

THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

KSE/N- 3563

NOTICE

August 01, 2012

Reproduced hereunder letter No. SCD/AMCW/KASB/223/2012 dated July 23, 2012 received from **SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN, Specialized Companies Division, Policy, Regulation and Development Department, for information of all concerned.**

(Copy of the same is also available on our Website www.kse.com.pk).



Securities and Exchange Commission of Pakistan
Specialized Companies Division
Policy, Regulation and Development Department

No. SCD/AMCW/KASB/ 223/2012

July 23, 2012

Chief Executive Officer
KASB Funds Limited,
5th Floor, Trade Center,
I. I. Chundrigar Road,
Karachi - 74200

SUBJECT: MERGER OF KASB STOCK MARKET FUND INTO CROSBY DRAGON FUND

Dear Sir,

I am directed to refer to your application dated June 05, 2012 and subsequent correspondence for approval of merger of KASB Stock Market Fund (KSMF) into Crosby Dragon Fund (CDF) - two open end schemes under the management of KASB Funds Limited.

The Securities and Exchange Commission of Pakistan (the Commission) has considered your application and hereby approves the merger of KSMF into CDF (the merger) in terms of Regulation 58(1)(m) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 subject to the following conditions:-

- i) The swap ratio for purpose of the merger shall be calculated by taking net asset value of respective schemes as on Effective Date duly certified by the auditors of the respective scheme and the allotment of units of CDF to eligible unit holders of KSMF shall be done strictly on the basis of swap ratio.
- ii) CDF shall take over the assets and liabilities of KSMF by transfer to and vesting in CDF, the whole undertaking of KSMF, which shall stand transferred to and vested in CDF from effective date of merger.
- iii) The undertaking of KSMF to be transferred to and vested in CDF from the effective date shall include all assets, rights, liabilities, bank balances, obligations, mandates, undertaking, securities, contracts, documents, records, etc. of KSMF.
- iv) As consideration for the transfer to and vesting in CDF of the undertaking of KSMF, CDF shall allot and issue units of CDF to those eligible persons who were registered as unit holders in KSMF as on effective date without any load. The eligible unit holders of KSMF shall be issued appropriate number of units of CDF based on the swap ratio.
- v) Such units shall rank pari-passu. Upon allotment of the units of CDF to the eligible unit holders of KSMF all units representing KSMF shall stand cancelled.
- vi) As of the effective date, CDF shall be liable to undertake, pay, discharge, perform and fulfill the liabilities, contracts, engagements, commitments and obligations whatsoever of KSMF.
- vii) All suits, appeals and other legal proceedings instituted in relation to KSMF and pending till the effective date shall be treated as suits, appeals and legal proceedings by or against CDF and shall be continued, prosecuted and enforced by or against CDF.