

Fund Term Sheet**BMA Principal Guaranteed Fund I (BPGF I)**

Fund Sponsors	BMA Asset Management Company Limited (BMA Funds)
Fund Manager	BMA Funds
Mutual Fund Type	Closed-end, finite lifespan of 2 years after which the fund will redeem
Term of Fund	2 years
Maturity Date	24 months from closing of IPO date
Listing	Karachi Stock Exchange (KSE)
Investment Objective	The macro investment objective of BPGF I is to guarantee the principal investment of investors and to simultaneously ensure a high level of total return.
Issue Amount	Rs. 100,000,000
Dividend Policy	Bonus Issue Only
Pre-Initial Public Offering (Pre-IPO)	Rs. 50,000,000 (50% of total fund size)
Initial Public Offering (IPO)	Rs. 50,000,000 (50% of total fund size)
Expected Issue Date	21st, 22nd and 23rd December, 2006
Issue Price	Rs. 10/- per certificate
Trustee	Central Depository Company (CDC)
Underwriters	BMA Capital Management Company Ltd.
Legal Advisor	Haidermota & Co
Auditor	Ford Rhodes Sidat Hyder & Co.
Other Terms & Conditions	<ol style="list-style-type: none">1. BMA Asset Management will comply with all applicable regulations2. All relevant approvals to be in place
Applicable Law	Laws of the Islamic Republic of Pakistan.

Contact

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Fund Fact Sheet

The idea and concept

BPGF I is a closed-end scheme with a 2-year maturity period. The investment objective of BPGF I is "to **guarantee** the principal investment and to simultaneously ensure a high level of total return to the investors". The idea behind BPGF I is simple and driven by investors' desire to preserve capital. BPGF I **guarantees** 100% of the principal amount invested at maturity, which is 2 years after the closing of the IPO. Upto approximately 50% of the fund will participate in the equities listed on the Karachi Stock Exchange during the 2-year life of the scheme. Investors holding BPGF I certificates from inception to maturity will benefit from the 100% principal protection. This is secured by the fixed income portfolio of the scheme.

Right product at the right time

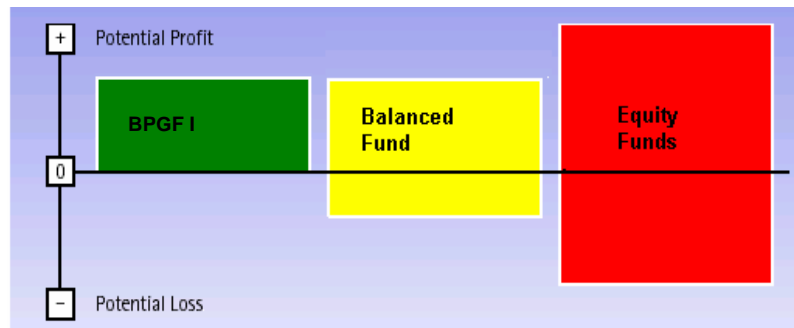
Recent years have witnessed unprecedented growth in the capital markets of Pakistan driven by economic expansion, successful privatizations of large government owned entities, increased inflow of liquidity and political stability. The capital markets of Pakistan are now seen as an integral part of the macro-economy and as a viable avenue for investments. Equity valuations are beginning to look increasingly attractive and there is a general consensus on the attractiveness of the stock market, however the infamous stock market crash of March 2005 and the recent correction has left many investors feeling rattled. Keeping prevailing investor sentiment in mind and in line with our core business value of providing investment solutions driven by investor needs, BMA Asset Management Company Limited (BMA Funds) has decided to launch a series of the first principal guarantee funds in Pakistan.

Benefits of investing in BPGF I

Simply put investors benefit from the potential high level of return earned by investing in equities while 100% of your principal investment is guaranteed at maturity. Further, investment in the fund enables the investor to gain significant *tax benefit* compared to investing directly into fixed income and equity markets. Benefits of BPGF I over other mutual fund schemes currently available include:

- ✓ BPGF I provides upside potential and security of principal guarantee;
- ✓ Pure equity funds with greater upside potential involve a higher level of risk;
- ✓ 33% lower fee compared to a closed end fund, and
- ✓ BPGF I minimizes the chances of trading at a steep discount to NAV and eliminates any possibility of a 'rights' issue

Profit Payoff Comparison BPGF I vs Balanced Fund vs Equity Fund



Medium term investment with liquidity and safeguards

BPGF I will be listed and traded on the Karachi Stock Exchange for its lifespan of 2 years. During this time investors will be able to sell their respective certificates and purchase additional certificates on the Karachi Stock Exchange, thus providing liquidity and ease of entry and exit. Given the finite nature of BPGF I (date of redemption is 2 years from the closing date of the IPO), the scheme effectively minimizes the chances of trading at a large discount to NAV. This is unlike other closed end funds which generally trade at steep discounts to their NAV. Further, the finite nature of the fund coupled with a dividend policy of issuing bonus certificates only will eliminate any possibility of a "rights" issue by the scheme.



Fund Sponsor and Manager Profile

About the Sponsor

BMA Asset Management Company Limited (BMA FUNDS) is a co-sponsor for BPGF I. BMA FUNDS is a Non Banking Finance Company (NBFC) and a wholly owned subsidiary of BMA Capital Management Limited. The firm is an approved Investment Advisor and Asset Manager by the Securities and Exchange Commission of Pakistan (SECP) with a proven track record and intimate knowledge of Pakistan's capital markets over the past 15 years. BMA Capital is the parent company of BMA FUNDS and a leading investment firm involved in the domestic capital markets, investment banking, asset management and private equity. In June 2004, BMA entered into a joint venture with Abraaj Capital, the leading private equity firm in the Middle East and have launched Pakistan's first private equity fund of US \$300 million for inward investment in Pakistan.

About the Fund Manager

BMA Asset Management Company Limited (BMA FUNDS) is a group company of BMA Capital Management, and was launched with the objective of providing investment management and advisory services. As such, BMA FUNDS is actively engaged in the floating and managing open and closed end funds.

BMA is one of a few select firms in Pakistan, with a time-tested track record of managing investments in the capital markets of Pakistan. BMA managed the Security Stock Fund Limited from 1994 to 2000, during which timeframe the Fund provided substantially high absolute returns and relatively high performance compared to the Morgan Stanley Pakistan Fund and KSE 100 Index. The Security Stock Fund Limited was a listed closed end equity fund launched by BMA Capital in July 1994 and sold in July 2000. The Fund provided a total return of over 40% from 1994 to 2000 while return for the KSE 100 Index was negative 20% during the same the period. The time period concerned witnessed some of the most difficult and turbulent times in the history of Pakistani capital markets.

BMA is advising on funds of over Rs. 3 billion for a host of corporate and retirement fund clients. BMA FUNDS, the Principal Fund Manager, has a team of three fund managers and three research analysts responsible for investment decisions. The team members are responsible for specific sectors and carry out in depth propriety research involving some 50 company visits a year and financial statements analysis going back 5 years. The team has a database tracking the results of the stock universe on a quarterly bases that helps in generating new investment ideas. These ideas are put forward by individual team members and discussed within an investment committee on a daily and weekly basis. Our investment team has a combined experience of over fifty years in Pakistani and international markets with a deep understanding of Pakistani companies.