

ASGHAR ALI STAMP VENDOR

Licence No. 18642, Ser. 21: 20, City Court Karachi.

S. No. 18642

16 OCT 2006

To: *Rawson & Partners, Advocates*

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### FIRST SUPPLEMENTAL TRUST DEED OF PAKISTAN INCOME FUND

THIS FIRST SUPPLEMENTAL TRUST DEED OF PAKISTAN INCOME FUND is made and entered into at Karachi, on this 16<sup>th</sup> day of October, 2006.

#### by and between

1. ARIF HABIB INVESTMENT MANAGEMENT LIMITED, (AHIML), a company, incorporated, a non-Banking Finance Company, NBFC, incorporated under the Companies Ordinance, 1984, with its registered office at 2/1, R.Y. 16, Old Queens Road, Karachi-74000 (hereinafter called "the Management Company", which expression where the context so permits shall include its successors-in-interest and assigns) of the One Part

#### and

2. CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED (CDC), a company, incorporated under the Companies Ordinance, 1984 and registered with the Securities & Exchange Commission of Pakistan (SECP) as the Central Depository Company with its registered office at CDC House, 99-B, S.M.C.H.S. Main Shahrah-e-Faisal, Karachi-74400,

*[Handwritten signatures and initials]*

(hereinafter called "the Trustee", which expression where the context so permits shall include its successors-in-interest and assigns) of the Other Part.

**WHEREAS:**

- (1) The Management Company and the Trustee executed a Trust Deed dated October 23, 2001, to constitute PAKISTAN INCOME FUND, which Trust Deed was registered with the Sub-Registrar, T Division I-B, Karachi, under Registered No.365 of Book No.IV Addl. dated 23-10-2001 and M.F. Roll No.U-44458/555/556 dated 02-11-2001, ("the Trust Deed").
- (2) The Management Company and the Trustee have agreed to amend certain Clauses of the Trust Deed in accordance with Clauses 35.3 and 35.4 of the Trust Deed.
- (3) The Securities & Exchange Commission of Pakistan (SECP) has approved the amendments to the Trust Deed, vide its following letters:
  - (i) Letter No.SC/MF-DD(R)/250/2002 dated 28-06-2002, annexed hereto as Annexure "A".
  - (ii) Letter No.SC/MF-DD(R)/303/2002 dated 19-08-2002, annexed hereto as Annexure "B".
  - (iii) Letter No.SC/NBFC-II-JD (R)/373/2003 dated 31-07-2003, annexed hereto as Annexure "C".
  - (iv) Letter No. NBFC-II/JD(R)/AHIM-PIF&PSM/638 dated 15-09-2006.

NOW THEREFORE THIS FIRST SUPPLEMENTAL TRUST DEED OF PAKISTAN INCOME FUND, WITNESSETH AS FOLLOWS:—

**1. Amendment of Clause 1.11:**

Clause 1.11 is substituted in its entirety as under:—

*"Business Day"/"Dealing Day" means a day (such business hours thereof) when Banks' counters are open for dealing and Stock Markets are open for trading in Pakistan"*

**2. Amendment of Clause 5.3:**



Clause 5.3 is substituted in its entirety as under:—

*"The purchase or sale of any investment in listed securities for the account of the Trust shall be made on the Stock Exchange through a broker who must be a member of the Stock Exchange, unless the Management Company is satisfied that it is possible and permissible under the Rules to make such purchase or sale more advantageously in some other manner. Save as allowed under the law, the Management Company shall not nominate, directly or indirectly, as a broker any of its directors, officers or employees or their family members (which term shall include their spouse, parents, children, brothers and sisters)."*

**3. Amendment of Clause 20.1:**

In Clause 20.1 of the Trust Deed, in the third line, the words "additional remunerations" are hereby replaced by the words "sale and processing charges". Clause 20.1 now reads as follows:—

*"The remuneration of Distribution Companies and Investment Facilitators shall be paid exclusively from any Front-end Load received by the Trustee and no charges shall be made against the Fund Property or the Distribution Account in this respect. The remainder of any Front-end Load after such disbursement shall be paid by the Trustee to the Management Company as sales and processing charges for their management services for the Trust. If the Front-end Load received by the Trustee is insufficient to pay the remuneration of the Distribution Companies and Investment Facilitators, the Management Company shall pay to the Trustee the amount necessary to pay in full such remuneration."*

**4. Amendment of Clause 21.4:**

In Clause 21.4, instead of the words "on daily basis" appearing in the first sentence, words "for each Business Day" are hereby substituted. Clause 21.4 now reads as follows:—

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*"The Management Company shall announce the Redemption Price for each Business Day. The Redemption Price at which Units shall be redeemed shall be the price fixed by the Management Company under the terms of this Deed. However, in the event Section 22 hereunder comes into application, the redemption value shall be determined in accordance with procedures laid down in Section 22."*

**5. Amendment of Clause 25.9:**

In Clause 25.9, for the word "thirty", appearing before the word "least", word "seven" is hereby substituted. Clause 25.9, now reads as follows:—

*"The Register may be closed in consultation with the Trustee for such period as the Management Company may from time to time determine and after giving at least seven days notice to Unitholders, provided that it is not closed for more than forty-five days in any calendar year."*

**6. Amendment of Clause 31.2(a):**

In Clause 31.2(a), word "received" appearing twice, is replaced by the word "earned". Clause 31.2(a) now reads as follows:—

*"The total income earned on the Fund Property during such accounting period, including all amounts earned in respect of dividend, mark-up, profit, interest and fee;"*

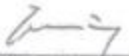
All other contents of the Trust Deed remain unchanged and the Trust Deed shall continue to remain in full force and effect, amended as above.

The Trustee and the Management Company hereby certify that in their opinion, the above amendments shall not prejudice the interests of the Unitholders or any of them or operate to release the Trustee or the Management Company from any responsibility to the Unitholders.

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IN WITNESS WHEREOF, THIS FIRST SUPPLEMENTAL TRUST DEED OF PAKISTAN INCOME FUND has been executed on the date first mentioned above.

The Common Seal of Arif Habib Investment Management Limited was hereunto fixed on \_\_ 2006 in the presence of:

Seal:   
 (1) Director (CEO)  
 NASIM BEG

  
 (2) Director  
 SAMAD A. HABIB

The Common Seal of Central Depository Company of Pakistan Limited was hereunto fixed on \_\_\_\_\_ 2006 in the presence of:

Seal:   
 (1) Director  
 CFO & Company  
 Secretary  
 Kamran Dagi



**WITNESSES**

1.   
 Syed Aijaz Ahmad

2.   
 M. Kamran Dagi