;
8. It is available for use 24 hours during the subscription period; and

9. If you are registered with CES or accountholder of a bank providing e-IPO facility, you may get SMS for new IPOs.
10. By applying through CES you can also track your application status.

13.13. FACILITIES AVAILABLE TO FOREIGN/NON-RESIDENT PAKISTANI INVESTORS

Companies are permitted under paragraph 6 (with specific reference to sub para (B) (VIII)) of Chapter 20 of the State Bank of Pakistan's ("SBP") Foreign Exchange Manual (the "Manual") to issue Sukuk on repatriation basis to non-residents who are covered under paragraph 6 (A) of Chapter 20 of the Manual, i.e. (I) A Pakistan national resident outside Pakistan, (II) A person who holds dual nationality including Pakistan nationality, whether living in or outside Pakistan, (III) A foreign national, whether living in or outside Pakistan and (IV) A firm (including a partnership) or trust or mutual fund registered and functioning outside Pakistan, excluding entities owned or controlled by a foreign government, provided the issue price, is paid in foreign exchange through normal banking channel by remittance from abroad or out of foreign currency account maintained by the subscriber/purchaser in Pakistan and the purchase price (whether negotiated privately or otherwise) is not less than the price quoted on the PSX.

Non-residents who wish to subscribe Sukuk out of the general public portion may contact any of the bankers to the issue (retail portion) for taking instructions regarding payment of subscription money against Sukuk offered to general public / retail investors. List of bankers to the issue for retail portion is available on title page of this Prospectus.

The Sukuk issued to non-resident investors shall be intimated by the Bank to the designated Authorized Dealer, along with the documents prescribed in the Manual within 30 days of issue.

Non-residents who are covered under paragraph 6 (A) of Chapter 20 of the Manual do not require SBP's approval to invest in the Sukuk being issued in terms of this Prospectus. Furthermore, under paragraph 7(vii) of Chapter 20 of the Manual the Authorized Dealer shall allow repatriation of profit, net of applicable taxes and proceeds on sale of listed Sukuk (i.e. divestment proceeds) not exceeding the market value less brokerage/commission on provision of prescribed documents.

Payments made by non-residents shall be supported by proof of receipt of foreign currency through normal banking channels. Such proof shall be submitted along with the Application by the non-residents.

13.14. CODE OF OCCUPATIONS

Code	Occupation	Code	Occupation
01	Business	06	Professional
02	Business Executive	07	Student
03	Service	08	Agriculturist
04	Housewife	09	Industrialist
05	Household	10	Other

13.15. NATIONALITY CODE

Code	Name of Country	Code	Name of Country
001	U.S.A.	006	Bangladesh

002	U.K.	007	China
003	U.A.E.	008	Bahrain
004	K.S.A.	009	Other
005	Oman		

13.16. MINIMUM AMOUNT OF APPLICATION AND BASIS OF ALLOTMENT OF SUKUK

The basis and conditions of allotment shall be as follows: l)

Face value of the Sukuk is PKR 5,000/-.

- a) The minimum amount of application for subscription of Sukuk is PKR 5,000/-.
- b) Applications for Sukuk below the aggregate face value of PKR 5,000/- shall not be entertained.
- c) Applications for Sukuk by the general public, including institutions and individuals, must be for a minimum of the aggregate face value of PKR 5,000/- or in multiples thereof.
- d) If the Sukuk to be issued to the general public are sufficient for the purpose, all applications shall be accommodated.
- e) If the issue is oversubscribed in terms of amount, then all applications shall be accommodated initially for Sukuk of face value of PKR 5,000/- each and the balance Sukuk shall be allotted on prorata basis to all applicants who applied for Sukuk in multiples of PKR 5,000/-.
- f) If the issue is over-subscribed in terms of number of applications and the amount, the Sukuk shall be allotted through computer balloting in the presence of representatives of PSX.
- g) Allotment of Sukuk shall be subject to scrutiny of applications for subscription.

13.17. REFUND OF MONEY TO UNSUCCESSFUL APPLICANTS

----- (name of the Issuer) shall take a decision within ten (10) days of the closure of subscription list as to which applications have been accepted or are successful and refund the money in cases of unaccepted or unsuccessful applications within ten (10) days of the date of such decision as required under regulation No. ---- read with regulation No. ---- of the PSX Rule Book.

As per sub-section (2) of Section 68 of the Companies Act, 2017, if a refund is not made within the time specified therein, the Directors of the Company shall be jointly and severally liable to repay the money with surcharge at the rate of 2.00%, for every month or part thereof from the expiration of the 15th day and, in addition, shall be liable to a penalty of level 3 on the standard scale.

The surcharge mechanism has been mentioned here in order to ensure regulatory compliance. However, from the shariah perspective, since this surcharge is a form of interest, the applicants are advised to dispose any such received amount as charity.

13.18. MINIMUM SUBSCRIPTION

The minimum amount of subscription on which the Directors will proceed to allot Sukuk is PKR ----- million.

13.19. ISSUE AND CREDIT OF SUKUK

----- (name of the Issuer) shall credit Sukuk to the successful allottees within twenty-one (21) days of closure of subscription list in compliance with the requirements of PSX. Sukuk will be issued only in the Book-

Entry Form through credit in their CDS Accounts. The applicants, therefore, must provide their CDS Account Number (Investor Account Number or Sub-Account Number) in the Sukuk Subscription Form.

The Sukuk issued shall be subject to the terms & conditions for the issuance of the Sukuk specified in the Trust Deed/Issuance Agreement dated -----.

If the ----- (name of the Issuer) defaults on complying with the requirements of the Listing Regulations, it will pay to PSX a penalty of PKR 5,000/- per day during which the default continues. PSX may also notify the fact of such default and the name of the Bank by notice and also by publication, in the Daily Quotations.

The surcharge mechanism has been mentioned here in order to ensure regulatory compliance. However, from the shariah perspective, since this surcharge is a form of interest, PSX is advised to dispose any such received amount as charity.

13.20. TRANSFER OF SUKUK

The Sukuk will be inducted into the CDC, transfer shall be made in accordance with the Central Depository Act, 1997 and CDC Regulations.

13.21. BANKERS TO THE ISSUE

8. ----- Bank Limited
9. ----- Bank Limited
10. ----- Bank Limited
11. ----- Bank Limited
12. ----- Bank Limited
13. ----- Bank Limited
14. ----- Bank Limited

13.22. DEDUCTION OF ZAKAT

Zakat is deductible in case of the Sukuk being held by Muslim citizens of Pakistan, except where a statutory declaration of exemption is filed, and in case of certain non-corporate entities such as Trusts, Funds, etc. (subject to being qualified for non-deduction of Zakat under the Zakat and Ushr Ordinance, 1980). Zakat is withheld at 2.5% of the redeemed principal amount.

13.23. INCOME TAX

Any income derived from investment in Sukuk shall be subject to income tax as per the Income Tax Ordinance, 2001. Withholding tax, as specified in Part III Division IB of the First Schedule of the said ordinance shall be applicable.

13.24. DEDUCTION OF WITHHOLDING TAX

Profit paid to Sukuk Holders will be subject to withholding tax under section 150A of the Income Tax Ordinance, 2001 specified in Part III Division IB of the First Schedule of the said Ordinance or any time to time amendments therein. Rates of tax specified under Division IB are as follows:

Category	Tax Rate for Persons appearing in Active Tax Payer List	Tax Rate for Persons not appearing in Active Tax Payer List
Company	15%	30%
Individual or Association of Persons (If return on Investment is more than one million)	12.50%	25%
Individual or Association of Persons (If return on Investment is less than one million)	10%	20%

13.25. CAPITAL GAINS

Any capital gain derived from the sale of Sukuk shall be subject to capital gain tax as per section 37A of the Income Tax Ordinance, 2001. Applicable Capital Gain Tax Rates for FY20 are as follows:

- (e) For persons appearing in Active Tax Payer List: 15.0%
- (f) For persons not appearing in Active Tax Payer List: 30.0%

13.26. DISCLOSURE OF DEFERRED TAXATION

The -----[name of the issuer] recognises deferred tax asset / liability on deficit / surplus on revaluation of operating fixed assets and securities which is adjusted against the related deficit / surplus in accordance with the requirements of International Accounting Standard (IAS) 12, 'Income Taxes'. The balance of deferred tax asset (net) as of -----[Date] was PKR ----- million (unconsolidated). For detail please refer to Company's website at <http://----->.

PART 14:

SIGNATORIES TO THE PROSPECTUS

Name	Designation	Signature
------	-------------	-----------

Signed by the above in the presence of following witnesses:

Witness 1

-sd-

Name: -----
Designation: -----
CNIC: -----

PART 15:

MEMORANDUM OF ASSOCIATION

PART 16:

APPLICATION FORM

Witness 1

-sd-

Name: -----
Designation: -----
CNIC: -----

Best Practices for the Issuer of Gender Bonds

The issuance of gender bonds should be carried out in accordance with the applicable international standards. The elements provided below are complementary guidance for the preparation of a gender bond issuance framework.

1. Introduction:

- a. The issuers statement towards following good international practices relating to social and environmental factors.
- b. Reference to international standards/principles to be followed.

2. Frame work Overview:

- a. Overall gender bond framework overview.

3. Use of Proceeds:

- a. How proceeds of the bonds will be utilized.
- b. Selection criteria etc.
- c. Eligibility criteria.
- d. Exclusionary criteria.

4. Project Evaluation and Selection Process:

- a. The party which evaluates the projects for investment.
- b. Gender equality bond committee and its functions.

5. Management and Tracking of the Proceeds of Issuance:

- a. How use of proceeds will be managed.
- b. How the use of proceeds of the bonds will be tracked.

6. Reporting on Use of Proceeds and investor engagements:

- a. Annual reporting on progress.
- b. Details of the amount utilized and the remaining amount.
- c. Annual reporting on Investor engagement.

7. Amendments to the Framework:

- a. The gender equality bond committee is authorized to approve ongoing amendments in GEB framework.

8. Assurance:

- a. The issuer will obtain second party opinion, such opinion will be published on its webpage.
- b. Engage an external assurance provider to independently assures the gender equality bond progress on annual basis including opine on conformity of the Gender Bond Framework and the said progress report will be published on the webpage.

Frequently Asked Questions (FAQs)

1. How Gender Bonds are different from other types of bonds?

The Gender Bonds are issued for specific purpose related to advancement, empowerment and equality of women. The amount of funds raised from the issuance of gender bonds are required to be utilized to finance such projects which are related to women's economic empowerment, gender equality, reduced time poverty of women, projects that target narrowing gender disparities and promoting empowerment of women and girls. Whereas, conventional bonds can be used to finance any type of lawful business project including buying plant and machinery; expansion or modernizing of existing facilities, building factory, retiring expensive debts or to meet working capital requirements etc.

2. Who are eligible to issue Gender Bonds?

Gender Bonds can be issued by any company or a body corporate including issuers which are eligible to issue debt securities or Sukuk under section 66 of the Companies Act, 2017, section 87 and 88 of the Securities Act, 2015 read with the Public Offering Regulations, 2017 and Private Placement of Securities Rules, 2017.

3. Who can invest in gender bonds?

The gender bonds which are offered to the general public can be subscribed by any type of investors whether individual or corporates. Whereas, gender bonds offered under private placements can be subscribed by all those investors which are eligible under section 66 of the Companies Act, 2017 and notifications issued thereunder i.e. Banks, Financial Institutions, Mutual Funds, Voluntary Pension Schemes and Private Funds being managed by NBFC; Insurer registered under the Insurance Ordinance, 2000; A Securities Broker; A Fund and Trust as defined in the Employees Contributory Funds (Investment in Listed Securities) Regulations, 2018; A Company and Body Corporate as defined in the Companies Act, 2017 and to individuals (*in case of Government Debt Securities*).

4. What standards an issuer of gender bonds can follow?

Gender Bonds can be based on globally accepted social development goals/principles including; (i) UN Women's Empowerment Principles; (ii) UN's Sustainable Development Goals (SDGs); (iii) International Capital Market Association (ICMA)'s Social Bond Principles.

5. Are Islamic and conventional both types of Securities can be offered under Gender Bonds framework?

Yes, Gender Bonds can be structured to issue any type of debt securities including TFCs/ Sukuks.

6. What are the modes of issuance of gender bonds?

Gender bonds can be issued either by way of public offer or by way of private placement. No approval is required for issuance of privately placed bonds. However, approval of the SECP is required for public offer of gender bonds under section 87 and 88 of the Securities Act, 2015 read with public offering regulations, 2017.

Privately placed gender bonds can be issued under section 66 of the Companies Act, 2017 read with private placement of securities Rules, 2017.

7. In which areas the gender bonds proceeds can be utilized?

Gender bonds proceeds can be used for all those areas as specified under these guidelines including projects related to socio economic advancement and empowerment of women through financing to women with low income, or disadvantaged female groups.

8. Whether unsecured Gender bonds can be issued?

Yes, Gender Bonds can be secured or unsecured types of issued.

9. Can gender bonds be convertible into shares?

Yes, gender bonds can be convertible into shares subject to compliance of Section 83 of the Companies Act, 2017.
