



## Bachat ka Doosra Naam

PD/081/1/2014

1st January, 2014

The General Manager  
Karachi Stock Exchange (Guarantee) Limited  
Stock Exchange Building, Stock Exchange Road  
Karachi.

Subject: Scheme of Merger of MCB-DSF, PPF and PSM

Dear Sir,

With reference to your letter# KSE/C-1054-C-6982 dated 24<sup>th</sup> December, 2013 soliciting the printed copies of Scheme of Merger along with SECP approval and Revised Trust Deed of the surviving scheme-Pakistan Stock Market Fund.

In this context; please note that the Swap Ratio mentioned in the Scheme of Merger is "Tentative Swap Ratio" based on 24<sup>th</sup> December, 2013; for your ready reference the same is defined below. The "Final Swap Ratio" on which the merger will be effectuated shall be finalized by the Unit Holder's Meeting on Monday, 13<sup>th</sup> January, 2014 and the same would also be certified by the External Auditor as one of the requirement of Securities & Exchange Commission of Pakistan.

As per the requirement of SECP's Circular 20 of 2009 regarding "Merger of Funds", the Securities & Exchange Commission of Pakistan would grant their approval on the Scheme after Unit Holder's Meeting on Monday, 13<sup>th</sup> January, 2014.

Unlike listed companies, the final swap ratio is not stated in the Scheme; please let us know if you still needed 200 copies of Scheme of Merger with Tentative Swap Ratio.


Secondly, there is no change in the Trust Deed of the Surviving Scheme "Pakistan Stock Market Fund" at this stage. So there is no need to revise the Trust Deed of Pakistan Stock Market Fund.

Your cooperation in this regard would be highly appreciated.

"Tentative Swap Ratio" means the tentative ratio in which PSM is expected to offer its own units in exchange for the units of PPF and MCBDSF being the funds merged with and into PSM on the Effective Date. Tentative Swap Ratio is calculated on the basis of NAV of the Schemes for the date immediately preceding the date of Issuance of Notice. Tentative Swap Ratio is only for the purpose of giving example to the Unit Holders of respective Schemes; the actual merger shall be effectuated on Final Swap Ratio.

"Final Swap Ratio" means the final ratio in which PSM will offer its own units in exchange for the units of PPF and MCB-DSF being the funds merged with and into PSM on the Effective Date. Swap Ratio is calculated on the basis of NAV of the Schemes as of the date immediately preceding the date of PSM Meeting, PPF Meeting and MCB-DSF Meeting, or the date as may be determined by the Securities & Exchange Commission of Pakistan.

Regards,

  
Muhammad Saqib Saleem  
COO & Company Secretary

Encl: Scheme of Merger

2014

3/14