

**FOURTH AMENDMENT TO THE TRUST DEED OF
METRO BANK PAKISTAN SOVEREIGN FUND**

THIS FOURTH SUPPLEMENTAL TRUST DEED OF METRO BANK PAKISTAN SOVEREIGN FUND is made and entered into at Karachi, on this 11th day of May, 2011;

BY AND BETWEEN

(A) **Arif Habib Investments Limited**, a company incorporated under the Companies Ordinance, 1984, with its registered office at Arif Habib Center, 23 M.T. Khan Road, Karachi (hereinafter called the "**Management Company**", which expression where the context so permits shall include its successors-in-interest and assigns) of the First Part; and

AND

(B) **Central Depository Company of Pakistan Limited**, a company incorporated under the Companies Ordinance, 1984 and registered with the Securities & Exchange Commission of Pakistan ("SECP") as a central depository company, with its registered office at CDC House, 99-B, block "B", S.M.C.H.S., Main Shakra-e-Faisal, Karachi and registered to act as central depository company under Rule 4(3) of the Central Depository Companies (Establishment & Regulation) Rules, 1996, (hereinafter called the "**Trustee**" or "**CDC**", which expression, where the context so permits, shall include its successors-in-interest and assigns) of the Second Part.

WHEREAS:

- (1) The Management Company and Habib Metropolitan Bank Limited ("HMB" - as trustee) executed a Trust Deed dated December 24, 2002, to constitute Metrobank – Pakistan Sovereign Fund ("MSF" or "the Fund") which Trust Deed was registered with the Sub-Registrar, T Division I-A, Karachi, under Registered No.407 of Book No. IV dated 24-12-2002 and M.F. Roll No.U-64728/1028 of the Photo Registrar, Karachi dated 27-12-2002 (hereinafter referred to as "the Trust Deed").
- (2) The Management Company and HMB amended certain Clauses of the Trust Deed in accordance with Clauses 35.3 of the Trust Deed vide a First Amendment to the Trust Deed of Metrobank – Pakistan Sovereign Fund dated November 24, 2005, registered with the Sub-Registrar, T. Division I-B Karachi under Registered No.508 of Book No. IV dated 24-11-2005 and M. F. Roll No.U-108525/3021 of the Photo Registrar Karachi dated 05-12-2005.
- (3) The Management Company and HMB further amended certain Clauses of the Trust Deed in accordance with Clauses 35.3 of the Trust Deed vide a Second Amendment to

the Trust Deed of Metrobank – Pakistan Sovereign Fund dated May 21, 2009 registered with the Sub-Registrar-I, Jamshed Town Karachi under Registered No. 196 of Book No. IV dated 21-05-2009 and M.F. Roll No. U-37177/5876 of the Photo Registrar Karachi dated 05-06-2009.

- (4) The Management Company, HMB as the outgoing trustee and CDC as the incoming Trustee executed a “Third Amendment to the Trust Deed of Metrobank Pakistan Sovereign Fund (“MSF”) for Change of Trustee” dated November 11, 2009 registered with the Sub-Registrar-I, Jamshed Town Karachi under Registered No. 377 of Book No. IV dated 11-11-2009 and M.F. Roll No. U-72797/6151 of the Photo Registrar Karachi dated 20-11-2009, whereby HMB retired as the Trustee and CDC was appointed as Trustee and furthermore, the Management Company and CDC as the incoming Trustee also amended certain Clauses of the Trust Deed in accordance with Clause 35.3 of the Trust Deed and since then, CDC has been the Trustee of the Fund.
- (5) The Management Company and the Trustee have agreed to further amend certain Clauses of the Trust Deed in accordance with the existing Clause 35.3 of the Trust Deed vide this Fourth Amendment to the Trust Deed.
- (6) The Securities & Exchange Commission of Pakistan ("the SECP") has approved the further amendments to the Trust Deed, vide its letter No. SCD/NBFC-II/DD/MPSF/82/2011 dated February 9, 2011 annexed hereto as Annexure “A”.

NOW THEREFORE THIS FOURTH AMENDMENT TO THE TRUST DEED OF METROBANK PAKISTAN SOVEREIGN FUND, WITNESSETH AS FOLLOWS:—

1. Amendment of Clause 1, titled “DEFINITIONS”:

The entire Clause 1 containing Definitions, be and is hereby substituted by the following:

1. DEFINITIONS

Unless the context requires otherwise are following words or expressions shall have the meaning respectively assigned to them viz.:

- 1.1 "**Accounting Date**" means the date 30th June in each year and any interim dates at which the financial statements of the Fund are drawn up. Provided, however, that the Management Company may, with the consent of the Trustee and after obtaining approval of the Commission and the Commissioner of Income Tax, change such date to any other date.

- 1.2 **"Accounting Period"** means a period ending on and including an Accounting Date and commencing (in case of the first such period) on the date on which the Fund Property is first paid or transferred to the Trustee and (in any other case) from the end of the preceding Accounting Period.
- 1.3 **"Administrative Plans"** means, investment plans offered by the Management Company, where such plans allow investors a focused investment strategy in any one or a combination of Sub-Schemes managed by the Management Company under this Trust Deed;
- 1.4 **"AMC"** means Asset Management Company.
- 1.5 **"Auditors"** means, such audit firm that is appointed by the Management Company with the consent of the Trustee as the auditor of the Unit Trust Scheme in accordance with the provisions of this Deed and the NBFC Rules and the Regulations;
- 1.6 **"Authorised Branch"** means those branches of the Distributor whose address has been given in the Offering Document.
- 1.7 **"Authorized Investment"** means any of the following:
- Government Securities
 - Cash in Bank Accounts
 - Reverse Repo against Government Securities
- Note: Currently, only one Sub-Scheme namely MetroBank-Pakistan Sovereign Fund (December 2012) or MSF (12/12) exists and is due to mature on 31st December 2012. The Fund would not make any fresh investment in Sub-scheme whereas eligible investors would stand eligible to make fresh investments in the Sub-Scheme.
- 1.8 **"Back-end Load"** means a Processing Charge, notified in the Offering Document, deducted by the Management Company from the NAV in determining the Redemption Price. Back- end Load shall form part of the Fund Property.
- 1.9 **"Bank"** means a banking company licensed under the Banking Companies Ordinance, 1962 or any other regulation for the time being in force or an institution providing banking services under the banking laws of Pakistan or if operating outside Pakistan, under the banking laws of the jurisdiction of its operation outside Pakistan.

- 1.10 **"Bank Accounts"** means those accounts the beneficial ownership of which rests in the Unitholder and for which the CDC has been appointed the Trustee.
- 1.11 **"Business Day/Dealing Day"** means a day (such business hours thereof) when Banks are open for business in Pakistan except Saturdays.
- 1.12 **"Certificate"** means the definitive certificate acknowledging the number of Units registered in the name of the Holder issued at the request of the Holder pursuant to the provisions of the Trust Deed.
- 1.13 **"Connected Person"** shall have the same meaning as in the Regulations.
- 1.14 **"Constitutive Documents"** means the Trust Deed and the Offering Document and Supplementary Offering Documents which are the principal Documents governing the formation management or operation of the Fund and all related material agreements.
- 1.15 **"Core Investors"** means those Initial Investors to whom Core Units will be issued against their investments.
- 1.16 **"Core Units"** shall mean such Units of MSF that are issued to Core Investors. The Core Units shall be issued with the condition that these are not redeemable for a period of two years from the date of issue. During the said two years there is no restriction on converting the Core Units into Units of one or more Schemes, provided that the investment in such Schemes shall also be governed with the same restriction; provided further that proceeds from any Sub-Schemes that matures within the said two-year period shall be reinvested and retained in one or more Scheme till the expiry of the said two years. The Core Units and the related Units of the Sub-schemes are transferable with this condition and shall rank pari passu with all other Units of the respective Schemes, save for this restriction. Any transfer of these Core Units or the Units of the related Sub-schemes, during the first two years of the issue of the Core Units, shall be affected only on the receipt by the Registrar of a written acceptance of this condition by the transferee.
- 1.17 **"Custodian"** mean a bank or any other depository for the time being appointed by the Trustee with the approval of the Management Company to hold and protect the Fund Property or any part thereof as custodian on behalf of the Trustee; the Trustee may also itself provide custodial services for the Fund with the approval of the Management Company at competitive terms, as part of the normal line of its business,

- 1.18 **"Cut Off Timing"** means time span in a Business Day which is allowed for valid receipt of form(s).
- 1.19 **"Distribution Account"** means the account (which may be a current, saving or deposit account) maintained by the Trustee with a Bank (having an investment grade rating, or in the absence of a rating, with the approval of the Commission) as directed by the Management Company in which the amount required for distribution of income to the Unit Holders shall be transferred. Interest, income or profit, if any, including those accruing on unclaimed dividends, in this account shall be transferred to the main account of the Fund from time to time, as part of the Fund Property for the benefit of the Unit Holders.
- 1.20 **"Distributor and Distribution Company or Distribution Companies"** means a Company or Companies, Firm or a Bank appointed by the Management Company with the intimation to the Trustee for performing any or all of the Distribution Functions and shall include the Management Company itself, if it performs the Distribution Function;
- 1.21 **"Distribution Function"** means the functions with regard to:
- 1.21.1 Receiving applications for issue of Units together with aggregate Offer Price for Units applied for by the applicants;
- 1.21.2 Issuing receipt in respect of 1.21.1 above;
- 1.21.3 Interfacing with and providing services to the Holders including receiving redemption/ transfer applications, conversion notices and applications for change of address or issue of duplicate Certificates for immediate transmission to the Management Company or the Registrar as appropriate; and
- 1.21.4. Accounting to the Trustee for (i) monies received from the applicants for issuance of Units; (ii) payments made to the Holders on redemption of Units; and (iii) expenses incurred hi relation to the Distribution Function.
- 1.21.5. The Management Company may assign some or all of the Registrar functions to a Distributor.
- 1.22 **"Duties and Charges"** means in relation to any particular transaction or dealing all stamp and other duties, taxes, Government charges, transfer fees, registration fee and other duties and charges in connection with the issue, sale, transfer, redemption or purchase of Units or in respect of the issue, sale, transfer, cancellation or replacement of a Certificate or otherwise which may have become or may be payable in respect of or prior to or upon the occasion of the transaction or dealing in respect of which such

duties and charges are payable but do not include the remuneration payable to the Distribution Company or any Front-end or Back-end Load or commission payable to agents on sales and redemption of Units or any commission charges or costs which may have been taken into account in ascertaining the NAV.

- 1.23 **“Force Majeure”** means any occurrence or circumstance or element which delays or prevents performance of any of the terms and conditions of this Deed or any obligations of the Management Company or the Trustee and shall include but be no limited to any circumstance or element that cannot be reasonably controlled, predicted, avoided or overcome by any Party and which occurs after the execution of this Agreement and makes the performance of the Agreement in whole or in part impossible or impracticable or delays the performance, including but not limited to any situation where performance is impossible without unreasonable expenditure. Such circumstances include but are not limited to floods, fires, droughts, typhoons, earthquakes and other acts of God and other unavoidable or unpredictable elements beyond reasonable control, such as war (declared or undeclared), insurrection, civil war, acts of terrorism, accidents, strikes, riots, turmoil, civil commotion, any act or omission of a governmental authority, failure of communication system, hacking of computer system and transmissions by unscrupulous persons, closure of stock exchanges, banks or financial institutions, freezing of economic activities and other macro-economic factors, etc.
- 1.24 **"Formation Cost"** means all preliminary and floatation expenses of the Fund including expenses in connection with authorization of the Scheme, execution and registration of the Constitutive Document, issue, legal costs, printing, circulation and publication of the Offering Document, announcements describing the Fund and related administrative investment plans inviting investment therein and all expenses incurred during the period leading up to offer of the units to the public. Such Formation Cost shall be allocated the Sub-schemes by the Management Company in consultation with the Trustee.
- 1.25 **"Front-end Load"** means the sales and processing charges, payable to the Management Company, which are included in the Offer Price of Units.
- 1.26 **"Fund"** means collectively, MSF and the Sub-schemes.
- 1.27 **"Fund's Auditors"** means the Auditors.
- 1.28 **"Fund Property"** means with respect to the individual Schemes, the aggregate proceeds of the sale of Units of the respective Schemes at Offer Price and any

Transaction Costs recovered in the Offer or Redemption prices after deducting therefrom or providing there against the value of Redemption, Front-end Load, Duties and Charges (if included in the Offer Price or Redemption Price) applicable to the issue or redemption of Units and any expenses chargeable to the Fund, and includes the Investment and all income, profit and other benefits arising therefrom Back-end Load and all cash and other assets movable or immovable and property of every description for the time being held or deemed to be held upon trust by the Trustee for the benefit of the Unitholders pursuant to the Trust Deed but does not include any amount standing to the credit of the distribution Account. Back-end Load shall form part of the Fund Property.

- 1.29. **"Holder"** or "Unitholder" means the investors name being entered in the Register as owner of a Unit including investor jointly so registered pursuant to the provision of this Deed.
- 1.30 **"Investment"** means any Authorized Investment forming part of the Fund Property
- 1.31 **"Investment Facilitator"** (Facilitator) means an individual, firm, corporate or other entity appointed by the Management Company to identify, solicit and assist investors in investing in the Fund. The Management Company shall compensate the Facilitators.
- 1.32 **"Metrobank – Pakistan Sovereign Fund" or , "MSF"** or the "Fund" or the "Trust" means the Unit Trust constituted by this Trust Deed for continuous offer for sale of Units; and where the context so requires, the relevant Sub-schemes, which are identified by an appropriate maturity date.
- 1.33 **"Net Assets"** means the excess of assets over liabilities of the relevant Scheme, such excess being computed at the manner specified hereunder:
- 1.33.1 An investment purchased and awaiting payment against delivery shall be included for valuation purposes as security held, and the books of account of the Trust shall be adjusted to reflect the purchase price, including brokers' commission and other expenses incurred in the purchase thereof but not disbursed as of the valuation date;
- 1.33.2 An investment sold but not delivered pending receipt of proceeds shall be valued at the net sale price;
- 1.33.3 A security bought and sold under a reverse repurchase transaction, which has to be settled at a future date, shall be valued by taking the net affect of the complete transaction into account. The value or loss accruing from such transaction shall be

recognized taking into account the allocation of such value or loss over the period between the transaction date and the settlement date.

- 1.33.4 The value of any benefits or rights which may have been declared on securities in the portfolio but not received by the trustee as of the close of business on the valuation date shall be included as assets of the trust, if the security upon which such benefits or rights were declared is included in the assets and is valued ex-benefits or ex-rights as the case may be;
 - 1.33.5 Securities shall be valued on a basis of secondary market quotations for such security if there is an active secondary market for such security or on a basis (acceptable to the Auditors of the Trust) which takes into account the remaining life of the security, the value of any warrants, conversion rights etc., the prevailing market lending rates for the tenor and class of the issuer of the security, the ranking in seniority of the debt represented by the security and any other factors that may affect the value of the security;
 - 1.33.6 Return/mark-up accrued on any fixed return/mark-up bearing security in the portfolio shall be included as an asset of the fund if such accrued fixed return/mark-up is not otherwise included in the valuation of the security;
 - 1.33.7 Any value accrued (or loss incurred), realised or otherwise, on any commitment entered into on behalf of the Trust;
 - 1.33.8 Any other income accrued up to the date on which computation was made shall also be included in the assets; and
 - 1.33.9 All liabilities, expenses, taxes and other charges due or accrued up to the date of computation which are chargeable under this Trust Deed shall be deducted from the value of the assets.
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- 1.34 **“Net Asset Value”** ("NAV") means per Unit Value of the relevant Scheme arrived at by dividing the Net Assets by the number of Units outstanding for such Scheme.
 - 1.35 **"Offer Price"** means the sum to be paid to the Trustee for issuance of one Unit of the relevant Scheme, such price to be determined pursuant to Clause 19 of the Trust Deed and as stated in the Offering Document.
 - 1.36 **“Offering Document”** means the prospectus, advertisements or other documents (approved by the Commission), which contain the investment and distribution policy and all other information in respect of the Fund and the Administrative Plans offered under varying administrative arrangements covered by the respective Supplementary Offering Documents, as required by the Regulations and is calculated to invite offers by the public to invest in the Fund.

- 1.37 **"Ordinance"** means Companies Ordinance 1984.
- 1.38 **"Parties"** mean the Management Company and the Trustee;
- 1.39 **"Par Value"** means the initial price of fifty Rupees per Unit at which the Core Units shall be issued and in the case of Units of the Sub-schemes, fifty Rupees per Unit
- 1.40 **"Personal Law"** means the law of inheritance antirecession as applicable to the individual Unit
- 1.41 **"Redemption Price"** means the amount that paid to the relevant Holder of a Unit of a Scheme upon redemption of that Unit, such amount to be determined pursuant to Clause 22 of the Trust Deed and as stated in the Offering Document.
- 1.42 **"Redemption Request Form"** means the prescribed form, as described in the Offering Document.
- 1.43 **"Register"** mean the Register of the Holders kept pursuant to the Regulations and the Trust Deed.
- 1.44 **"Registrar"** means an organization that the Management Company may appoint for performing the Registrar Function.
- 1.45 **"Registrar Functions"** means the functions with regard to:
- 1.45.1 Maintaining the Register;
 - 1.45.2 Processing requests for issue, redemption, transfer and transmission of Units and requests for recording of lien or for recording of changes in data with regard to the Unitholders.
 - 1.45.3 Issuing account statement to the Holders;
 - 1.45.4 Issuing Certificates including Certificates in lieu of un-distributed income to Holders;
 - 1.45.5 Dispatching income distribution warrants and bank transfer intimations; and
 - 1.45.6 Canceling old Certificates on redemption or replacement.

- 1.45.7 Processing requests for issue of duplicate certificates in place of lost, stolen, destroyed or mutilated certificates after taking necessary precautionary measures at the cost of the Unitholder.
- 1.46 "**Regulations**" mean *Non-Banking Finance Companies and Notified Entities Regulation, 2008, as amended or substituted from time to time.*
- 1.47 "**Rules**" means Non-Banking Finance Companies (Establishment and Regulations), Rules, 2003 as amended or substituted from time to time.
- 1.48 "**Schemes**" means MSF and the Sub-schemes; the singular usage of the word "Scheme" shall mean MSF or any one of the Sub-schemes as the context may require.
- 1.49 "**SECP**" or "**Commission**" means the Securities and Exchange Commission of Pakistan.
- 1.50 "**Settler**" means one who furnishes the funding for the creation of a trust, in this case being Metropolitan Bank Limited, though in form the trust is created by another;
- 1.51 "**Sub-scheme**" means such number of trenches of a specified tenure as are structured at the initial stage and disclosed in the Offering Document; and any additional trenches that may be issued by the Management Company in consultation with the Trustee from time to time.
- 1.52 "**Subscription Day**" means every Business Day provided that the Management Company may with the prior written consent of the Trustee and upon giving not less than seven days notice in the news papers declare any particular Business Day not to be a Subscription Day.
- 1.53 "**Supplementary Offering Document**" means a document issued by the Management Company, in consultation with the Trustee, after seeking approval of the SECP, describing the special features of a Sub-scheme or an administrative plan offering investment in any Sub-scheme or a combination of Sub-schemes.
- 1.54 "**Transfer Application Form**" means the prescribed form, as described in the Offering Document.

1.55 "**Transaction Costs**" means the costs incurred or estimated by the Management Company to cover the costs (such as, but not restricted to bank charges, brokerage, bid and offer spread, Trustee charges, taxes or levies on transactions, etc.) related to the movement of funds or securities and to the investing or disinvesting activity of the Fund's portfolio, necessitated by creation or cancellation of Units. Such costs may be added to the NAV for determining the Offer Price of Units or be deducted from the NAV in determining the Redemption Price. The Transaction Costs shall be applied in determining Offer and Redemption prices.

1.56 "**Unit**" means one undivided share in MSF and where the context so indicates that of a Sub-scheme

Words and expressions used but not defined herein shall have the meanings assigned to them in the Rules and the Regulations. Words importing persons include corporations, words importing the masculine gender include the feminine gender, words importing singular; include plural and words "written" or "in writing" include printing, engraving, lithography, or other mean of visible reproduction.

2. Amendment of Clause 2 of the Trust Deed:

Clause 2 be and is hereby replaced by the following text:

2. DECLARATION OF TRUST

"An Open-end Scheme is hereby constituted as a trust under the Trusts Act, 1882, under the name of MetroBank Pakistan Sovereign Fund. The Management Company is hereby appointed to establish, manage, operate and administer the Trust and the Trustee is hereby nominated constituted and appointed as the trustee of the Unit Trust herein created and the Trustee hereby accepts such appointment and the Management Company and the Trustee declare that:

a. The Trustee shall hold and stand possessed of the Fund Property that may from time to time hereafter be vested in the Trustee upon trust as a single fund for the benefit of the Unitholders ranking pari passu inter se according to the number of Units held by each Unitholder;

b. The Fund Property shall be invested from time to time by the Trustee at the direction of the Management Company strictly in terms of the provisions contained and the conditions stipulated in this Trust Deed, the Offering Document, the Rules, the Regulations and the conditions (if any) which may be imposed by the SECP from time to time pursuant to applicable law;

c. The Management Company shall manage, operate and administer the Fund in terms of the provision contained and conditions stipulated in this Deed, the Rules, the Regulations and any conditions which may be imposed by the Commission from time to time”

3. Addition of new Clause 2A in the Trust Deed:

After the existing Clause 2, the following new Clause be and is hereby incorporated as Clause 2A::

2A CATEGORY OF THE FUND

Income Fund

4. Amendment of sub-clauses a, b, d and g of Clause 3.1 of the Trust Deed:

The texts of Sub-clauses (a), (b), (d) and (g) of clause 3.1 be and are hereby replaced by the following texts:

- (a) ***Fund Management*** - *The Management Company has the responsibility to take all investment decisions within the framework of the Rules, the Regulations, this Trust Deed establishing the Scheme and the Offering Document (including Supplementary Offering Documents) issued for the Scheme.*
- (b) ***Control over Assets*** - *The Trustee has the responsibility for being the nominal owner for the safe custody of the assets of the Unit Trust on behalf of the beneficial owners (the Unit Holders), within the framework of the Rules, the Regulations, this Trust Deed and the Offering Document. All cash and registerable assets shall be held and registered in the name of the Trustee.*
- (d) ***Investor Records*** - *The Management Company has the responsibility to maintain investor records and for this purpose it may appoint a Registrar, who is responsible for maintaining investors' (Unitholders') records and providing related services. The Registrar may be removed or replaced under intimation to the Trustee and the Commission. The Registrar shall carry out the responsibility of maintaining investors' records, issuing statements of account, issuing certificates representing Units of investment, processing pledge/lien applications, processing redemption requests, processing dividend payments and all other related activities including processing requests for issue of duplicate certificates in place of lost, stolen, destroyed or mutilated certificates after taking necessary precautionary measures at the cost of the Unitholder. The Management*

Company may provide any or all of the Registrar functions itself or assign any or all of these to one or more Distributor.

- (g) **Record Keeping** - *The Management Company has primarily the responsibility for all record keeping, and for producing financial reports from time to time. However, the Trustee has the responsibility to ensure timely delivery to the Management Company of statements of accounts and transaction advices for banking and custodial accounts in the name of and under the control of the Trustee. The Management Company shall provide the Trustee unhindered access to all records relating to the Scheme.*

5. Amendment of sub-clause c of Clause 3.3 of the Trust Deed:

The texts of Sub-clause c of clause 3.3 be and are hereby replaced by the following texts:

- 3.3 c) *The Trustee shall open additional bank accounts at branches of such banks and at such locations (including outside Pakistan, subject to applicable regulations and after obtaining all necessary approvals, if any, from the relevant regulatory authority in Pakistan) as is required by the Management Company from time to time.*

6. Addition of new Sub-clause 3.3 f) in Clause 3 of the Trust Deed:

After the existing sub-clause 3.3 e) the following new sub-clause be and is hereby incorporated as sub- clauses 3.3f).

- 3.3 f) *The Trustee shall open and operate the above Bank Accounts for the Fund titled “CDC- Trustee MetroBank-Pakistan Sovereign Fund” and its Sub-Scheme “CDC- Trustee MetroBank-Pakistan Sovereign Fund- MSF (12/12) at suitable commercial Banks at the request of the Management Company.*

7. Amendment of Sub-clauses 4.3 and 4.4 of the Trust Deed:

Sub-clause 4.3 and 4.4 be and are hereby replaced by the following text:

- 4.3 *The Trustee shall take the Fund Property into its custody or under its control either directly or through the Custodian and hold it in trust for the benefit of the Unitholders in accordance with the provisions of the Rules, the Regulations, applicable SECP directives and this Deed. The Fund Property shall always be kept as separate property and shall not be applied to any purpose unconnected with the Fund. All registerable Investment shall be registered in the name of the Trustee and shall remain so registered until disposed of pursuant to the provisions of this Deed. All expenses incurred by*

the Trustee in effecting such registration shall be payable out of the Fund Property.

4.4 *Save, as herein expressly provided, the Fund Property shall always be kept as separate property free from any mortgages, charges, liens or any other encumbrances whatsoever and the Trustee, the Management Company shall not, except for the purpose of the Fund, create or purport to create any mortgages, charges, liens or any other encumbrances whatsoever to secure any loan, guarantee, or any other obligation incurred, assumed or undertaken by the Trustee, at the request of the Management Company, subject to limitations contained in the Regulations.*

8. Addition of new Clauses 4A and 4B in the Trust Deed:

After the existing sub-clause 4.7 the following new Clauses be and are hereby incorporated as Clauses 4A and 4B respectively.

4A *INVESTMENT OBJECTIVE:*

The objective of the fund is to deliver income primarily from investment in government securities.

4B *BENCHMARK:*

6 month T-bill

9. Amendment of Sub-clauses 5.3, 5.4, 5.5, 5.6 and 5.7 of the Trust Deed:

The texts of Sub-clause 5.3, 5.4, 5.5, 5.6 and 5.7 be and are hereby replaced by the following texts:

5.3 *The purchase or sale of securities for the account of the Trust shall be made directly with the counterparty(ies) or through a broker, unless the Management Company is satisfied that it is possible and permissible under the Rules and/or the Regulations to make such purchase or sale more advantageously in some other manner. The Management Company shall not nominate, directly or indirectly, as a broker any of its directors, officers or employees.*

5.4 *The Fund Property would be subject to following conditions:*

- i. *At least 25% of the Net Assets shall be invested in cash and near cash instruments which include cash in bank account (excluding TDRs), treasury bills not exceeding 90 days maturity;*
- ii. *At least 70% of net assets of the fund shall remain invested in Government Securities.*
- iii. *Not more than 15% of the Net Assets shall be invested in non traded securities including reverse repos. Reverse repos over 6 months maturity are not allowed*
- iv. *Rating of any bank with which funds are placed shall not be lower than 'AA-';*
- v. *Weighted average time to maturity of the net assets shall not exceed 4 years; and*
- vi. *No restriction regarding*
 - *Time to maturity of any single asset in the portfolio;*
 - *Duration of a single security in the portfolio".*

Additionally, the Fund would not take exposure to available investment avenues mentioned in SECP Circular 7 of 2009 for Income Schemes such as Money market placements, Certificate of Deposits (COD), Certificate of Musharakas (COM), TDRs, Commercial Papers, TFC/ Sukuk, CFS and spread transactions.

5.5 *The Fund Property shall not be invested in any security of a company if any director or officer of the Management Company owns more than five percent of the total amount of securities issued or the directors and officers of the Management Company own more than ten percent of those securities collectively.*

5.6 *The Fund will not at any time:*

- a) *effect a short sales in a security whether listed or unlisted;*
- b) *purchase any security in a forward contract;*
- c) *purchase any security on margin;*
- d) *apply any part of its assets to real estate, commodities or commodity contracts;*
- e) *invest in securities of the Management Company;*

- f) *issue at any time, without the prior approval of the Commission in writing, a senior security which is either stock or represents indebtedness;*
- g) *apply for de-listing from Stock Exchange, unless it has obtained prior approval of the Commission in writing to the scheme of de-listing;*
- h) *lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person;*
- i) *sell Units or issue Units for consideration other than cash unless permitted by the Commission.*
- j) *merge the Scheme or acquire or take over any other Collective Investment Scheme without obtaining prior approval of the Commission.*
- k) *Invest the subscription money until the closure of the Initial Offering of Units.*
- l) *take exposure in any other collective investment scheme except for funds of funds or overseas investment*
- m) *make total investments in pre-initial public offering (Pre-IPO) in excess of fifteen percent of its Net Asset, subject to the investment limits prescribed by the Regulations;*
- n) *take exposure of more than twenty five per cent of total Net Asset of the Scheme in securities of any one sector as per classification of the Stock Exchange.*
- o) *take the exposure of the Scheme to any single entity, at any time, in excess of an amount equal to ten per cent of total Net Assets of Scheme subject to the conditions that the exposure of the Scheme shall not exceed ten percent of the issued capital of that company or in case of a debt issue of a company shall not exceed ten percent of that issue. .*
- p) *Provided that the Management Company shall comply with the conditions, including divestment by the Scheme, as may be specified by the Commission from time to time.*
- q) *take exposure of more than,-*
- r) *thirty five per cent of Net Assets of the Scheme in any single group; and*
- s) *ten per cent of Net Assets of the Scheme at the time of taking exposure in listed group companies of the NBFC holding license of asset management services and such exposure shall only be made through the secondary market.*

- t) *rollover the investments, if in the opinion of Trustee, the Fund would not be able to issue payment instrument for the redemption money to the Unitholder(s) within time period stipulated in the Regulations.*
- u) *in any form borrow, except with the approval of Trustee, for meeting redemption request and such borrowing shall not exceed fifteen per cent or such other limit as specified by the Commission of the total Net Asset Value of the Scheme at the time of borrowing and shall be repayable within a period of ninety days*

Note: Currently, only one Sub-Scheme namely MetroBank-Pakistan Sovereign Fund (December 2012) or MSF (12/12) exists and is due to mature on 31st December 2012. The Fund would not make any fresh investment in Sub-scheme whereas eligible investors would stand eligible to make fresh investments in the Sub-Scheme.

5.7 Exception to Investment Restrictions

Where the exposure of the Scheme exceeds the limits specified in the Regulations because of corporate actions including taking up rights or bonus issue or due to market price increase or decrease in Net Assets the excess exposure shall be regularized within three months of the breach of limits unless the said period of three months is extended by the Commission on an application by the Company.

10. Amendment of Sub-clauses 6.5, 6.6 and 6.7 of the Trust Deed:

The texts of Clauses 6.5, 6.6 and 6.7 be and are hereby replaced by the following texts:

- 6.5 *The Trustee shall make arrangements through branches of Banks to facilitate issue and redemption of Units of any of the Schemes. A request for the issue of Units may also be made through the use of electronic means, that is, the Internet and ATM facilities. A request for redemption of Units, may be made through the ATM facility only when the relevant bank /branches have been instructed by the Management company to accept an Unitholder's request to redeem the Units of the concerned Scheme. The Trustee shall agree to such arrangements after satisfying itself in respect of all appropriate safeguards having been taken, without incurring any liability for additional risks involved.*
- 6.6 *The Management Company shall, from time to time, advise the Trustee of the dividend distribution. The Trustee may establish separate Bank Accounts for each dividend distribution and transfer the amount payable as cash dividend*

to such accounts after deducting such taxes and Zakat as may be required under the law.

- 6.7 *The Trustee shall pay to the Management Company's order such sums out of the sale proceeds of redeemed Units as are representative of Front-end Loads that are specified in this Trust Deed, the Offering Document or the Supplementary Offering Documents, if any, and/ or in accordance with the Regulations as being payable out of the offer or Redemption Prices, deducting any applicable Duties and Charges.*

11. Amendment of Sub-clauses 7.1, 7.2 and 7.3 of the Trust Deed:

The texts of Sub-clauses 7.1, 7.2 and 7.3 be and are hereby replaced by the following texts:

- 7.1 *The Management Company shall, from time to time, advise the Trustee of the settlement instructions relating to any investment/ disinvestment transactions entered into by it on behalf of the Unit Trust. The Trustee shall carry out the settlements in accordance with the Regulations and dictates of the specific transactions. The Management Company shall ensure the settlement instructions are given promptly, complete and accurate after entering into the transaction so as to facilitate timely settlement and the Trustee, on its side, shall ensure, that the settlement is handled in a timely manner in accordance with the Regulations and dictates of the transaction.*
- 7.2 *The Trustee shall ensure that, where applicable, payments against investments are made against delivery and vice versa unless specified otherwise by the Management Company.*
- 7.3 *The Trustee shall also, if so required by the nature of such notices or documents mentioned in the foregoing clause, act in a manner that is in the best interest of the Unit Trust/ Scheme Such action shall include legal action if called for and the Trustee shall be entitled to recover any legal costs, charges and expenses reasonably incurred from the relevant Unit Trust Scheme as mentioned in Clause 11.9 below.*

12. Amendment of Clauses 10.1, 10.2 and 10.3 of the Trust Deed:

The texts of Clauses 10.1, 10.2 and 10.3 be and are hereby replaced by the following texts:

- 10.1 *Subject to any statutory requirements for the time being in force and to the terms and conditions herein contained, the Management Company may arrange finance with the approval of the Trustee, with Banks , financial institutions and collective investment schemes for the account of the Scheme. Provided that such arrangement shall not be resorted to, except for meeting the redemption requests and the charges payable to such Bank, financial institution and collective investment scheme are not higher than the prevailing market rates. Provided further that the maximum borrowing for the account of the Trust shall not exceed fifteen percent of the total Net Asset Value of the Scheme and shall be repayable with in a period of ninety days or such time as may be prescribed under the Rules and the Regulations from time to time but if subsequent to such borrowing, the Net Assets are reduced as a result of depreciation in the market value of the Fund Property or redemption of Units, the Management Company shall not be under any obligation to reduce such borrowing.*
- 10.2 *Neither the Trustee, nor the Management Company shall be required to issue any guarantee or provide security over their own assets for securing such borrowings from bank, financial institutions and collective investment schemes. The Trustee or the Management Company shall not in any manner be liable in their personal capacities for repayment of such loans or advances.*
- 10.3 *For the purposes of obtaining and securing any such borrowing the Trustee , upon the request of the Management Company shall execute the Banks', collective investment schemes' and financial institutions' standard finance and security documents and may also upon the instructions of the Management Company, mortgage, charge or pledge in any manner all or any part of the Fund Property provided that the aggregate amount secured by such mortgage, charge or pledge shall not exceed the limit provided in the Regulations and /or any law for the time being in force.*

13. Amendment of Clauses 11.1, 11.2, 11.3, 11.4, 11.7, 11.8, 11.9, 11.10 and 11.11 of the Trust Deed:

The texts of Clauses 11.1, 11.2, 11.3, 11.4, 11.7, 11.8, 11.9, 11.10 and 11.11 be and are hereby replaced by the following texts:

- 11.1 *The Trustee shall comply with the provisions of this Deed, the Rules and the Regulations for any act or matter to be done by it in the performance of its duties and such acts or matters may also be performed on behalf of the Trustee by any officer or responsible official of the Trustee or by any nominee or agent appointed by the Trustee in consultation with the Management Company.*

Provided that the Trustee shall be responsible for the acts and omissions of all persons to whom it may delegate any of its duties, as if these were its own acts and omissions and shall account to the Trust for any loss in value of the Fund Property where such loss has been caused by gross negligence or any reckless act and/or omission of the Trustee or any of its directors, officers, nominees or agents.

- 11.2 *The Trustee shall exercise all due diligence and vigilance in carrying out its duties and in protecting the interests of the Unitholders. The Trustee shall not be under any liability on account of anything done or not done by the Trustee in good faith in accordance with or in pursuance of any request of the Management Company provided they are not in conflict with the provisions of this Deed or the Regulations. Whenever pursuant to any provision of this Deed any certificate, notice, direction, instruction or other communication is to be given by the Management Company to the Trustee, the Trustee may accept as sufficient evidence thereof a document signed or purporting to be signed on behalf of the Management Company by any person whose signature the Trustee is for the time being authorized in writing by the Management Company to accept.*
- 11.3 *The Trustee shall not, except for willful act or omission, gross negligence or bad intention, be liable for any loss caused to the Fund or to the value of the Fund Property due to any elements or circumstances beyond its reasonable control.*
- 11.4 *The Trustee shall carry out the instructions of the Management Company in all matters including investment and disposition of the Fund Property unless such instructions are in conflict with the provisions of this Deed, the Rules, the Regulations or any other law.*
- 11.7 *The Trustee shall issue a report to be included in the annual and second quarter reports, to be sent to Unit Holders whether in Trustee's opinion, the Management Company has in all material respect managed the Scheme in accordance with the provisions of the Constitutive Documents and the Regulations and if the Management Company has not done so, the respects in which it has not done so and the steps the Trustee has taken in respect thereof.*
- 11.8 *The Trustee shall be entitled to require the Auditors to provide such reports as may be agreed between the Trustee and the Management Company as may be necessary to facilitate the Trustee in issuing the certification required under*

the Regulations. The Trustee shall endeavour to provide the certification at the earliest date reasonably possible.

- 11.9 The Trustee shall, if requested by Management Company and may, if it considers necessary for the protection of Fund Property or safeguarding the interest of Unit holders, institute or defend any suit, proceeding, arbitration or inquiry or any corporate or shareholders' action in respect of the Fund Property or any part thereof, with full powers to sign, swear, verify and submit pleading and affidavits, to file the documents to give evidence, to appoint and remove counsel and to do all incidental acts, things and deeds through the Trustee's authorised directors and officers. All costs, charges and expenses (including reasonable legal fees) incurred in instituting or defending any such action shall be borne by the Trust and the Trustee shall be indemnified against all such costs, charges and expenses: Provided that no such indemnity shall be available in respect of any action taken against the Trustee for negligence or breach of fiduciary duties in connection with its duties as the Trustee under this Deed or the Regulations. For the avoidance of doubt it is clarified that notwithstanding anything contained in this Deed, the Trustee and the Management Company shall not be liable in respect of any losses, claims, damages or other liabilities whatsoever suffered or incurred by the Trust arising from or consequent to any such suit, proceeding, arbitration or inquiry or corporate or shareholders' action or otherwise howsoever and (save as herein otherwise provided), all such losses, claims, damages and other liabilities shall be borne by the Trust Fund.*
- 11.10 The Trustee shall take under its control all of the Fund Property and hold the same in trust for the Unitholders in accordance with the provisions of the Constitutive Document, the Rules and the Regulations. Cash and registerable assets shall be registered in the name of or to the order of the Trustee.*
- 11.11 The Trustee shall not be under any liability except such liability as may be expressly assumed by it under the Regulations and this Deed nor shall the Trustee (save as herein otherwise provided) be liable for any act or omission of the Management Company or for anything except its own negligence or wilful breach of duty hereunder. If for any reason it becomes impossible or impracticable to carry out the provisions of this Deed the Trustee shall not be under any liability therefor or thereby and it shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done in good faith hereunder.*

14. Addition of new Clauses 11.13 to 11.24 in Clause 11 of the Trust Deed:

After the existing Clause 11.12 the following new Clauses be and are hereby incorporated as Clauses 11.13 to 11.24 respectively.

11.13 The Trustee shall ensure that the investment and borrowing limitations set out in the Regulations and the Constitutive Documents and the conditions under which the Scheme has been authorized are complied with.

11.14 The Trustee shall ensure that the Management Company has specified criteria in writing to provide for a diverse panel of brokers and shall ensure that the Management Company has been diligent in appointing Brokers to avoid undue concentration with any Broker.

11.15 The Trustee shall ensure that the sale, purchase, issue, transfer, re-purchase, redemption and cancellation of Units affected by the Scheme are carried out in accordance with the provisions of the Constitutive Documents.

11.16 The Trustee shall ensure that the methodology adopted by the Management Company in calculating the value of Units are adequate and the pricing and valuation for the sale, issue, repurchase, redemption and cancellation of the Units are carried out in accordance with the provisions of the Constitutive Documents and the Regulations.

11.17 The Trustee shall arrange for an annual system audited by its auditors and provide the report to this effect to the Commission and the Management Company, within four months of the close of the financial year.

11.18 The Trustee shall have the responsibility to ensure timely delivery to the Management Company statements of accounts and transactions advices for banking and custodial accounts in the name and under the control of the Trustee.

11.19 The Trustee shall have all obligations entrusted to it under the Rules, the Regulations, the Trusts Act, 1882, this Deed and the Offering Document.

11.20 The Trustee shall immediately inform the Commission if any action of the Management Company contravenes the Ordinance, the Rules, and Regulations, Constitutive Documents, guidelines, codes, circulars, directives or any other applicable laws.

11.21 *The Trustee shall comply with the directions of the Commission given in the interest of the Unit Holders.*

11.22 *The Trustee shall ensure that Units are issued after realization of subscription money.*

11.23 *The Trustee shall be independent of the Management Company.*

11.24 *The Trustee shall not be liable for any loss caused to the Scheme or to the value of the Trust Property due to any elements or circumstances of Force Majeure.*

15. Amendment of Clause 12.3 of Clause 12 of the Trust Deed:

The text of Clause 12.3 be and is hereby replaced by the following text:

12.3 *In consideration of the foregoing and save as aforesaid the Trustee shall be responsible for the payment of all expenses incurred by the trustee from time to time in connection with its duties as Trustee of the Trust. The Trustee shall not make any charge against the Unitholders, or against the Fund Property or against the Distribution Account for its services or for their expenses, except such expenses as are expressly authorized to be paid out of Fund Property under the provisions of the Regulations and this Deed.*

16. Addition of new Clause 12.5 in Clause 12 of the Trust Deed:

After the existing Clause 12.4 the following new Clause be and is hereby incorporated as Clause 12.5.

12.5 *Any increase in the remuneration of the Trustee agreed to by the Management Company shall require the approval of the Commission.*

17. Amendment of Clauses 13.1 to 13.4 and 13.6 of the Trust Deed:

The texts of Clauses 13.1 to 13.4 and 13.6 be and are hereby replaced by the following texts:

13.1 *The Management Company shall comply with the provisions of the Rules, the Regulations and this Deed for any act or matter to be done by it in the performance of its duties and such acts or matters may also be performed on behalf of the Management Company by any officer or responsible official of the Management Company or by any nominee or agent appointed by the Management Company and any act or matter so performed shall be deemed*

for all the purposes of this Deed to be the act of the Management Company. The Management Company shall be responsible for the acts and omissions of all persons to whom it may delegate any of its functions as manager as if these were its own acts and omissions and it shall account to the Trustee for any loss in value of the Fund Property where such loss has been caused by its negligence reckless or willful act and/or omission or by its officers, officials or agents.

- 13.2 *The responsibilities of the Management Company are to invest and manage the Fund Property according to the provisions of this Deed, the Rules and the Regulations, in good faith , to the best of its ability and without gaining any undue advantage for itself or any of its related parties including Connected Persons and group companies or its officers. Any purchase or sale of investments made under any of the provision of this Deed shall be made by the Trustee according to the instructions of the Management Company unless such instructions are in conflict with the provisions of this Deed, the Rules and/or Regulations or the Offering Document. The Management Company shall not be liable for any loss caused to the Fund or to the value of the Fund Property due to any elements or circumstances beyond its reasonable control.*
- 13.3 *The Management Company shall appoint a qualified fund manager and constitute an investment committee in accordance with the provisions of the Regulations to assist in investment and managing the assets of the Fund or to invest and manage part or whole of the assets of the Fund. The Investment Committee shall be constituted with the approval of the Board of Directors of the Management Company and shall consist of key personnel of the Management Company, including the chief investment officer and the fund manager and shall have a minimum of three members. The investment committee shall function in accordance with the provisions of the Regulations and shall inter alia separately record its decisions along with rationale and objective for buying or selling each security and highlighting the limits including price, quantity, time period, etc.*
- 13.4 *The Management Company shall maintain proper accounts and records of the Scheme which will enable a complete and accurate view to be formed of:*
- a) The assets and liabilities of the Scheme.*
 - b) The income and expenditure of the Scheme.*
 - c) All transactions for the account of the Scheme.*
 - d) Amounts received by the Scheme in respect of issues of Units.*
 - e) Pay out on redemption of units and distributions by the Scheme.*
 - f) Pay out at the termination of the Scheme.*

13.6 *The Management Company shall make available or ensure that there is made available to the Trustee such information and record as may be necessary for the Trustee to discharge obligations under the Regulations.*

18. Addition of new Clauses 13.10 to 13.23 in the Trust Deed:

After the existing Clause 13.9 the following new Clauses be and are hereby incorporated as Clauses 13.10 to 13.23 respectively.

- 13.10 *The Management Company shall develop criteria for appointing a diverse panel of brokers and monitoring compliance thereof to avoid undue concentration of business with any single Broker.*
- 13.11 *The Management Company shall within four months of the close of the accounting period of the scheme prepare and circulate (physically to Unit Holder, the Trustee, the Commission or the stock exchange on which the Units of the Scheme are listed the annual report within four months of the closing of Accounting Period as per the requirements set out in the Regulations, including:*
- a. copy of the balance sheet and income statement;*
 - b. cash flow statement;*
 - c. statement of movement in Unitholders' fund or Net Assets or reserves; and*
 - d. the Auditors' report of the Scheme*
- 13.12 *The Management Company shall within one month of the close of the first and third quarters and within two months of the close of second quarter the year of account of the Scheme, prepare and transmit to the Unitholders, the Trustee, the Commission and the Stock Exchanges on which the Units of the Scheme may be listed, the following:*
- i. balance sheet at the end of that quarter,*
 - ii. an income statement,*
 - iii. a cash flow statement*
 - iv. a statement of movement in Unitholders' fund or Net Assets or reserves; and of changes in equity for that quarter, whether audited or otherwise in accordance with the Regulations;*
 - v. a statement showing the securities owned at the beginning of the relevant period, securities purchased or sold during such period and the securities held at the end of such period together with the value (at*

carrying and at market) and the percentage in relation to its own assets and the issued capital of the persons whose securities are owned for that quarter, whether audited or otherwise in accordance with the Regulations;

Provided that these accounts may be transmitted to Unitholders electronically by publication on the Management Company's website unless any Unitholder(s) elect(s) to receive them physically in which case the Management Company shall make available to such Unitholder(s) printed copies thereof free of cost, as and when requested.

13.13 The Management Company shall maintain a record of Unitholders of the Trust (either in physical or in electronic form) and inform the Trustee and the Commission of the address where the Register is kept.

13.14 The Management Company shall appoint with the consent of the Trustee, at the establishment of the Scheme and upon any vacancy, Auditors, from the approved list of auditors circulated by the Commission from time to time, who shall be a chartered accountant and independent of the auditor of the Management Company and the Trustee and such Auditors shall not be appointed for more than five consecutive years and contents of the auditor's report shall be in accordance with the provisions of the Regulations.

13.15 The Management Company shall be obliged to process payment instrument immediately on receipt of application.

13.16 The Management Company shall obtain rating for the Scheme, once it becomes eligible for rating as per the rating criteria of the rating agency and such rating shall be updated once every financial year and shall be disclosed in the annual and quarterly reports of the Scheme.

13.17 The Management Company shall ensure that the Distributors to whom it delegates the function of Distribution, have acquired and are maintaining the associate membership of the association(s) constituted in consultation with the Commission and are abiding by the code of conduct prescribed by the association(s) and that the appointments shall be made under written contracts with the Distributors, which shall clearly state the terms and conditions for avoidance of frauds and sales based upon misleading information.

13.18 Transaction with Connected Persons:

13.18.1 The Management Company on behalf of the Scheme shall not, without

the approval of its Board of Directors in writing and consent of Trustee, purchase from or sell any securities to any Connected Person or employee of the Management Company.

13.18.2 Where cash forming part of the assets of the Fund is deposited with the Trustee or the Custodian that is banking company or an NBFC, a return on the deposit shall be paid by the Trustee or such custodian at a rate that is not lower than the rate offered by the said banking company or NBFC to its other depositors on deposits of similar amount and maturity.

13.18.3 All transaction with connected persons carried out by the Management Company on behalf of the Fund shall be in accordance with the provisions of the Constitutive Documents and shall be disclosed in the annual report of the Fund.

13.19 The Management Company shall maintain the books of accounts and other records of the Scheme for a period of not less than ten years.

13.20 The Management Company shall not at any time net off any investment of the Fund against the investment of the Unit Holder(s) in the Fund.

13.21 Open or close or arrange to open or close any account with a Bank, Broker or depository for the Scheme without the approval of its board of directors."However where the management company has obtained approval for opening / arranging to open an account with any particular bank, it may open accounts with any branch of that bank and shall obtain approval of its board in the subsequent meeting.

13.22 The Management Company shall not be liable for any loss caused to the Scheme or to the value of the Trust Property due to any elements or circumstances of Force Majeure.

13.23 Enter into transactions with any Broker on behalf of the Scheme which exceeds thirty percent of the commission paid by the Scheme in any one accounting year except Money Market and Debt Transactions; subject, that such Broker shall not have a common director, officer or employee with the Management Company.

19. Amendment of Clause 14.1 of the Trust Deed:

The text of Clause 14.1 be and is hereby replaced by the following text:

14.1 *The Management Company shall charge remuneration as permissible under the Regulations which allow the Management Company to be paid monthly in arrears, accrued remuneration duly verified by the Trustee, during the first five years of Scheme's existence, of an amount not exceeding three percent of the average annual Net Assets of the Scheme and thereafter of an amount equal to two per cent of such assets or such other amount as may be specified by the Commission from time to time.*

20. Deletion of Clause 14.2 in the Trust Deed:

- I. Clause 14.2 stands deleted
- II. The existing Clauses 14.3 to 14.6 be and are hereby renumbered as Clauses 14.2 to 14.5 respectively.

21. Amendment of the Existing Clauses 14.4 and 14.5 now renumbered as 14.3 and 14.4:

The texts of Clauses 14.3 and 14.4 be and are hereby replaced by the following texts:

- 14.3 *The remuneration due to the Management Company shall be calculated and accrued on a daily basis but paid monthly in arrears.*
- 14.4 *In consideration of the foregoing and save as aforesaid the Management Company shall be responsible for the payment all expenses insured by the Management Company from time to time in connection with its responsibilities as Management Company of the Trust. The Management Company shall not make any charge against the Unitholders or against the Fund Property or against the Distribution Account for its services or for its expenses, except such expenses as are expressly authorised under the provisions of the Regulations and this Deed to be payable out of Fund Property.*

22. Addition of new Clause 14.6 in the Trust Deed:

After the existing renumbered Clause 14.5 the following new Clause be and is hereby incorporated as Clause 14.6.

- 14.6 ***Formation Cost:*** *All expenses incurred in connection with the incorporation, establishment and registration of the Scheme (Formation Cost) in terms of Regulation 60 (2) of the Regulations, shall be reimbursable by the Scheme to the Management Company subject to the audit of expenses. The said Formation Cost shall be amortized by the Scheme over a period of not less than five years or upto the maturity date of the Scheme, whichever is earlier and shall be reported with their break-up under separate heads by the*

Management company to the Commission and the Trustee, as provided in the Regulations.

23. Amendment of Clauses 15.1 to 15.3 of the Trust Deed:

The texts of Clauses 15.1 to 15.3 be and are hereby replaced by the following texts:

- 15.1 *The Trustee may subject to the prior written approval of the Commission retire voluntarily upon the appointment of a new trustee. In the event of the Trustee desiring to retire, it shall serve a one month notice to the Management Company under intimation to the Commission, the Management Company shall, within a period of one month of the Trustee's notice of intent to retire (or in default the Trustee) with the prior written approval of the Commission, shall by a deed supplemental hereto under the seal of the Management Company appoint a new trustee under the provisions of the Regulations in place of the retiring Trustee and also provide in such supplemental deed for the automatic vesting of all the assets of the Trust in the name of the new trustee. The retirement shall take effect at the same time as the new trustee is appointed with the approval of the Commission or from the date of assumption of assets of the Fund by the newly appointed trustee, whichever is later.*
- 15.2 *If the Trustee goes in to liquidation (otherwise than for the purpose of amalgamation or reconstruction on -terms previously agreed to with the Management Company or ceases to carry on business or a receiver of its undertaking is appointed or it becomes ineligible to act as a trustee of the Unit Trust under the provisions of the Regulations, the Commission may either on its own or on the recommendation of the Management Company forthwith by an instrument in writing remove the Trustee from its appointment under this Deed and shall by the- same or some other instrument in writing simultaneously appoint some other company or corporation according to the provisions of the Regulations and this Deed as the new trustee.*
- 15.3 *In circumstances where the Commission is of the opinion that the Trustee has been in violation of the Regulations or the provisions of this Trust Deed or is found guilty of misconduct or has failed to discharge his obligations under the Regulations, the Commission may remove the Trustee after giving opportunity of being heard.*

24. Addition of new Clauses 15.6 to 15.11 in the Trust Deed:

After the existing Clause 15.5 the following new Clauses be and are hereby incorporated as Clauses 15.6 to 15.11 respectively.

- 15.6 *The Management Company may apply to the Commission giving cogent reasons for change of Trustee by simultaneously proposing the appointment of a new trustee. If the Commission is satisfied with the circumstances and reasons for the change applied for, may accord approval for the removal of the Trustee after providing an opportunity of hearing to the Trustee and appointment of a new trustee.*
- 15.7 *Furthermore the Management Company may immediately upon the issuance of notice of removal of Trustee appoint Auditors with the consent of Commission from amongst the panel of auditors designated as “A” category by State Bank of Pakistan for the audit of Financial Institutions.*
- 15.8 *The Auditors so appointed shall be other than the existing auditors of the Scheme, the Management Company and the Trustee.*
- 15.9 *The Auditors shall have the same scope as that for the annual audit, or such other enhanced scope as may be specified by the Management Company or Commission.*
- 15.10 *The report for the audit shall be submitted by the Auditors to the Management Company not later than 30 Business Days from their appointment. A copy of the report shall also be provided to Commission, outgoing Trustee and the new trustee.*
- 15.11 *The costs of audit shall be shared equally by the outgoing Trustee, the new trustee and the Scheme.*

25. Amendment of Clauses 16.1 to 16.4 of the Trust Deed:

The texts of Clauses 16.1 to 16.4 be and are hereby replaced by the following texts:

- 16.1 *The Commission may either on its own or on the recommendation of the Trustee remove the Management Company by giving at least ninety days notice in writing to the Management Company, on the happening of the following events:*
- (a) *The Management Company has willfully contravened the provisions of this Deed in any material respect and has failed to rectify the contravention within a reasonable period after the contravention has come to its notice;*

- (b) *The Management Company goes into liquidation (other than voluntary liquidation on terms previously agreed to with the Trustee for purpose of reconstruction and amalgamation);*
- (c) *A receiver is appointed over any of the assets of the Management Company.*
- (d) *The Management Company becomes ineligible to act as Management Company of the Scheme under the provisions of the Rules and/or the Regulations.*

16.2 *The Management Company may retire at any time with the prior written consent of the Commission and the Trustee. Provided that until the new Management Company is appointed, the Management Company shall continue to perform its functions as the management company and shall be entitled to receive its usual remuneration till the effective date of removal or retirement.*

16.3 *The removal of Management Company and appointment of a new management company shall always require the prior approval of the Commission and the Trustee.*

16.4 *If the Commission has cancelled the license of the Management Company under the provisions of the Rules and /or Regulations, the Trustee shall appoint another asset management company for the Scheme with the written approval of the Commission in accordance with the provisions of this Deed and the Regulations*

26. Amendment of Clause 17.6 of the Trust Deed:

The text of Clause 17.6 be and is hereby replaced by the following text:

17.6 *By a deed supplemental to this Deed the Management Company may at any time with the approval of the Trustee on giving not less than seven days previous notice in writing to each Unitholder sub-divide or consolidate the whole or any part of the Units and the Unitholder shall be bound accordingly, the Management Company shall require in such notice that each Unitholder to whom Certificates have been issued, (who shall be bound accordingly) deliver up his Certificates for endorsement with the number of Units to be represented thereby as a result of such sub-division or consolidation; provided that any*

delay or failure to deliver up the Certificates shall not delay or otherwise affect any such sub-division or consolidation

27. Addition of new sub-clause 17.7 in Clause 17 of the Trust Deed:

After the existing sub-clause 17.6, the following new sub-clause be and is hereby incorporated as sub clause 17.7 respectively.

17.7 Front End Load and Back End Load combined together shall not exceed five percent of NAV.

28. Amendment of Clause 18.4 of the Trust Deed:

The text of Clause 18.4 be and is hereby replaced by the following text:

18.4 Each Unitholder shall only be liable to pay the Offer Price of the Units subscribed by him and no further liability shall be imposed on him in respect of any Units held by him. The Units shall be issued only after realization of subscription money. No further liability shall be imposed on a subsequent Unit Holder save any transfer fees or taxes applicable to transfers and transmission.

29. Amendment of Clauses 19.2 and 19.7 of the Trust Deed:

The texts of Clauses 19.2 and 19.7 be and are hereby replaced by the following text:

19.2 Offer Price for the Scheme shall calculated and announced by the Management's Company on the following basis. The Offer Price shall be equal to the sum of:

(a) The NAV as of the close of the Business Day.

(b) Any Front-end Load, not exceeding five percent of the Offer Price. The Front-end Load herein is the maximum that may be charged, however, the actual charges applicable from time to time may be varied within this limit and shall be disclosed in the Offering Document. Any change in the maximum limit may only be applied after obtaining specific approval from the SECP and shall be subject to disclosure in the Offering Document;

(c) *Such amount as the Management Company may consider an appropriate provision for Duties and Charges;*

(d) *Such amount as the Management Company may consider an appropriate provision for Transaction Costs;*

Such sum shall be adjusted to the nearest paisa

Note:- Cut off timing for receiving application forms.

	<i>Time</i>
<i>Monday to Friday</i>	<i>09:00 am to 05:00 pm</i>

All forms shall be received at the registered address of the Management Company or at the authorized branch of the Management Company or the Authorized Branches of the Distributors during the above mentioned time. Updated list of the addresses of the Management Company and authorized branches of the Management Company and the Authorized Branches of the Distributors shall be disclosed in the Offering Document.

19.7 *The Offer Price determined by the Management Company shall be made available to the public at the office and branches of the Distribution Companies and at the discretion of the Management Company may also be published in at least two daily newspapers one is English and one is Urdu, widely circulated in Pakistan and make it available at its website.*

30. Addition of new Clause 19.8 in the Trust Deed:

After the existing Clause 19.7, the following new Clause be and is hereby incorporated as Clause 19.8:

19.8 *In the event payment has been accepted by cheque, the payment will be deemed to be completed on the date the cheque is received by the Management Company. However, the Management Company may impose such limits it deems fit as to the bank branch on which it is drawn and as to the monetary limits on cheques, which may vary for various class of Units and in the event a cheque is returned unpaid, the Management Company may instruct the Registrar to cancel the Units so allocated at the prevailing Redemption Price, but not exceeding the redemption price fixed on the day the Units were allocated. In the event the Management Company instructs the Registrar to cancel the Units, the investor may be prosecuted for recovery of the shortfall in the issue and Redemption Price and/or other punitive action for presenting a cheque that is returned unpaid.*

31. Amendment of Clause 22.2 of the Trust Deed:

The text of Clause 22.2 be and is hereby replaced by the following text:

22.2 The Redemption Price of the respective Schemes shall be equal to the NAV as of the close of the Business Day, less:

- a) Any Back-end Load, not exceeding five percent of the Redemption Price. The Back-end Load herein is the maximum that may be charged, however, the actual charges applicable from time to time may be varied within this limit and shall be disclosed in the Offering Document. Any change in the maximum limit may only be applied after obtaining specific approval from the SECP and shall be subject to disclosure in the Offering Document;*
- b) Any taxes imposed by the Government; and*
- c) Such amount as the Management Company may consider an appropriate provision for Duties and Charges;*
- d) Such amount as the Management Company may consider an appropriate provision for Transaction Costs;*

Note:- Cut off timing for receiving application forms.

	<i>Time</i>
<i>Monday to Friday</i>	<i>09:00 am to 05:00 pm</i>

Such sum shall be adjusted to the nearest paisa.

All forms shall be received at the registered address of the Management Company or at the authorized branch of the Management Company or the Authorized Branches of the Distributors during the above mentioned time. Updated list of the addresses of the Management Company and the authorized branches of the Management Company and the Authorized Branches of the Distributors shall be disclosed in the Offering Document.

32. Amendment of Clause 22.3 of the Trust Deed:

The text of Clause 22.3 be and is hereby replaced by the following text:

22.3 *The Redemption Price so determined shall apply to redemption requests, complete in all respects, received by the Distributor during the Cut off timing on that day.*

33. Amendment of Clause 22.7 of the Trust Deed:

The text of Clause 22.7 be and is hereby replaced by the following text:

22.7 *The Redemption Price determined by the Management Company shall be made available to the public at the office and branches of the Distribution Companies and at the discretion of the Management Company may also be published in at least two daily news papers, one in English and one in Urdu, circulating in Pakistan and make it available at its website.*

34. Amendment of Clauses 23 and 23.1 of the Trust Deed:

The texts of Clauses 23 and 23.1 be and are hereby replaced by the following texts:

23 *CHANGE IN AND SUSPENSION OF DEALING, QUEUE SYSTEM AND WINDING UP*

Under the circumstances mentioned in the Offering Document, the Management Company may request the Trustee to approve a temporary change in the method of dealing in Units. Such approval shall not be unreasonably withheld.

23.1 *The Management Company may at any time, subject to the Regulations, suspend issue of fresh Units. Such suspension may however not affect existing subscribers to any Administrative Plans that may be offered by the Management Company under different administrative arrangements, the issue of bonus units as a result of dividend distribution or the option to receive dividends in the form of additional Units. The Management Company shall announce the details of exemptions at the time a suspension of fresh issue is announced. The Management Company shall immediately notify the SECP if dealing in Units is suspended and shall also have the fact published, immediately following such decision, in the newspaper in which the Fund's prices are normally published.*

35. Addition of new Clauses 23.2 and 23.3 in the Trust Deed:

After the existing Clause 23.1, the following new Clauses be and are hereby incorporated as Clauses 23.2 and 23.3 respectively.

23.2 ***Refusal to accept fresh issue/account opening request:*** *The Management Company or the Distribution Company may at any time refuse to accept a request for account opening/fresh issue of Units in any of the following cases:*

- (a) *In case the application for account opening/fresh issue request is contrary to the “Know -Your- Customer” rules or any other money laundering laws, rules or regulations that the Fund may be subject to such laws, rules and regulations or the rules and regulations that the Management Company may frame for self regulation.*
- (b) *In case the request for account opening/fresh issue of Units is contrary to the rules of the foreign jurisdiction that the Fund or the investor may be subject to or if accepting the request may subject the Fund or the Management Company to additional regulation under the foreign jurisdiction.*
- (c) *If accepting the request for account opening/fresh issue of Units would in any case be contrary to the interests of the Management Company, the Fund or the Unit Holders.*
- (d) *If Management Company is of the opinion, that it will not be possible to invest the inflow of funds efficiently or too effectively meet any regulatory requirement.*

23.3 ***Deferral of request for fresh issue of Units:***

The Management Company may at any time suspend or defer the issue of fresh Units if in its opinion the total number or any one request for fresh issue of Units is so large that investing the funds would take some time and be contrary to the interests of the present Unit Holders. In this case the Management Company may accept certain requests for fresh issue of Units and may defer part or all of certain requests for fresh issue of Units and issue only a limited number of fresh Units. The Units that are issued on a deferred basis, some time after the request for such fresh issue of Units has been received, will be issued at the Offer Price prevailing on the date of such issue.

36. Renumbering of exiting Clauses 23.2 and 23.3 of the Trust Deed:

The existing Clauses 23.2 and 23.3 be and are hereby renumbered as Clauses 23.4 and 23.5 respectively.

37. Amendment of existing Clause 23.2 of the Trust Deed:

The text of the existing Clause 23.2 (now renumbered as 23.4) be and is hereby replaced by the following text:

23.4 Suspension of redemption of Units - In the event of extra-ordinary circumstances, the Management Company with the approval of the board of Directors may suspend or defer redemption of Units. The circumstances under which the Management Company may suspend redemption shall be the event of war (declared or otherwise), natural disasters, a major break down in law and order, breakdown of the communication system, closure of the capital markets and /or the banking system Computer break down or strikes or other events that render the Management Company or the Distributors unable to function or the existence of state of affairs, which in the opinion of the Management Company, constitutes an emergency as a result of which disposal of any investment would not be reasonably practicable or might seriously prejudice the interest of the Fund or of the Unitholders, or a break down in the means of communication normally employed in determining the price of any investment, or when remittance of money can not be carried out in reasonable time and if the Management Company is of the view that it would be detrimental to the remaining Unitholders to redeem Units at a price determined in accordance with the NAV. The Management Company may announce a suspension or deferral of redemption. Such a measure shall be taken to protect the interest of the Unitholders in the event of extraordinary circumstances or in the event redemption requests accumulate in excess of ten percent of the Units in issue. In the event of a large number of redemption requests accumulating, the requests may be processed in a queue system and under extreme circumstances the Management Company may decide to wind up the Fund. Details of the procedure are given in Clause 23.7 herein below

23.4.1 Management Company shall ensure that in case of suspension of redemption of Units of Scheme due to extra ordinary circumstances in terms of provisions of the Constitutive Documents and the Regulations,, the issuance of fresh units shall also be kept suspended until and unless redemption of Units is resumed.

23.4.2 Such suspension or queue system shall end on the day following the first Business Day on which the conditions giving rise to the suspension or queue system shall in the opinion of the Management Company have ceased to exist and no other condition under which suspension or queue system is authorized under the Deed exists. In case of suspension and invoking of a queue system and end of suspension and queue system the Management Company shall

immediately notify the Commission and publish the same in atleast two daily news papers in which Fund's prices are normally published.

38. Amendment to existing Clause 23.3 (now renumbered as 23.5) in the Trust Deed:

The text of the existing Clause 23.3 (now renumbered as 23.5) be and is hereby replaced by the following text:

23.5 ***Queue System-*** *In the event redemption requests on any day exceed ten percent of the Units in issue, the Management Company may invoke a queue system whereby requests for redemption shall be processed on a first come first served basis for upto ten percent of the Units in issue. The Management Company shall proceed to sell adequate assets of the Fund and/ or arrange borrowing as may be permissible under the Regulations as it deems fit in the best interest of the Unitholders and shall determine the redemption price to be applied to the redemption requests based on such action. Where it is not practical to determine the chronological ranking of any requests in comparison to others received on the same Business Day, such request shall be processed on a proportional basis proportionate to the size of the requests. The requests in excess of the ten-percent shall be treated as redemption requests qualifying for being processed on the next Business Day at the price to be determined for such redemption requests. However, if the carried over requests and the fresh requests received on the next Business Day still exceed ten percent of the Units in issue, these shall once again be treated on first-come-first-served basis and the process for generating liquidity and determining the redemption price shall be repeated and such procedure shall continue till such time the outstanding redemption requests come down to a level below ten percent of the Units then in issue.*

39. Amendment to existing Clause 23.4 (now renumbered as Clause 23.6)of the Trust Deed:

The text of the existing Clause 23.4 (now renumbered as 23.6) be and is hereby replaced by the following text:

23.6 ***Winding up in view of major redemption.***

In the event the Management Company is of the view that the quantum of redemption requests that have built up shall result in the Fund being run down to an unmanageable level or it is of the view that the sell-off of assets is likely to result in a significant loss in value for the Unitholders who are not redeeming, it may announce winding up of the Fund, as per Rules and Regulations, under intimation to the Commission and the Trustee In such an

event, the queue system, if already invoked, shall cases to apply and all Unitholders shall be paid after selling the assets and determining the final Redemption Price. However, interim distributions of the proceeds may be made if the Management Company finds it feasible.

40. Addition of new Clause 23.7 in the Trust Deed:

After the existing Clause 23.4 (now renumbered as 23.6), a new Clause be and is hereby incorporated as 23.7:

23.7 *The Commission may cancel the registration of the Scheme before the investment of the Core Units and direct the Management Company and/or the Trustee to wind-up the Scheme. In such case, the terms so specified by the Commission shall be adhered to by both the parties individually and collectively.*

41. Addition of new Clause 24 of the Trust Deed:

I. After the existing Clause 23 the following new Clause be and is hereby incorporated as Clause 24:

24. VALUATION OF NET ASSETS:

- 24.1 *a security listed on a Stock Exchange, local or foreign as the case may be, shall be valued at its last sale price on such exchange on the date on which it is valued or if such exchange is not open on such date, then at its last sale price on the next preceding date on which such exchange was open and if no sale is reported for such date the security shall be valued at an amount neither higher than the closing asked price nor lower than the closing bid price.*
- 24.2 *an unlisted debt security and a debt security listed but not traded regularly on a stock exchange shall be valued in the manner specified by the Commission.*
- 24.3 *An investment purchased and awaiting payment against delivery shall be included for valuation purposes.*
- 24.4 *An investment sold but not delivered pending receipt of proceeds shall be valued at the net sale price*
- 24.5 *The value of any dividends, bonus shares or rights which may have been declared on securities in the portfolio but not received by the collective investment scheme as of the close of business on the valuation date shall be included as assets of the Scheme if the security upon which such dividends,*

bonuses or rights were declared is included in the assets and is valued ex-dividend, ex-bonus or ex-rights as the case may be.

- 24.5 *Mark-up accrued on any mark-up-bearing security in the portfolio shall be included as an asset of the Scheme if such accrued mark-up is not otherwise included in the valuation of the security.*
- 24.6 *Any other income accrued upto the date on which computation was made shall also be included in the assets.*
- 24.7 *All liabilities, expenses and other charges due or accrued up to the date of computation which are chargeable under these Regulations and taxes shall be deducted from the value of the assets.*
- 24.8 *The remuneration accrued up to the date of computation payable to the Management Company, for providing management and other services shall be included as an expense.*
- 24.10 *a security not listed or quoted on a stock exchange, other than Government Securities or debt security, shall be valued at investment price or its break up value as per last audited accounts, whichever is lower.*
- 24.11 *A government security not listed on a stock exchange and traded in the interbank market shall be valued at the average rate quoted on a widely used electronic quotation system and such average rate shall be based on the remaining tenor of the security.*
- 24.12 *Any such method of valuation of assets and liabilities as may be specified or modified by the Commission from time to time.*
- 24.13 *All amounts in foreign currencies will be converted into Pakistani Rupees based on the quotations by the National Bank of Pakistan or the Authorized Dealer The conversion will take place at the buying rates of the National Bank of Pakistan (NBP)/ Authorized Dealer.*

II. The existing Clauses from 24 to 38 be and are hereby renumbered as 25 to 39 respectively.

42. Amendment of Existing Clause 24.3 now renumbered as 25.3 of the Trust Deed:

The text of existing Clause 24.3, now renumbered as Clause 25.3 be and is hereby replaced by the following text:

25.3 *The currency of transaction of the Fund is the Pakistan Rupee and the Management Company, Trustee or any Distributor are not obliged to transact the issuance in any other currency except for receiving proceeds in foreign exchange for issuing Units denominated in Pak Rupees to non-residents, pursuant to the Public Offering after fulfilling all the regulatory requirements.*

43. Amendment of Existing Clauses 25.1, 25.3, 25.4, 25.6 and 25.9 now renumbered as 26.1, 26.3, 26.4, 26.6 and 26.9 of the Trust Deed:

The texts of the existing Clauses 25.1, 25.3, 25.4, 25.6 and 25.9, now renumbered as 26.1, 26.3, 26.4, 26.6 and 26.9 be and are hereby replaced by the following texts:

26.1 *A Register shall be maintained by the Registrar at such a place as is agreed by the Management Company. The Management Company shall ensure that the Registrar shall comply with all relevant provisions of this Deed and the Regulations.*

26.3 *The Registrar shall, within two Business Days of receiving a written request from any Unitholder or occurrence of any change in the holding of a Unit Holder post (or send by courier or through electronic means) to such Unitholder details of such Unitholder's account in the Register. Such service shall be provided free of charge to any Unitholder requesting so once in any financial year. The Management Company may prescribe reasonable charges for servicing of any additional requests.*

26.4 *The Register shall contain the following information:*

- a) *Full names, nationalities, copy of CNIC's (in respect of Pakistan nationals) or passport (in respect of foreign nationals) and addresses of each Unitholder and joint Unitholders;*
- b) *The number of the Units held and the distinctive numbers of Certificate, if any*
- c) *The date on which the- name of every Unitholder was entered in respect of the Units standing in his name;*
- d) *The date on which any transfer or redemption is registered with distinctive numbers and certificate numbers ;*
- e) *Information about pledge on Units;*

- f) *Tax/ Zakat status of the Unit Holders;*
- g) *Nominees;*
- h) *Information about loss of Certificates and issuance of duplicates;*
- i) *Record of specimen signatures of the Unit Holders;*
- j) *Such other information as Management Company may require.*

26.6 *Any change of name or address of any Unitholder shall forthwith be notified in writing to the Registrar, who on being satisfied therewith and on compliance with such formalities (including in the case of a change of name the surrender of any Certificate(s) previously issued to such Unitholder and the payment of the fee) shall alter the Register or cause it to be altered accordingly and in the case of a change of name shall, if requested, issue new Certificate(s) to such Unitholder. Provided that the request in respect of change of name shall be supported by appropriate evidence satisfactory to the Registrar.*

26.9 *The Register of Unitholders shall be closed for the purpose of declaration of dividend for a period not exceeding six (6) working days. In no case, the time period for closure of Register for dividend declaration shall exceed six (6) working days at a time and whole forty five days in a year.*

44. Amendment of Existing Clause 26 now renumbered as 27 of the Trust Deed:

The text of the exiting Clause 26 now renumbered as Clause 27 be and is hereby replaced by the following text.

27. *ISSUANCE OF UNITS/ CERTIFICATES*

27.1 *Upon being satisfied that the Offer Price for each Unit or fraction thereof has been received in full from the applicant, the Registrar shall issue a certificate or an account statement evidencing the number of Units registered in the name of the Unitholder. In the event the Units are being offered by the Management Company in the form of depository receipts or in dematerialized form at a depository, the Registrar may at the request of the Unitholder, cause the Units to be delivered to the appropriate depository.*

27.2 *Units shall only be issued for Units that have been fully paid.*

- 27.3 *Account statement or Certificates as the case may be, shall be issued as herein provided not later than twenty-one Business Days after the date of receipt of evidence of payment. The Certificate may be sent to the Unitholder or his duly authorized nominee at his own risk by registered post or by courier service.*
- 27.4 *In the case of Units held jointly the Registrar shall not issue more than one Certificate for the Units held by such joint Unitholders and delivery of such Certificate to the Unitholder named first therein shall constitute sufficient delivery to all joint Unitholders.*
- 27.5 *Units shall be issued in such form as may from time to time be agreed between the Management Company and the Trustee.*
- 27.6 *Certificates may be engraved or lithographed or printed as the Management Company may determine from time to time with the approval of the Trustee and shall be signed on behalf of the Trustee by duly authorized officer of the Trustee and on behalf of the Management Company by a duly authorized officer of the Management Company. Every such signature shall be autographic unless there shall be for the time being in force an arrangement authorized by the Trustee adopting some lithographic or other mechanical method of signature in which event all or any of such signatures may be effected by the method so adopted. The Certificates shall also bear the signature of the authorized representative of the Registrar (or a Distributor if so specifically authorised by the Management Company), which shall always be autographic. No Certificate shall be of any force or effect until signed as herein above mentioned. Certificate so signed shall be valid and binding notwithstanding that before the date of delivery thereof the Trustee or the Registrar or any person whose signature appears thereon as a duly authorized signatory may have ceased to be the Trustee, Registrar, Distributor or an authorized signatory.*
- 27.7 *Where the Units are in form of book entry securities registered with the Central Depository Register of the Central Depository Company of Pakistan Limited (CDC), the issue of certification or receipt in lieu of physical Certificate or any other record shall be in accordance with the procedures laid down by the Central Depository Company of Pakistan Limited Regulations.*

45. Amendment of Existing Clauses 27.2 and 27.3 now renumbered as 28.2 and 28.3 of the Trust Deed:

The texts of the existing Clauses 27.2 and 27.3, nor renumbered as Clauses 28.2 and 28.3 be and are hereby replaced by the following texts:

28.2 *In case any Certificate is lost, stolen, mutilated, defaced or destroyed, the Registrar with the approval of the Management Company may issue to the person entitled new Certificate in lieu thereof. No such new Certificate shall be issued unless the applicant shall previously have (i) returned the mutilated or defaced Certificate or furnished to the Distribution Company/ Registrar evidence satisfactory to the Management Company of the loss, theft or destruction of the original Certificate, (ii) paid all expenses incurred in connection with the investigation of the facts; and (iii) furnished such indemnity as the Management Company and the Trustee may require. Neither the Management Company nor the Trustee nor the Distribution Company/ Registrar shall incur any liability for any action that they may take in good faith under the provisions of this sub-clause. Provided further that the Trustee and /or the. Management Company may also require production of an FIR and an affidavit of loss as well as issuance of public notices in newspapers and/ or abstention of such indemnification, as the Management Company and the Trustee may deem appropriate, at the cost of the pertinent Unitholders before issuing any new Units/ Certificates.*

28.3 *Before the issuing of any Unit/ Certificate under the provisions of this sub-clause the Distribution Company/ Registrar may require from the applicant for the Certificate the payment of a fee to be set by the Management Company together with a sum sufficient in the opinion of the Management Company to cover any Duties and Charges payable, if any, in connection with the issue of such Unit/ Certificate.*

46. Amendment of Existing Clauses 28.2, 28.4, 28.5 and 28.6 now renumbered as 29.2, 29.4, 29.5 and 29.6 of the Trust Deed:

The texts of the existing Clauses 28.2, 28.4, 28.5 and 28.6 now renumbered as Clauses 29.2, 29.4, 29.5 and 29.6 be and are hereby replaced by the following texts:

29.2 *A Unit shall be transferable only in its entirety.*

29.4 *Every instrument of transfer must be duly completed in all respects including affixation of transfer stamps of the requisite value and incase the Units are in form of book entry securities, the transferee shall pay the requisite stamp duty as provided under the law. Where Certificates have been issued the Trustee may dispense with the production of any Certificate where the Certificate shall*

have become lost, stolen or destroyed subject to compliance by the transferor with the like requirements to those arising in the case of an application by him for the replacement thereof as provided in this Deed.

- 29.5 *All instruments of transfer shall be retained by the Registrar and a copy shall be supplied to the Management Company/ Trustee.*
- 29.6 *The Registrar with the prior approval of the Management Company and the Trustee shall be entitled to destroy all instruments of transfer or the copies thereof as the case may be which have been registered at any time after the expiration of twelve years from the date of registration thereof and all Certificates which have been cancelled at any time after the expiration of six years from the date of cancellation thereof and all registers, statements and other records and documents relating to the Trust at any time after the expiration of six years from termination of the Trust. The Trustee or the Management Company or the Distribution Company/ Registrar shall be under no liability whatsoever in consequence thereof and it shall conclusively be presumed in favour of the Trustee or the Management Company or the Distribution Company/ Registrar that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered by the Trustee or the Management Company or the Distribution Company/ Registrar and that every Certificate so destroyed was a valid Certificate duly and properly cancelled: Provided always that (i) the provisions aforesaid shall apply only to the destruction of a document in good, faith and without notice of any claim (regardless of the parties thereto) to which the document may be relevant; (ii) nothing in this sub-clause shall be construed as imposing upon the Trustee or the Management Company or the Distribution Company/ Registrar any liability in respect of the destruction of any document earlier than as aforesaid or in any case where the conditions of proviso (i) above are not fulfilled; and (iii) reference herein to the destruction of any document includes reference to the disposal thereof in any manner.*

47. Amendment of Existing Clauses 29.2 now renumbered as 30.2 of the Trust Deed:

The text of Clauses 30.2 be and is hereby replaced by the following text:

- 30.2 *The pledge or lien once registered shall be removed by the written authority of the party in whose favour the lien has been registered or through an order of a competent court. Neither the Trustee, nor the Management Company, nor the Registrar, shall be liable for ensuring the validity of any such pledge charge/lien. The disbursement of any loan or undertaking of any obligation against the constitution of such pledge/charge/lien by any party shall be at the*

entire discretion of such party and neither the Trustee nor the Management Company nor the Registrar take any responsibility in this matter.

48. Addition of new Clause 30.4 in the Trust Deed:

After the existing Clause 29.3, now renumbered as 30.3 the following new Clause 30.4 be and is hereby incorporated as Clause 30.4 respectively.

30.4 In case of pledge of Units, which are book entry securities, the rules and regulations of the CDC shall apply.

49. Amendment of Existing Clause 30 now renumbered as Clause 31 of the Trust Deed:

The text of the existing Clause 30, now renumbered as Clause 31 be and are hereby replaced by the following text:

31. AUDIT

31.1 The Management Company shall in consultation with the Trustee appoint as Auditors, a firm of chartered accountants who shall be independent of the auditor of the Management Company and the Trustee. The Management Company may at any time, with the concurrence of the Trustee, remove the Auditors and appoint another Auditor in their place.

31.2 The Auditors shall hold office until transmission of the annual report and accounts but may be reappointed for upto a total of five consecutive terms of one year each. Thereafter, the Auditors shall only be eligible for appointment after the lapse of at least one year.. The following persons shall not qualify to be the Auditors of the Trust:

(a) A person who is or at any time during the preceding three years was a director, officer or employee of the Management Company or the Trustee.

(b) A person who is a partner of, or in employment of, a director, officer, employee, or Connected Person of the Management Company or Trustee.

(c) The spouse of a director of the Management Company or Trustee,

(d) A person who is indebted to the Management Company or Trustee, and

(e) a body corporate.

31.3 Appointment of a partnership firm to be the Auditors shall be deemed to be the appointment of all persons who are partners in the firm for the time being.

- 31.4 *The Auditors shall have access to the books, papers, accounts and vouchers of the Trust, whether kept at the office of the Management Company, Trustee, Custodian, Registrar, Distribution Company or elsewhere and shall be entitled to require from the Management Company, Trustee and their directors, officers and agents such information and explanations as considered necessary for the performance of audit.*
- 31.5 *The Trustee shall be entitled to require the Auditors to provide such further reports as may be agreed between the Trustee and the Management Company as may be considered necessary to facilitate the Trustee in issuing the certification required under the Regulations.*
- 31.6 *The Auditors shall prepare a written report to the Unitholders on the account and books of accounts of the Trust and the balance sheet and income and expenditure account and on every other document forming part of the balance sheet and income and expenditure account, including notes, statement or schedule appended thereto.*
- 31.7 *The contents of the Auditors report shall be as required in the Regulations.*

50. Amendment of Existing Clause 31 now renumbered as Clause 32 of the Trust Deed:

The text of the existing Clause 31, now renumbered as Clause 32 be and are hereby replaced by the following text:

32. *DETERMINATION OF DISTRIBUTABLE INCOME.*

- 32.1 *The Management Company shall decide as soon as possible but not later than forty-five days after the Accounting Date Whether to distribute among Unitholders, profits, if any, available for the distribution at the end of the Accounting Period, and shall advise the Trustee of the rate of such distribution per Unit of each Scheme. The Management-Company may determine one or more interim distributions for one or more Scheme during the financial year, in no case, the time period for closure of register for dividend declaration shall exceed six (6) working days at a time and whole forty five days in a year.*
- 32.2 *The amount available for distribution in respect of any Accounting Period shall be determined by the Management Company shall be the sum total of:*

- (a) *The total income accrued on the Fund Property during such Accounting Period including all amounts accrued in respect of dividend, mark-up, profit, interest and fee;*
- (b) *Net realized appreciation; from which shall be deducted expenses as set out in sub-clause 32.3, and such other adjustment as the Management Company may determine. The proceeds of sales of rights and all other receipts deemed by the Management Company to be in the nature of capital accruing from Investments shall not be regarded as available for distribution but shall be retained as part of the Fund Property, provided that such amounts out of the sale proceeds of the Investments and out of the sale proceeds of the rights, bonus shares and all other receipts as deemed by the Management Company to be in the nature of the net realized appreciation may be distributable to the Unitholders by the Trustee and shall thereafter cease to form part of the Fund Property once transferred to the Distribution Account.
The Trustee may rely on the amount certified by the Auditors or in absence of the such certification may require the Management Company to provide detailed working for such distribution.*

32.3 *The income qualifying for distribution in respect of the relevant period shall be ascertained by deducting the amount applicable for each Sub-scheme of the following:*

32. 3.1 remuneration of the Management Company;

32.3.2 remuneration of the Trustee;

32.3.3 brokerage and transaction costs related to investing and disinvesting of the Fund Property;

32.3.4 legal and related costs incurred in protecting or enhancing the interests of the Fund or the collective interest of the Unitholders;

32.3.5 fees, subscriptions and expenses relating to listing at any exchange, certification or rating by any agency, membership of any trade body or association;

32.3.6 bank charges and borrowing/financial costs;

32.3.7 auditors fees and out of pocket expenses as billed by them;

32.3.8 Formation Costs;

32.3.9 taxes, fees, duties and other charges applicable to the collective investment scheme on its income or its properties, including taxes, fees, duties and other charges levied by foreign jurisdiction on investments outside Pakistan;

32.3.10 Any other expense or charge as may be permitted by the Commission.

32.3.11 charges and levies of Stock Exchange, national clearing and settlement company and central depository company;

32.3.12 fees payable to the Commission;

32.3.13 expenses incurred by Trustee in effecting registration of all registerable assets in the name of the Trustee;

32.3.14 hedging costs including forward cover, forward purchase or option purchase costs; and

32.3.15 printing costs and related expenses for issuing the Scheme's quarterly, half-yearly and annual reports, etc.;

Note: Any cost associated with sales, marketing and advertisement of collective investments schemes shall not be charged to the collective investment schemes

32.4 The Fund shall distribute annually an amount that is required under the Regulations and the tax laws in force and that may be beneficial for its Unit Holders. The entire amount available for distribution may be distributed as bonus Units, cash dividend or in any other form acceptable to the Commission that may qualify under the tax laws or as a combination of the above. The Fund will comply with regulatory and taxation requirements and the distribution policy may be amended accordingly.

51. Amendment of existing Clause 32, now renumbered as Clause 33 of the Trust Deed:

The text of the existing Clause 32, now renumbered as Clause 33 be and is hereby replaced by the following texts:

33. *DISTRIBUTION OF INCOME - INTERIM AND FINAL*

- 33.1 *In the case of cash distribution, the Management Company shall instruct the Trustee to transfer such amount of cash as required within 45 days to effect such distribution to the Distribution Account. The amount standing to the credit of the Distribution Account shall not for any purposes of this Deed be treated as part of the Fund Property but shall be held by the Trustee upon trust to distribute the same as herein provided.*
- 33.2 *After the fixation of the rate of distribution per Unit of each Scheme, distribution payments shall be made by transfer to the Unitholders' designated bank accounts or in the case of joint Unitholders to designated bank account of the joint Unitholder, first named on the Register. The receipt of funds by such designated bankers shall be a good discharge thereof.*
- 33.3 *The Management Company may offer the Unitholder the option to receive new Units under cumulative investment instead of cash dividend.*
- 33.4 *In the case of bonus distribution, the Management Company shall instruct the Registrar to issue such number of Units, as required to effect such distribution.*
- 33.5 *Before making any distribution in respect of a Unit the Trustee or the Management Company may make such deductions as may be request by law in respect of any Zakat, income or other taxes, charges or assessments whatsoever and issue to the Unitholder the certificate in respect of such deduction in the prescribed form or in a form approved by the concerned authorities;*
- 33.6 *Where the Units are placed under pledge, the payment of dividends or the issue of Bonus Units for units under pledge shall be made to the pledge holder for the account of the Unit Holder.*

52. Amendment of Existing Clause 33.6 now renumbered as 34.6 of the Trust Deed:

The text of Clause 34.6 be and is hereby replaced by the following text:

34.6 *The Schemes may also be terminated by the SECP on the grounds given in the Regulations.*

53. Amendment of Existing Clause 34, now renumbered as 35 of the Trust Deed:

The text of the existing Clause 34 now renumbered as 35 be and is hereby replaced by the following text:

35 *DISTRIBUTION OF LIQUIDATION PROCEEDS*

35.1 *Upon MSF being terminated or a Sub-scheme being terminated before maturity, the Management Company shall stop the sale and redemption of Units of the relevant Scheme forthwith and proceed to sell all Investments then remaining in the hands of the Trustee as part of the Fund Property and shall repay any borrowing effected by the Trust together with any mark-up remaining unpaid. In case of any shortfall, neither the Management Company, nor the Trustee shall be liable for the same.*

35.2 *The Trustee on the recommendation of the Management Company shall from time to time distribute to the Unitholders pro rata to the number of Units held by them respectively all net cash proceeds derived from the realization of the Fund Property after making payment as mentioned in sub-clause 35.1 above and retaining such sum as considered or apprehended by the Management Company for all costs, charges, expenses, claims and demands.*

35.3 *In the case of any Sub-scheme being liquidated at its pre-determined maturity date, the investments shall be realized on or before such date. The amount representing the Par Value per Unit shall be paid to the Unitholders within one week of the maturity date. The surplus, if any, shall be paid after accounting for any applicable costs and expenses within one month of the termination date.*

35.4 *In case the Trust is terminated by the Commission on the grounds given in the Regulations, the Commission may appoint a liquidator in consultation with the Trustee.*

54. Amendment of Existing Clause 35 now renumbered as 36 of the Trust Deed:

The text of the existing Clause 35, now renumbered as Clause 36 be and is hereby replaced by the following text:

36. TRUST DEED

36.1 *This Deed shall be subject to and be governed by the laws of Pakistan including the Ordinance, the Rules, the Regulations and all other applicable laws and regulations and it shall be deemed for all purposes whatsoever that all the provisions required to be contained in a trust deed by the Rules and or the Regulations are incorporated in this Deed as a part and parcel thereof and in the event of any conflict between this Deed and the provisions required to be contained in a trust deed by the Regulations, the latter shall supersede and prevail over the provisions contained in this Deed. The Scheme may also become subject to the laws of offshore countries where the Scheme makes investments.*

36.2 *The Trustee and the Management Company acting together shall be entitled by a deed supplemental hereto to modify, add or alter to the provisions of this Deed in such manner into such extent as they may consider expedient for any purpose, subject only to the approval of the SECP. Provided that the Trustee and the Management Company shall certify in writing that in their opinion such modification, alteration or addition is required pursuant to any amendment in the Rules and/or the Regulations or by any notifications or circulars issued by the SECP or to ensure fiscal or statutory requirement or to enable the provisions of this Deed to be more efficiently, conveniently or economically manage or to enable the Units to be dealt in or quoted on the Stock Exchange or otherwise for the benefit of the Unitholders and that it does 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.*

36.3 *Where the Deed has been altered or supplemented, the Management Company shall notify the Unitholders immediately.*

36.4 *The Management Company may, from time to time, with the consent of the Trustee frame rules or regulations for conducting the business of the Trust or in respect of any other matter incidental thereto; provided such rules or regulations are not inconsistent with the provisions of this Deed, the Offering Document, the Rules or the Regulations.*

55. Addition of new Clause 36A in the Trust Deed:

After the existing Clause 35, now renumbered as 36, a new Clause to be numbered as Clause 36A be and is hereby incorporated as follows:

36A FOR THE TRUST

36A.1 Binding on Unit Holders

The terms and conditions of this Deed and any deed supplemental hereto (after getting prior consent of trustee and prior written approval of the commission) shall be binding on each Unitholder as if he had been a party to it and so to be bound by its provisions and each Unitholder authorizes and requires the Trustee and the Management Company to do as required of them by the terms of this Deed, the Rules and the Regulations.

36A.2 *Limited Liability: A Unitholder is not liable to make any further payments after he has paid the Offer Price as determined under Clause 19.2 of his Units and that no further liability shall be imposed on Unitholders in respect of Units they hold.*

36A.3 ***Trustee Reports to Unit Holders:*** *The Trustee shall report to the Unit Holders in accordance with the Regulations, including a report to be included in the annual and second quarter report or at any frequency prescribed by the Commission whether in its opinion, the Management Company has in all material respect managed the Scheme in accordance with the provisions of the Rules, the Regulations and this Deed and if the Management Company has not done so, the respect in which it has not done so and the steps the Trustee has taken in respect thereof.*

36A.4 ***Unit Holders Ranking Pari Passu:*** *The Trustee shall hold and stand possessed of the Fund Property that may from time to time hereafter be vested in the Trustee upon trust for the benefit of the Unit Holders ranking pari passu inter se, according to the number of Units held by each Unit Holder.*

56. Amendment of Existing Clause 36 now renumbered as 37 of the Trust Deed:

The text of the existing Clause 36, now renumbered as Clause 37 be and is hereby replaced by the following text:

37 *ARBITRATION*

In the event of any disputes arising out of this Trust Deed or the Offering Document between the Management Company on the one part and the Trustee on the other part, including as to the respective rights and obligations of the Parties hereto, as well as those relating to the interpretation of the terms and conditions of this Trust Deed, the Offering Document and/or the Supplementary Offering Documents, relating to the Unit Trust, the same shall be referred to arbitration by two arbitrators, one to be appointed by the Management Company and the other to be appointed by the Trustee. In the event of lack of consensus between the two arbitrators, the matter shall be referred to an umpire, to be selected by the two arbitrators before commencement of the reference. The unanimous decision of both the

arbitrators, or the decision of the umpire, as the case may be, shall be final and binding upon both the Parties. The arbitrators and the umpire shall be selected from amongst, senior partners of renowned firms of chartered accountants, or senior partners of renowned law firms, or senior bankers or senior members of the Karachi Stock Exchange (Guarantee) Limited, (who may even be the heads of corporate members). The venue of the arbitration shall be Karachi. The arbitration shall be conducted in accordance with the Arbitration Act, 1940 and any modifications or replacement thereof.

57. Amendment of Existing Clause 38, now renumbered as 39 of the Trust Deed:

The text of the existing Clause 38, now renumbered as Clause 39 be and is hereby replaced by the following text:

39. MISCELLANEOUS

39.1 Any notice required to be served upon the Unitholder shall be deemed to have been duly given if sent by post or courier service to or left at his address as appearing in the Register. Any notice so served by post shall be deemed to have been served on the day following that on which the letter containing the same is posted, and in proving such service it shall be sufficient to prove that such letter was properly addressed, stamped and posted.

(a) The Trustee or the Management Company may advertise any such notice in two leading daily newspapers having wide circulation in Pakistan. The cost allocation of such advertisement shall be governed by Regulations and applicable SECP directives.

(b) Service of a notice or document on any one of several joint Unitholders shall be deemed effective service on the other joint Unitholders.

(c) Any notice or document sent by post or courier service to or left at the registered address of a Unitholder shall notwithstanding that such Unitholder be then dead or bankrupt and whether or not the Trustee or the Management Company have notice of his death or bankruptcy be deemed to have been duly served and such service shall be deemed a sufficient service on all persons interested (whether jointly with or as claiming through or under him) in the Units concerned.

A copy of this Trust Deed and of any supplemental deed shall be made available for inspection at the respective head offices of the Trustee and of the Management Company, at all times during usual business hours and shall be supplied by the Management Company to any person on application at a charge prescribed in the Offering Document.

39.2 **Depository Arrangements:**

The Units, if eligible and deposited with a depository, shall be subject to the terms and conditions prescribed by the depository and any inconsistent terms and conditions applicable to the Units herein, shall not apply.

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 the above amendments are required in the Trust Deed for adding additional duties and responsibilities on the Management Company and the Trustee as required by the Commission, making additional borrowing arrangements with collective investment schemes, making amendments required by the Regulations and notifications of the SECP, announcing and allocating Offer Price and Redemption Price in Pak Rupees upto four decimal places, cut off timing for issue and redemption of Units and to dispense with the need to consult with the Auditors for the purpose of determination of amount available for distribution and deduction of expenses and other adjustments for determining the amount available for distribution, which is not required, clarification that marketing, selling and advertisement expenses shall not be charged to the Fund and that in the opinion of the Management Company and the Trustee, the above amendments shall not prejudice the interests of the Unit Holders or any of them or operate to release the Trustee or the Management Company from any responsibility to the Unit Holders.

IN WITNESS WHEREOF, THIS FOURTH AMENDMENT TO THE TRUST DEED OF METRO BANK PAKISTAN SOVEREIGN FUND has been executed on the date first mentioned above.

The Common Seal of Arif Habib Investments Limited was hereunto fixed in the presence of:

Seal:

Syed Ajaz Ahmed
Director

Zeeshan
CFO & Company Secretary

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

Seal:

Abdul Samad
Head of Trustee and Custodial Operation-II

Atiqur Rehman
Head of Trustee and Custodial Operation-I

WITNESSES

1. _____

2. _____