

# KPKNIT-PF Continue .....

## Allocation of Contributions & Allocation Schemes

The Pension Fund Manager shall offer Allocation Scheme to the Employees according to their risk/return and age requirements, through Sub-Funds of the NIT KP Islamic Pension Fund, managed by the Pension Fund Manager. The risk profile of each Allocation Scheme shall be dependent on the percentage allocation of that Scheme in the various Sub Fund. Each Allocation Scheme being offered can have exposure to the following sub-Funds:

- (a) NIT KP Islamic Pension Fund - Equity Sub Fund**
- (b) NIT KP Islamic Pension Fund - Debt Sub Fund**
- (c) NIT KP Islamic Pension Fund - Money Market Sub Fund**
- (d) NIT KP Islamic Pension Fund - Equity Index Sub Fund**

The Contributions received from an Employee shall be allocated amongst the Sub-Funds in accordance with the Allocation Scheme selected by the employee or default allocation scheme as laid in the Second and Third Schedule respectively (in terms of proviso of rule 5(d) (ii)) of the Employee KPK Rules. The Employee has the option to select any one from the Allocation Schemes or products being offered by the Pension Fund Manager at the date of Opening of Individual Pension Account. The Pension Fund Manger is offering the following Allocation Scheme to allocate the Contribution received from the Employees in the Sub-Funds:

### **(a) Life Cycle Allocation Scheme:**

This Allocation Scheme provides the Employees with an option to allocate their contributions in a pre-planned allocation strategy as per their age. The Younger the Employee, the higher the allocation towards equity market due to his/her risk-taking ability with reference to long term horizon.

Age	EQUITY INDEX SUB-FUND	EQUITY SUB FUND	COMBINED EXPOSURE TO EQUITY	DEBT/MONEY MARKET SUB-FUND
For the period of 3 years from date of account opening	0%	0%	0%	100% (only in Money Market - Sub Fund)
Up to 30 years	Max 50%	Max 25%	Max 50%	Min 50%
Up to 40 years	Max 40%	Max 20%	Max 40%	Max 60%
Up to 50 years	Max 30%	Max 15%	Max 30%	Min 70%
Up to 60 years	Max 20%	Max 10%	Max 20%	Min 80%

The exact exposure to each Sub Fund within the Allocation Scheme would be decided by the Employee at time of account opening and may be changed at any time at the discretion of Employee subject to age limits prescribed under KPK Rules.

**(b) default Asset Allocation Scheme:**

If no choice is made by the Employee, then Default Asset Allocation Scheme, Pension Fund Manager keeping in view the profile and age of the Employee, shall allocate the Contributions to the default Asset Allocation Scheme as follows:

Age	EQUITY INDEX SUB-FUND	EQUITY SUB FUND	DEBT SUB FUND	MONEY MARKET SUB-FUND
For the period of 3 years from date of account opening	0%	0%	0%	100% (only in Money Market - Sub Fund)
Up to 30 years	30%	10%	30%	30%
Up to 40 years	20%	10%	30%	40%
Up to 50 years	15%	5%	20%	60%
Up to 60 years	10%	0%	10%	80%

## Total Expense Ratio & Takaful Charges

The Total Expense Ratio of the Sub-Funds shall be capped as follows:

<b>Sub-Fund</b>	<b>Maximum Total Expense Ratio excluding Takaful charges and Govt levies (as % of Net Assets)</b>	<b>Maximum Takaful Charges (as % of Net Assets)</b>
Money Market Sub-Fund	0.75% p.a.	0.25% p.a.
Debt Sub-Fund	0.75% p.a.	0.25% p.a.
Equity Index Sub-Fund	1.00% p.a.	0.25% p.a.
Equity Sub-Fund	1.75% p.a.	0.25% p.a.