

36

***FIRST SUPPLEMENTAL TRUST DEED  
OF  
PAKISTAN STRATEGIC ALLOCATION FUND***

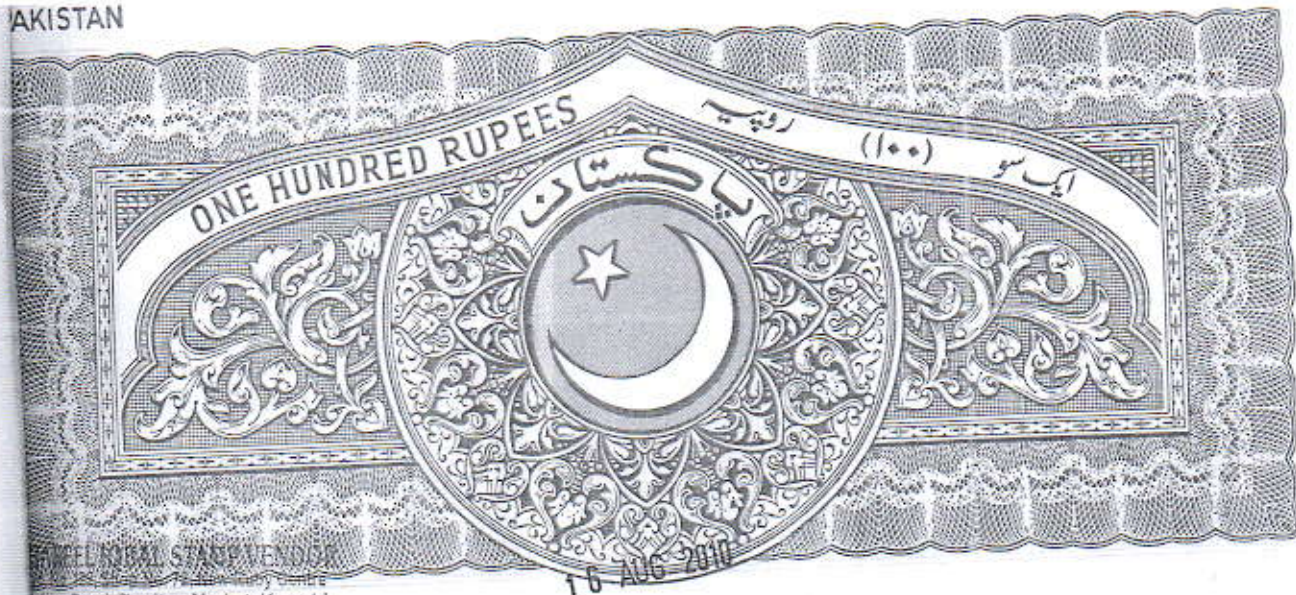
***Dated: October 6, 2010***

***BY AND BETWEEN***

***ARIF HABIB INVESTMENTS LIMITED***

***AND***

***CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED***



PAKISTAN STAMP VENDOR

Salpur Road, Boulton Market, Karachi

To: 13663 Date: .....

Used to with Address: .....

Bought with Address: .....

Purpose: .....

Use Rs. .... Attached: .....

Stamp Vendor's Signature: .....

Stamp Vendor's Signature: .....

16 AUG 2010

Arif Habib Investments Limited

R No: 286  
 Sub-Registrar-I  
 Jamshed Town, Karachi



**FIRST SUPPLEMENTAL TRUST DEED  
 OF  
 PAKISTAN STRATEGIC ALLOCATION FUND  
 (TO MODIFY AND RESTATE THE TRUST DEED FOR  
 CONVERSION OF THE SCHEME INTO AN OPEN END SCHEME)**

The First Supplemental Trust Deed of Pakistan Strategic Allocation Fund (this "First Supplemental Deed") is made and entered into at Karachi, on this      day of      2010.

**BY AND BETWEEN**

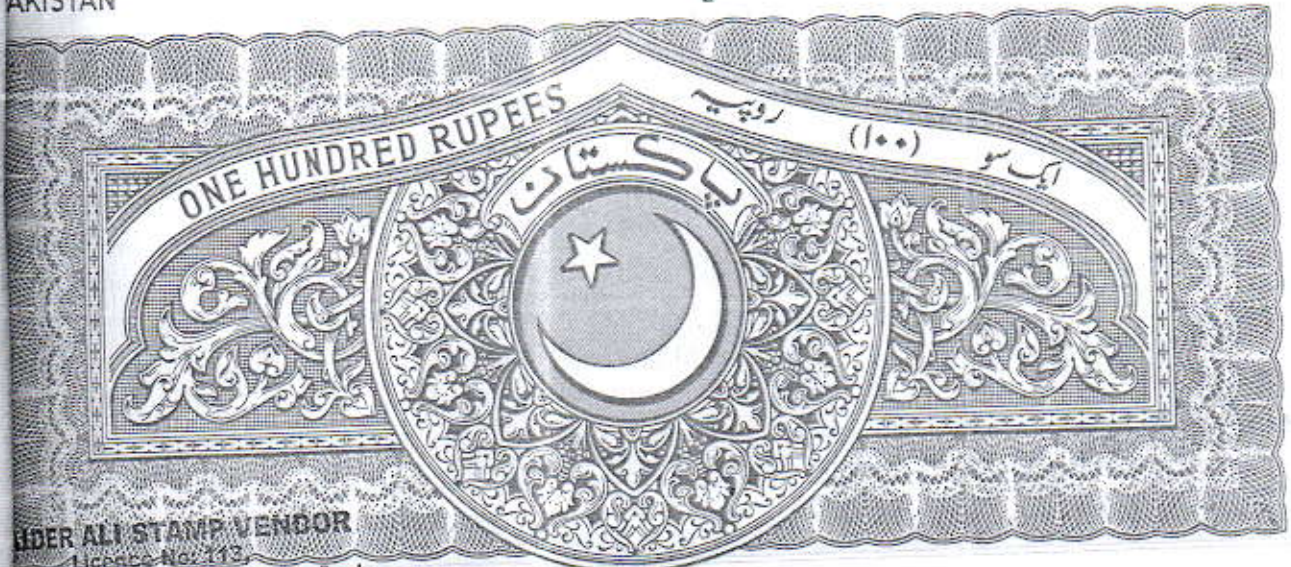
- (A) Arif Habib Investments Limited, a company incorporated under the Companies Ordinance, 1984, with its registered office at Arif Habib Centre, 23 M.T. Khan Road, Karachi (hereinafter called the "Management Company" which expression where the context so permits shall include its successors-in-interest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

and

**AND**

*[Handwritten signatures]*





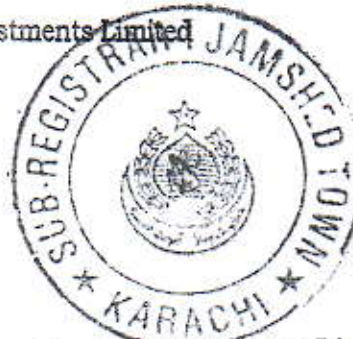
**HIDER ALI STAMP VENDOR**  
Licence No. 113

6 Mariyam Manzil Kara Bhai Karimjee Road,  
14/18-B, Block G-48, Hawabad Karachi.

04 OCT 2010

DATE: \_\_\_\_\_  
TO WITH ADDRESS MR. \_\_\_\_\_  
TO WITH ADDRESS MR. \_\_\_\_\_  
DSE: \_\_\_\_\_  
ERS: \_\_\_\_\_  
P VENDOR SIGNATURE: \_\_\_\_\_

Arif Habib Investments Limited



R. No. 24  
Sub-Registrar-I  
Jamshed Town, Karachi

- (B) **Central Depository Company of Pakistan Limited**, a company incorporated under the Companies Ordinance, 1984 and registered with the Securities & Exchange Commission of Pakistan (the "SECP" or "Commission") 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:

- A. The Management Company (then known as the *Investment advisor*) is a Non-Banking Finance Company licensed as an Asset Management Company and as an Investment Advisor by the Commission under the Non-Banking Finance Companies (Established and Regulation) Rules, 2003 ("the Rules"), to inter-alia, establish, operate and /or manage Closed-end Schemes and Open End Schemes;
- B. The Management Company (then known as the Investment Adviser) was authorized by the SECP vide its letter No. NBFC-II/JD- (R)/AHIM-PSAF-445 dated 13 May 2004 appended here to as Annexure "B" to constitute a closed-end trust scheme under the name and title of PAKISTAN STRATEGIC ALLOCATION FUND (hereinafter referred to as the "the Closed-end Scheme", or "PSAF", or the "Fund", or the "Trust");
- C. The Management Company (then known as the "Investment Adviser") nominated and appointed Central Depository Company of Pakistan Limited, as trustee of the Trust and the Trustee accepted such appointment upon the terms and conditions herein contained and the SECP approved such appointment of the Trustee, vide letter No. NBFC-II/JD-(R)/AHIM-PSAF-444 dated 13 May 2004 appended hereto as Annexure " E ".

*[Handwritten signature]*



Sub-Registrar  
Investment Town, Karachi

REGISTRAR JAMSHED

D. The Management Company (then known as the Investment Advisor) nominated and appointed the Trustee as trustee of the Scheme with the approval of the SECP pursuant to which the Management Company and the Trustee executed a Trust Deed, dated May 26, 2004, registered with the Sub-Registrar, "T" Division I-B, Karachi, under Registration No. 341 of Book No. IV dated 26-05-2004, M.F. Roll No. 43836/1913 dated 14-07-2004 (the "Trust Deed"), to establish the Fund and govern their rights and obligations in relation thereto;

E. Pursuant to Section 15.1.4 of the Trust Deed and in accordance with the Rules, the Management Company (then known as the Investment Advisor) for the benefit of the Certificate Holders, proposed the conversion of the Fund from a **Closed-end Scheme** to an **Open End Scheme**. The Board of Directors in a meeting held for this purpose on June 17, 2010, approved the conversion by passing the following resolution:

*RESOLVED that "Pakistan Strategic Allocation Fund may be converted into an open-end scheme. The Chief Executive be and is hereby authorised to obtain approval of the certificate-holders and necessary regulatory approvals. He is further authorised to carry out necessary amendments in the Trust Deed and Offering Document as may be required to affect the said conversion".*

F. For the purpose of conversion, a general meeting of the Certificate Holders was convened on 8<sup>th</sup> September, 2010 whereat a Special Resolution was proposed and passed unanimously by Certificate Holders who were present in person or by proxies at the meeting ("Certificate Holders' Resolution") approving the conversion of the Scheme from a Closed end Scheme to an Open-end Scheme with no dissenting vote, as follows: **quote:**

*"RESOLVED that, " subject to approval of the Securities and Exchange Commission of Pakistan ("the SECP"), the Certificate Holders of Pakistan Strategic Allocation Fund hereby approve the conversion of the Fund from a Closed-end Scheme into an Open-end Scheme as soon as may be practicable from the date following the expiry of the book closure to be announced specifically for such purpose by Arif Habib Investments Limited ("the Management Company") which shall be the effective date of conversion ("Effective Date") after fulfilling all legal and regulatory formalities."*

**unquote**

Certified copy of the Special Resolution is appended hereto as Annexure "A".

- G. The Trustee has agreed to continue as the trustee for the Scheme after its conversion into an Open-End Scheme on remuneration based on an annual tariff of charges appended hereto as Annexure "B"
- H. The SECP, vide its letter No.SCD/NBFC/MF-RS/PSAF/717/2010 dated September 23, 2010 appended hereto as Annexure "C" has conveyed its no objection to the conversion of the Scheme from Closed-end Scheme to Open-end Scheme and letter No.SCD/NBFC-II/PSAF/760/2010 dated October 4, 2010 appended hereto as Annexure "D" to the execution and registration of this First Supplemental Deed and after its registration, the SECP would give its authorization for the conversion of the Scheme.
- I. Pursuant to the Certificate Holders' Resolution, the Fund is required to be converted from a Closed-end Scheme to an Open End Scheme after the grant of the authorization by the SECP in terms of Clause 15.1.4 of the Trust Deed.
- J. From the Effective Date, the status of the Certificate Holders shall stand changed to Unit Holders and Certificates stand substituted by Units.
- K. To effectuate the conversion of the Fund from a Closed-end Scheme to an Open End Scheme, as per the Certificate Holder's Resolution, it has become necessary to alter and re-state the Trust Deed in its entirety to incorporate the impact thereof.

*Arif Habib Investments Limited*



**NOW THIS FIRST SUPPLEMENTAL TRUST DEED OF PAKISTAN STRATEGIC ALLOCATION FUND WITNESSETH, AS FOLLOWS:**

**1. NAME AND CATEGORY OF OPEN-END SCHEME**

**1.1 NAME OF FUND**

Pakistan Strategic Allocation Fund

**1.2 CATEGORY**

Equity Fund

**1.3 BENCHMARK**

KSE-100 Index



284,  
Sub-Registrar-1  
Jamshed Town, Karachi

**2. PARTICIPATING PARTIES AND DEED OF TRUST**

**2.1. PARTICIPATING PARTIES**

(A) **Arif Habib Investments Limited**, whose credentials are given above (the "Management Company")

**AND**

(B) **Central Depository Company of Pakistan Limited**, whose credentials are given above ("Trustee")

**2.2 EFFECTIVE DATE OF CONVERSION**

The Fund shall stand converted from a "Closed-end Scheme" to an "Open End Scheme" with effect from the commencement of first Business Day after the expiry of the book closure to be announced by the Management Company under intimation to Trustee and SECP for the purpose of determining the entitlement of the Certificate Holders to the Units of the Open End Scheme, in lieu of the Certificates of the Closed-end Scheme held by them, after the grant of authorization by the SECP under Regulation 65 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("the Regulations") and subject to the registration of the Scheme by SECP as a Notified Entity in terms of Regulation 44 of the Regulations, which date shall be the effective date of the conversion ("the Effective Date")

**2.3 DECLARATION OF TRUST**

2.3.1 A Closed-end Scheme that was constituted on 26<sup>th</sup> May, 2004 as a Trust under the Trusts Act, 1882, under the name of "Pakistan Strategic Allocation Fund", shall stand converted into an Open-end Scheme from the Effective Date mentioned in Clause 2.2 above. The Management Company shall continue to manage, operate and administer the Trust in accordance with the provisions of this Deed, the Rules and the Regulations and directives that may be issued by the SECP from time to time and the Trustee shall continue as the trustee of the Scheme as an Open End Scheme. For avoidance of any doubt, it is clarified that the continuity of the Trust and its operations shall remain unaffected and the amendments to the Trust Deed by this First Supplemental Deed have been incorporated only to convert the Fund from a Closed-end Scheme to an Open End Scheme in accordance with the provisions of the Regulations, without affecting the basic rights and obligations of the Management Company, the Trustee or the Unit Holders (formerly known as Certificate Holders), which shall continue to remain in full force and effect, except as varied from the Effective Date by the alteration of the Trust Deed by this First Supplemental Deed. The Trustee and the Management Company declare that:

SS, 1/11  
[Signatures]



(a) The Trustee shall continue to 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 common fund for the benefit of the Unit Holders ranking pari passu inter se according to the number of Units held by each Unit Holder.

(b) The Fund Property shall be invested from time to time by the Trustee at the direction of the Management Company, which shall continue to manage, operate, and administer the Fund strictly in accordance with the provisions and conditions contained in this First Supplemental Deed, the Offering Document, the Rules, the Regulations and the conditions (if any) which may be imposed by the Commission from time to time.

2.3.2 From the Effective Date of the conversion of the Fund's status from Closed-end Scheme to Open End Scheme, all the existing Certificates shall stand converted into the Units of Open End Scheme and the status of Certificate Holders shall stand changed to that of Initial Units Holders, who shall become entitled to be issued Units of the Open End Scheme in lieu of the Certificates held by the Certificate Holders of the Close-end Scheme, for which purpose a book closure shall be announced by the Management Company (then known as Investment Advisor) in at least two widely circulated newspapers in Pakistan, one in English and one in Urdu, which shall also declare the Effective Date.

2.3.3 Each Certificate Holder, holding Certificates under the Closed-end Scheme as at the date of the book closure shall be issued with in 30 days from the last day of book closure, Initial Units of the Open End Scheme in the ratio 1:1, i.e. each Unit Holder (formerly Certificate Holder) shall be issued one Unit of the par value of Rs:10/- for each Certificate of the Closed-end Scheme of the par value of Rs:10/- that was held by him on the date of book closure, without any payment.

2.3.4 A statement of Account shall be issued by the Registrar to the Initial Unit Holders as to their entitlements of the number of Units, which shall be credited to their respective accounts with CDC or alternatively, upon their request, the Unit Holders shall be issued physical certificates of the Units of the Open End Scheme in lieu of the Certificates of the Closed-end Scheme upon payment of a fee as per clause 19.6.2

2.3.5 After the conversion of the Fund status from Closed-end Scheme to Open End Scheme from the Effective Date, the Management Company shall offer and redeem Units of the Fund to the general public, including banks and financial institutions based on Offer Prices and Redemption Prices as mentioned in Clause 8.2 and 8.3 through an Amended and Restated Offering Document. The Amended and Restated Offering Document shall be in the form and substance as prescribed under the Regulations, which shall be subject to the approval of the SECP.

2.3.6 The Management Company may offer Bonus Units in lieu of undistributed profits to the Units Holders in accordance with the decision of the Management Company's Board of Directors. No Front End Load and Back End Load shall be charged on bonus units.

2.3.7 Where the Trust Deed has been further altered or supplemented the Management Company shall notify the Units Holders atleast two weeks before giving effect to such alteration as per clause 20.4.

2.3.8 The Management Company may from time to time, with the consent of the Trustee frame policies for conducting the business of the Trust or in respect of any other matter incidental thereto, provided that such rules or regulations are not inconsistent with the provisions of this First Supplemental Deed or the Offering Document, Supplemental Offering Documents, the Rules and the Regulations. The Trust shall be managed and operated strictly in terms of the provisions contained and stipulated in this Deed, the Offering Document, the Rules and Regulations (as amended or substituted from time to time) and the conditions (if any) which may be imposed by SECP from time to time.

### 3. GOVERNING LAW

The Trust Deed (as modified by this First Supplemental 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, to incorporate the provisions required to be contained in a trust deed by the Regulations as a part and parcel hereof, and in the event of any conflict between this First Supplemental 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 the Trust Deed unless a waiver has been obtained from the Commission. **The Fund shall also be subject to the rules and regulations framed by the State Bank of Pakistan with regard to the investments made in the Fund from outside Pakistan in foreign currency. If the Rules or the Regulations are amended or any directives are issued or any relaxations or redemptions are allowed thereunder,**

SSM





R. No. 284.

Sub-Registrar

Jambhed Town, Rajahmundry

such amendments, directives, relaxations, redemptions shall be deemed to have been made part of this First Supplemental Deed, without the need to alter the Trust Deed, unless directed otherwise by the Commission.

#### 4. FOR THE TRUST

- (A) **Binding on Unit Holders:** The terms and conditions of the Trust Deed as modified by this First Supplemental Deed and any further deed supplemental thereto shall be binding on each Unit Holder, as if he had been a party to it and so to be bound by its provisions and each Unit Holder authorizes and requires the Trustee and the Management Company to do as required of them by the terms of this First Supplemental Deed, the Rules and the Regulations.
- (B) **Limited Liability:** A Unit Holder is not liable to make any further payments after he has paid the purchase price of his Units and no further liability shall be imposed on Unit Holders in respect of Units they hold.
- (C) **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 as a single common fund for the benefit of the Unit Holders ranking pari passu inter se, according to the number of Units held by each Unit Holder.
- (D) **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 reports to the Unit Holders, or at any frequency prescribed by the Commission, a statement as to 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 First Supplemental Deed and if, in the Trustee's opinion, the Management Company has not done so, the Trustee's report shall describe the respect in which the Management Company has not done so and the steps the Trustee has taken in respect thereof.

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 considered necessary to facilitate the Trustee in issuing the certification required under the Rules and the Regulations. The Trustee shall endeavour to provide the certification at the earliest date reasonably possible.

#### 5. ROLE OF MANAGEMENT COMPANY

##### 5.1. DUTIES AND POWERS OF THE MANAGEMENT COMPANY

- 5.1.1 The Management Company shall manage, operate and administer the Scheme in accordance with the Regulations, this Supplemental Deed and the Offering Document.
- 5.1.2 The Management Company has the primary responsibility for all record keeping, regular determination of announcement of prices and for producing financial reports from time to time. The Management Company shall provide the Trustee unhindered access to all records relating to the Scheme.
- 5.1.3 The responsibilities of the Management Company are to invest and manage the assets of the Fund according to the provisions of this First Supplemental Deed, the Offering Document, the Rules and the Regulations in good faith, to the best of its ability, and without gaining any undue advantage for itself or any related parties, including Connected Persons and group companies or its officers.
- 5.1.4 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 investing 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 Regulation 37 of the Regulations and shall inter alia separately record its decision along with rationale and objective for buying or selling each security and highlighting the limits including price, quantity, time period, etc.
- 5.1.5 The Management Company shall comply with the provisions of the Rules, the Regulations and this First Supplemental Deed and the Offering Document(s) (as may be amended from time to time with the approval of the Commission) 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 First Supplemental Deed to be the act of the Management Company.

- 5.1.6 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.
- 5.1.7 The Management Company shall be liable to the Trustee for any loss in value of the Fund Property where such loss has been caused by its negligence or reckless or wilful act and/or omission or by its officers, officials or agents.
- 5.1.8 Any purchase or sale of Investments made under any of the provision of this First Supplemental 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 First Supplemental Deed or the Rules or the Regulations. 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.
- 5.1.9 The Management Company shall maintain proper accounts and records of the Scheme which will enable a complete and accurate view to be formed of
- The assets and liabilities of the Scheme.
  - The income and expenditure of the Scheme
  - All transactions for the account of the Scheme
  - Amounts received by the Scheme in respect of issues of Units.
  - Pay out on redemption of Units and distributions by the Scheme.
  - Pay out at the termination of the Scheme.
- 5.1.10 The Management Company shall within four months of the close of the Accounting Period of the Scheme prepare and circulate physically to Unit Holders, the Trustee, the Commission or the Stock Exchange on which the Units of the Scheme are listed, the annual report as per the requirement set out in Schedule V of the Regulations, including:
- copy of the balance sheet and income statement;
  - cash flow statement,
  - statement of movement Unit Holders' funds or Net Assets and reserves; and
  - the Auditor's report of the Scheme.
- 5.1.11 The Management Company shall within one month of the close of the first and the third quarter and within two months of the close second quarter of the year of accounts of the Scheme, prepare and transmit to the Unit Holders, the Trustee, the Commission and the Stock Exchanges on which the Units of the Scheme may be listed, the following:
- balance sheet at the end of that quarter,
  - an income statement,
  - a cash flow statement
  - a statement of movement in Unit Holders' fund or Net Assets or reserves and changes in equity for that quarter, whether audited or otherwise in accordance with the Regulations;
  - 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 Unit Holders electronically by publication on the Management Company's website unless any Unit Holders(s) elect(s) to receive them physically in which case the Management Company shall make available to such Unit Holders(s) printed copies thereof free of cost, as and when requested.

- 5.1.12 The Management Company shall maintain a record of Unit Holders of the Scheme and inform the Trustee and the Commission of the address where the Register is kept. However, the Management Company may appoint a Registrar, as its agent, to maintain the register and may from time to time with the intimation to the Trustee and the Commission, remove or replace the Registrar.

SS: AL

De. K. md



- 5.1.13 The Management Company shall make available or ensure that there is made available to the Trustee such information and record as the Trustee may require in respect of any matter relating to the Trust.
- 5.1.14 The Management Company shall with the consent of the Trustee appoint at the establishment of the Scheme and upon any vacancy, the Auditor from the approved list of auditors circulated by Commission from time to time, who shall be a chartered accountant or a firm of chartered accountants and independent of the auditor of the Management Company and the Trustee and such auditor shall not be appointed for more than such number of consecutive years as specified under the Regulations and contents of the Auditor's report shall be in accordance with the provisions of the Regulations.
- 5.1.15 The Management Company shall not be under any liability, except such liability as may be expressly assumed by this First Supplemental Deed and the Offering Document or liability imposed under the Rules and the Regulations, nor shall the Management Company (save as herein otherwise provided) be liable neither for any act or omission of the Trustee nor for anything except its own negligence or wilful breach of duty hereunder and it shall not incur any liability by reason of any error of law..
- 5.1.16 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 contract with the Distributors, which shall clearly state the terms and conditions for avoidance of frauds and sales based upon misleading information.
- 5.1.17 The Management Company shall obtain rating for the Fund, 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.
- 5.1.18 The Management Company shall be obliged to process payment instrument immediately on receipt of the application.
- 5.1.19 The Management Company shall ensure that no entry and exit to the Scheme (including redemption and reissuance of Units to the same Unit Holders on different NAVs) shall be allowed other than cash settled transactions based on the formal issuance and redemption requests, unless permitted otherwise under the Regulations or by the Commission in writing.
- 5.1.20 The Management Company shall formally forward all the requests for dealing in Units, duly time and date stamped, to the Trustee within 24 hours of the receipt of such requests.
- 5.1.21 The Management Company shall not be liable for any loss caused to the Scheme or to the Fund Property due to any elements or circumstances of Force Majeure.
- 5.1.22 The Management Company shall ensure that all the designated points for acceptance of applications for issuance, redemption, conversion, etc of Units of the Scheme have appropriate date and time stamping mechanism for timely acknowledgement of the said applications.
- 5.1.23 The Management Company shall clearly specify Cut-off time for acceptance of application forms of issuance, redemption, conversion etc of Units of the Scheme in the Constitutive Documents on its website and designated points. Such Cut-off time shall uniformly apply on all Unit Holders.
- 5.1.24 The Management Company shall not open or close or arrange to open or close any bank/ depository/ brokerage account for the Fund with a Bank without the approval of the Board of Directors of the Management Company. If the Management Company has obtained approval of its Board of Directors for opening or arranging to open an account with any particular Bank, it may open accounts with any branch of that Bank and shall obtain approval therefor from its Board of Directors in the subsequent meeting.

## 5.2. CHANGE OF MANAGEMENT COMPANY

- 5.2.1 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 any of the following events:

- (a) The Management Company has wilfully contravened the provisions of this First Supplemental 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

SS AS [Signature] [Signature]



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 or any other law for time being in force.

The Management Company may retire at any time with the prior written consent of the Commission and under prior intimation to 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.

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

If the Commission has cancelled the license of the Management Company under the provisions of the Rules, the Commission shall appoint another management company with the consent of the Trustee for the Scheme according to the provisions of this First Supplemental Deed and the Regulations.

Upon a new management company being appointed, the Management Company will take immediate steps to deliver all the documents and records pertaining to the Trust to the new management company and shall pay all sums due to the Trustee.

Upon its appointment the new management company shall exercise all the powers and enjoy all rights and shall be subject to all duties and obligations of the Management Company hereunder as fully as though such new management company had originally been a party hereto.

Furthermore, the Trustee may immediately upon the issuance of notice of removal of Management Company by the Commission appoint auditors with the consent of Commission from amongst the panel of auditors designated as "A" category by the State Bank of Pakistan for the audit of financial institutions

The Auditors so appointed shall be other than the existing auditors of the Fund, the Management Company and the Trustee.

The Auditors shall have the same scope as that for the annual audit, or such other enhanced scope as may be specified by the Trustee or Commission.

The report for the audit shall be submitted by the Auditors to the Trustee not later than thirty (30) Business Days from their appointment. A copy of the report shall also be provided to Commission, outgoing Management Company and the new management company.

The costs of audit shall be shared equally by the outgoing Management Company, the new management company and the Fund.

In case of change, the old Management Company shall continue to be liable for any default in or non-performance of its duties as the Management Company or for any negligence on its part or on part of its officer or officials, nominees or agents and for any acts or omission effectuated prior to and upto the Effective Date of change of Management in accordance with the provision of the Trust Deed and Offering Document, the Rules and the Regulations, where after the new Management Company shall be responsible for the same. Further the old Management Company shall indemnify the new Management Company in respect of any default, non performance or violations of the terms and conditions of the trust deed, offering document, the Rules and / or Regulations that may have taken place advertently or inadvertently prior to and upto the Effective Date and which may come to the notice of the trustee and the new Management Company or the Commission at any time after the Effective Date.

## ROLE OF TRUSTEE

### DUTIES AND POWERS OF THE TRUSTEE

The Trustee shall take under its custody or control all of the Fund Property and hold the same in trust for the Unit Holders in accordance with the provisions of the Constitutive Documents, the Rules and the Regulations. Cash and registerable assets shall be registered in the name of or to the order of the Trustee

45/ 115

*[Handwritten signatures]*



- 6.1.2 The Trustee shall comply with the provisions of this First Supplemental 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 under intimation to 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 wilful or reckless act and/or omission of the Trustee or any of its directors, officers, nominees or agents.
- 6.1.3 The Trustee shall exercise all due diligence and vigilance in carrying out its duties and in protecting the interests of the Unit Holders. 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 these are not in conflict with the provisions of the Constitutive Documents or the Rules and the Regulations. Whenever, pursuant to any provision of this First Supplemental 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,
- Document signed or purporting to be signed on behalf of the Management Company by any person(s) whose signature the Trustee is for the time being authorized in writing by the Management Company to accept.
  - any instruction received online through the software solution adopted by the Management Company for managing and keeping records of the funds managed by the Management Company and to the satisfaction of the Trustee and approval of the Commission.
- 6.1.4 The Trustee shall not except for wilful action or omission, 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.
- 6.1.5 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;
- 6.1.6 The Trustee shall carry out the instructions of the Management Company in all matters including investment and disinvestment and disposition of the Fund Property, unless such instructions are in conflict with the provisions of this First Supplemental Deed, the Rules, the Regulations or any other applicable law.
- 6.1.7 The Trustee shall ensure that the investment and borrowing limitations set out in the Constitutive Documents and the Regulations and the conditions under which the Scheme was registered are complied with;
- 6.1.8 The Trustee shall issue a report to be included in the annual and second quarter reports, to be sent to Unit Holders whether, in the Trustee's opinion, the Management Company has in all material respects managed the Scheme in accordance with the provisions of the Constitutive Documents, the Offering Document, the Rules and the Regulations and if the Management Company has not done so, the respects in which it has not done so and the steps which the Trustee has taken in respect thereof;
- 6.1.9 The Trustee shall ensure that Units have been issued after realization of subscription money.
- 6.1.10 Subject to the Regulations, any transaction between the Trust and the Management Company or any of their respective Connected Persons as principal shall only be made with the prior written consent of the Trustee.
- 6.1.11 The Trustee shall, in consultation with the Management Company, from time to time, appoint, remove or replace one or more Custodian(s) for performing the Custodian Function at one or more locations, on terms and conditions to be agreed between the Custodian and the Trustee and approved by the Management Company.
- 6.1.12 The Trustee shall make available or ensure that there is made available to the Management Company such information as the Management Company may reasonably require, from time to time, in respect of the Fund Property and all other matters relating to the Trust.

515, 115

*[Handwritten signature]*



- 6.1.13 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 considered necessary to facilitate the Trustee in issuing the certification required under the Rules and the Regulations. The Trustee shall endeavour to provide the certification at the earliest date reasonably possible.
- 6.1.14 The Trustee shall ensure that the sale, purchase, issue, cancellation and transfer of Units affected by the Scheme are carried out in accordance with the provisions of the Constitutive Documents.
- 6.1.15 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 pleadings and affidavits, to file documents, to give evidence, to appoint and remove counsel and to do all incidental acts, things and deeds through the Trustee's authorized 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 First Supplemental Deed or the Regulations. For the avoidance of doubt it is clarified that, notwithstanding anything contained in this First Supplemental 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 Fund.
- 6.1.16 The Trustee shall ensure that the Management Company has specified criteria in writing to provide for a diverse panel of Brokers at the time of the offering of the Scheme and shall ensure that the Management Company has been diligent in appointing Brokers to avoid undue concentration with any Broker.
- 6.1.17 The Trustee shall not be under any liability, except such liability as may be expressly assumed by it under the Regulations, the Rules and this First Supplemental Deed, nor shall the Trustee (save as herein otherwise provided) be liable for any act or omission of the Management Company nor 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 First Supplemental 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. Notwithstanding removal/resignation of Trustee, the Trustee shall remain entitled to the benefit of this clause.
- 6.1.18 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.
- 6.1.19 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.
- 6.1.20 The Trustee shall have all obligations entrusted to it under the Rules, the Regulations, the Trusts Act, 1882, this First Supplemental Deed and the Offering Document.
- 6.1.21 The Trustee shall immediately inform the Commission if any action of the Management Company contravenes the Ordinance, the Rules, Regulations, Constitutive Documents, guidelines, codes, circulars, directive or any other applicable laws.
- 6.1.22 The Trustee shall comply with the directions of the Commission given in the interest of the Units Holders.
- 6.1.23 The Trustee shall not invest in the Units of the Fund.
- 6.1.24 The Trustee shall not be liable for any loss caused to the Scheme or to the Fund Property due to any elements or circumstances of Force Majeure.
- 6.1.25 The Trustee may accept instructions given electronically to the Trustee based on distinctive user IDs and password allocated to authorised person(s) of the Management Company or other mutually agreed arrangement through a computerised system which both the Management Company and the Trustee have agreed in writing

SS

De. M. W.



6.2. CHANGE OF TRUSTEE

R. No. \_\_\_\_\_  
Sub-Registrar-I  
Jamshed Town, Karachi

- 6.2.1 The Trustee may, subject to prior approval of the Commission and under intimation to Management Company, retire from its office. In the event of the Trustee desiring to retire, it shall serve a three months notice to the Management Company under intimation to the Commission. The Management Company shall, within a period of three months of the Trustee's notice of intent to retire (or in default the Trustee) with the prior written approval of the Commission may 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. However, in the event of the Management Company failing to appoint a new trustee as herein provided, the Trustee may, immediately after the expiry of the above mentioned three month period, request the Commission to appoint a 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.
- 6.2.2 If the Trustee goes into 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 Trust under the provisions of the Regulations, the Management Company with prior approval of the Commission, by instrument in writing, remove the Trustee from its appointment under this First Supplemental Deed and shall by the same or some other instrument in writing, simultaneously, appoint as trustee some other company or corporation according to the provisions of the Regulations and this First Supplemental Deed as the new trustee.
- 6.2.3 In circumstances where the Commission is of the opinion that the Trustee has been in violation of the Regulations or the provisions of this First Supplemental Deed or is found guilty of misconduct or has failed to discharge its obligations under the Regulations, the Commission may remove the Trustee after giving opportunity of being heard.
- 6.2.4 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 appointment of a new Trustee after providing an opportunity of hearing to the Trustee.
- 6.2.5 Upon the appointment of a new trustee, the Trustee shall, immediately, deliver all the documents and records to the new trustee and shall transfer all the Fund Property and any amount deposited in any Distribution Account to the new trustee and make payments to the new trustee of all sums due from the Trustee.
- 6.2.6 The new trustee shall exercise all the powers and enjoy all rights and shall be subject to all duties and obligations of the Trustee hereunder as fully as though such new trustee had originally been a party hereto.
- 6.2.7 Furthermore the Management Company may immediately upon the issuance of notice of removal of Trustee appoint Auditors with the consent of the Commission from amongst the panel of auditors designated as "A" category by State Bank of Pakistan for the audit of Financial Institutions.
- 6.2.8 The Auditors so appointed shall be other than the existing auditors of the Scheme, the Management Company and the Trustee.
- 6.2.9 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 the Commission.
- 6.2.10 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 the Commission, outgoing Trustee and the new trustee.
- 6.2.11 The costs of audit shall be shared equally by the outgoing Trustee, the new trustee and the Scheme.

6.3. ADMINISTRATIVE ARRANGEMENTS

The Trustee shall have all the obligations entrusted to it under the Regulations, the Trusts Act, 1882, this Supplemental Trust Deed and the Offering Document of the Fund. However, the Trustee shall, in addition to the aforesaid obligations, facilitate the Management Company's business in the following

SS HA 



manner:

- (a) **Attorney(s) and Point Person(s):** The Trustee shall nominate one or more of its officers to act as attorney(s) for performing the Trustee's functions and for interacting with the Management Company.
- (b) **Custodian(s):** The Trustee shall act as custodian for securities for which custody services are available with the Trustee at such terms as the Trustee and the Management Company may mutually agree under the Rules and the Regulations. For other securities the Management Company may advise the Trustee to make appropriate arrangements with one or more Custodians for custody of securities in which investment may be made on behalf of the Fund. The Trustee shall provide custodial services to the extent others cannot be identified for this purpose.



R. No.

Sub-Registrar-I  
Jamshed Town, Karachi

#### 6.4. BANK ACCOUNTS

- 6.4.1 The Trustee shall open and operate Bank Accounts titled "CDC-Trustee Pakistan Strategic Allocation Fund" for the Fund at suitable Banks at the request of the Management Company for collection, investment, redemption or any other use of the Trust's funds.
- 6.4.2 The Trustee shall open and operate additional Bank Account(s) at such branches of Banks and at such locations (including outside Pakistan), subject to applicable regulations and after obtaining all necessary approvals from the relevant regulatory authority in Pakistan, as may be required by the Management Company, from time to time.
- 6.4.3 The Management Company may also require the Trustee to open and operate separate Bank Accounts for each dividend distribution out of the Fund.
- 6.4.4 Notwithstanding any thing in this First Supplemental Deed, the beneficial ownership of the balances in the Bank Accounts, other than the Bank Accounts mentioned in Clause 6.4.3 above shall vest in the Unit Holders.
- 6.4.5 All bank charges for opening and maintaining Bank Accounts for the Fund shall be charged to the Fund

#### 6.5. TRANSACTIONS RELATING TO THE FUND

- 6.5.1 The Trustee shall authorize and facilitate the provision to the Management Company of daily statements of account for all the Bank Accounts being operated by the Trustee as a nominee of the Fund.
- 6.5.2 The Management Company shall, from time to time, advise the Trustee of the dividend distribution for the Trust.

#### 6.6. TRANSACTIONS RELATING TO INVESTMENT ACTIVITY/PORTFOLIO MANAGEMENT

- 6.6.1 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 Trust. The Management Company shall ensure the settlement instructions are complete and accurate so as to facilitate timely settlement and the Trustee shall ensure that the settlement is handled promptly and in accordance with such instructions subject to the Rules, the Regulations, the Offering Document and terms of this First Supplemental Deed.
- 6.6.2 The Trustee shall ensure that, where applicable, payments against investments are made against delivery and vice versa.
- 6.6.3 The Trustee shall promptly forward to the Management Company any notices, reports or other documents issued by the issuers of securities, recipients of any of the Trust Funds (as deposits, refunds, distribution of dividends, income, profits, repayment of capital or for any other reason), any depository, an intermediary or agent in any transaction or from any court, government regulator, stock or other exchange or any other party having any connection with the transaction.
- 6.6.4 The Management Company may request the Trustee to make arrangements through branches of Banks to facilitate issue and redemption of Units of the Scheme. A request for the issue of Units may also be made through the use of electronic means, i.e., 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 a Unit Holders' request to redeem the



Units of the Trust. The Trustee shall agree to such arrangements after satisfying itself in respect of all appropriate safeguards having been taken and Management Company shall seek approval from Commission before introducing new mechanism.

- 6.6.5 The Trustee shall pay to the Management Company's Instruction such sums out of the sale proceeds as are representative of Front-end or charges or other recoveries that are specified in this Supplemental Deed, Offering Document or Supplemental Offering Document(s), if any Back end load would become part of Fund Property
- 6.6.6 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 Trust. Such action shall include legal action, if called for, and the Trustee shall be entitled to recover any legal costs reasonably incurred from the Trust.
- 6.6.7 The Management Company shall provide the Trustee with regular reports indicating dividends, other forms of income or inflows and any rights or warrants relating to the Investments that are due to be received. The Trustee shall report back to the Management Company any such amounts or warrants that are received on such accounts, from time to time.
- 6.6.8 The Trustee shall provide proxies or other forms of powers of attorney to the order of the Management Company with regard to any voting rights attaching to any investment.

## 7 FUND PROPERTY

- 7.1.1 As of the Effective Date, the Fund Property of the Open end Fund shall consist of Net Assets of the Closed end Fund, subject to levies and charges, if any.
- 7.1.2 The aggregate proceeds of all Units issued from time to time (other than the Initial Units, which shall be issued without any payments) after deducting Duties and Charges and after deducting therefrom or providing thereagainst any applicable Front-end Load shall constitute part of the Fund Property and the Authorized Branches shall remit such proceeds to the Trustee in accordance with the instructions given by the Management Company from time to time.
- 7.1.3 If proceeds of the Units are paid in a currency other than Pakistani Rupees the currency will be converted into Pakistani Rupees using an Authorized Dealer quote. Units will be issued in Pakistani Rupees based on the exchange rate quoted by the Authorized Dealer (for buying of the relevant currency) on the issue date of the Units. Cost of conversion into Pakistani Rupees (where applicable) will be borne by the Unit Holder and Units will be issued net of such costs.
- 7.1.4 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 Unit Holders in accordance with the provisions of the Rules, the Regulations and this First Supplemental 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 Investments shall be registered in the name of the Trustee and shall remain so registered until disposed off pursuant to the provisions of this First Supplemental Deed. All expenses incurred by the Trustee in effecting such registration shall be payable out of the Fund Property.
- 7.1.5 The Fund Property shall be invested from time to time by the Trustee at the direction of the Management Company in terms of the provisions contained and the conditions stipulated in this First Supplemental Deed, the Regulations, the Offering Document and any conditions which may be imposed by the Commission and State Bank of Pakistan from time to time.
- 7.1.6 All cash forming part of the Fund Property shall be deposited by the Trustee, as approved by the Management Company in a separate account(s) to be opened in the name of the Trustee, as a nominee of the Fund, with a bank(s), authorized by the regulatory authority, having minimum investment Grade Rating as per the criteria laid down by a credit rating agency.
- 7.1.7 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, or the Custodian shall not, except for the purpose of the Fund and as permissible under the Regulations, create or purport to create any mortgages, charges, liens or any other encumbrances, whatsoever, to secure any loan, guarantee, or any other obligation, actual or contingent on the Fund Property.
- 7.1.8 The Trustee shall have the sole responsibility for the safekeeping of the Fund Property. In the event of

58



any loss caused through negligence on the part of the Trustee, the Trustee shall have an obligation to replace the loss forthwith with similar investment of the same class and issue together with all rights and privileges pertaining thereto or compensate the Trust to the extent of such loss. However, 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.

## 7.2. INVESTMENT OBJECTIVE

The objective of the fund is to provide investors capital growth over medium to long term primarily from investment in more liquid Pakistani equities.

## 7.3. INVESTMENT POLICY

7.3.1 Pakistan Strategic Allocation Fund (PSAF) is an open end equity fund which primarily invests in equities based on a quantitative model as disclosed in Offering Document. The Fund takes advantage of equity market volatility and buys equities when they are underpriced and sells equities when they are overpriced. DCF (discounted cash flow) valuations are pivotal for stocks selection in the portfolio. The fund is mostly invested in liquid stocks. Under the NBFC Rules, the fund is not allowed to borrow.

The Fund shall be subject to such exposure limits as are specified in the Regulations and SECP's directives.

- At least 70% of its net assets shall remain invested in listed equity securities during the year based on quarterly average investment calculated on daily basis;
- The remaining net assets shall be invested in cash and or near cash instruments which include cash in bank accounts (excluding TDRs), and treasury bills not exceeding 90 days remaining maturity; and
- It shall not take exposure to Continuous Funding Scheme (CFS)

7.3.2 The Trustee shall hold the Fund Property on deposit in a separate account with a Bank of minimum investment grade rating as approved by the Management Company, or in money market investments as advised by the Management Company. All Fund Property, except in so far as such cash may, in the opinion of the Management Company (then known as Investment Advisor), is required for transfer to the Distribution Account or to be kept for meeting the redemption requirements, shall be applied by the Trustee from time to time in such Authorized Investments as may (subject always to the provisions of this First Supplemental Deed, the Offering Document, and the Regulations) be directed by the Management Company.

7.3.3 Any Investment may at any time be disinvested at the discretion of the Management Company either in order to invest the proceeds of sale in other Authorized Investments or to provide funds required for the purpose of any provision of the Trust Deed or in order to retain the proceeds of sale in cash deposit as aforesaid or any combination of the aforesaid. Any Investment, which ceases to be an Authorized Investment, would be disinvested within such period as the Management Company may determine to be in the best interest of the Unit Holders. However, in any case the period shall not exceed 3 (three) months.

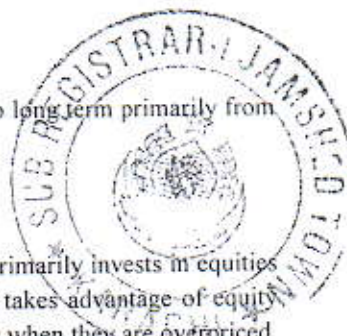
7.3.4 The Fund Property shall be subject to such exposure limits as are provided in the Regulations or relevant Commission's circulars and notifications, provided that the Management Company will have a period of three months to bring the Fund into compliance with the exposure limits if the deviation is due to appreciation or depreciation of any Investment or disposal of any Investment.

7.3.5 In case the rating of a Bank is reduced or institution is placed on watch list, investment may at any time be realized at the discretion of the Management Company but only to reasonably protect the interest of the Unit Holders.

7.3.6 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 per cent of the total amount of securities issued, or the directors and officers of the Management Company own more than ten per cent of those securities collectively.

## 7.4. RESTRICTIONS

7.4.1 The Fund Property shall be subject to such exposure limits as are provided in the Regulations, this First Supplemental Deed, the Offering Document and the Rules. Subject to this, the Fund will not at any



95, AA



time:

- (a) effect a short sale 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) issue at any time, without the prior approval of the Commission in writing, a senior security which is either stock or represents indebtedness;
- (f) apply for de-listing from stock exchange, unless it has obtained prior approval of the Commission in writing to the scheme of de-listing;
- (g) invest in securities of the Management Company
- (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) take exposure of more than thirty five percent of its Net Assets in any single group and more than ten percent of its Net Assets in listed group companies holding licences of asset management services and such exposure shall only be taken through secondary market.
- (j) acquire any security of which another asset management company, managing a collective investment scheme, is the issuer;
- (k) take exposure in any other collective investment scheme;
- (l) make investments in unlisted equity securities unless an application for listing of such securities have been accepted by the pertinent Stock Exchange, provided the Scheme may make total investments in pre-initial public offering of a security upto fifteen percent of the Net Assets of the Scheme, subject to other investment limits prescribed by the Regulations;
- (m) issue Units in consideration other than cash unless permitted by the Commission;
- (n) take over any other collective scheme without the prior approval of the Commission;
- (o) acquire twenty five per cent or more of the voting rights or a control of a company;
- (p) Exposure of a Collective Investment Scheme to any single entity shall not exceed an amount equal to ten per cent of total net assets of the collective investment scheme or the index weight of the security subject to the limit of fifteen percent whichever is higher. Also, Exposure to equity securities of a company shall not exceed ten percent of the issued capital of that company;
- (q) enter into transactions with any Broker that exceed thirty per cent of the commission paid by the Scheme in any one Accounting Year or otherwise as may be specified in the Regulations or notifications or circulars issued by the Commission from time to time;
- (r) the Management Company on behalf of the Fund shall not at any time 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 Unit Holder within time period stipulated in the Regulations;
- (s) the Management Company on behalf of the Fund shall not at any time net off any investment of the Fund against the investment of the Unit Holder(s) in the Fund.
- (t) Exposure of a Collective Investment Scheme to any single entity shall not exceed an amount equal to ten per cent of total net assets of the collective investment scheme and Exposure to equity securities of a company shall not exceed ten percent of the issued capital of that company;



R. No. 284  
Sub-Registrar-I  
Jamshed Town, Karachi

SS

*[Handwritten signature]*



- (u) Take exposure in securities of any one sector as per classification of the Stock Exchange of more than thirty percent (30%) of the Fund's Net Assets or index weight of the sector, whichever is higher, subject to the limit of thirty-five percent (35%) of the Fund's Net Assets

## 7.5 EXCEPTION TO INVESTMENT RESTRICTIONS

In the event the weightage of shares exceed the limits laid down in the Offering Document or the Regulations as a result of the relative movement in the market prices of the Investments including subscription to right shares or through any disinvestments, the Management Company shall make its best endeavours to bring the exposure within the prescribed limits within three months of the event. In case Management Company is unable to adjust the exposure as per time limit allowed, a formal application to Commission shall be made to allow additional time to bring such exposure inline. But in any case the Management Company shall not invest further in such shares or sectors while the deviation exists.

## 7.6. BORROWING

- 7.6.1 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 Fund, provided that such arrangement shall not be resorted to, except for meeting the redemption request 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 per cent of the total Net Asset Value of the Scheme and shall be repayable within a period of ninety days or such time as may be prescribed under 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.
- 7.6.2 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 Banks, 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.
- 7.6.3 For the purposes of borrowing, the borrowing and security documents shall be executed by the Trustee and for such borrowing the Trustee may, with the approval 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.
- 7.6.4 Neither the Trustee nor the Management Company shall incur any liability by reason of any loss to the Trust or any loss that a Unit Holder may suffer by reason of any depletion in the Net Asset Value that may result from any borrowing arrangement made hereunder.

## 8. VALUATION OF PROPERTY

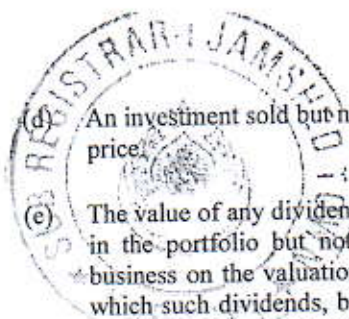
### 8.1. VALUATION OF ASSETS/LIABILITIES

- 8.1.1 The valuation and pricing of the Fund Property will be in accordance with the Regulations:

- (a) 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.
- (b) Government Securities 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
- (c) An investment purchased and awaiting payment against delivery shall be included for valuation purposes.

SS WA [Signature] [Signature]





- (d) An investment sold but not delivered pending receipt of proceeds shall be valued at the net sale price.
- (e) 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.
- (f) Mark-up accrued on any profit-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.
- (g) Any other income accrued upto the date on which computation was made shall also be included in the assets.
- (h) 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.
- (i) 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.
- (j) Any such method of valuation of assets and liabilities as may be specified or modified by the Commission from time to time.
- (k) The valuation shall be conducted as at the close of the Business Day in Pakistan. For international Investments, valuation will be carried-out one hour before the close of the Business Day in Pakistan according to the price of securities at or around that time or, if the price is not available, at the closing price of securities at the end of the last Business Day in the country in which the securities are quoted.
- (l) 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(s). The conversion will take place at the buying rate of the National Bank of Pakistan (NBP)/ Authorized Dealer(s).

Note: Compliance shall be made with any such method of valuation of Assets as may be specified or modified by the Commission from time to time.

## 8.2. DETERMINATION OF OFFER PRICE

8.2.1 From Effective Date, the Offer Price shall be calculated and announced by the Management Company on the following basis:

- (a) The gross NAV of the Fund will be calculated based on the valuation methodology given in 8.1 above;
- (b) The gross NAV will be divided by the number of Units outstanding in the Fund to reach the gross NAV per Unit.
- (c) The gross NAV per Unit will be adjusted for the following to arrive at the net offer NAV per Unit:
- Addition of Front-end Load, if any, but not exceeding five (5) percent of NAV;
  - Addition of such amount as the Management Company may consider an appropriate provision for Duties and Charges;
- (d) The net offer NAV per Unit for each type of Unit will be adjusted to the nearest Paisa to arrive at the Offer Price for each type of Unit.
- (e) The Offer Price shall be calculated based on the forward pricing methodology.

Note:- Cut Off Timing for receiving application forms.

Day	Time
Monday to Friday	09:00 am to 05:00 pm

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

*[Handwritten signatures]*



- R. No. 204,  
Sub-Registrar-I  
Jamshed Town, Karachi
- REGISTRAR-I JAMSHED TOWN
- 8.2.3 The Investment Application Form can be lodged with Distributor, if any, (the details shall be disclosed in the Offering Document) or directly lodged with the Management Company. No other person (including Investment Promotion Officer) is authorized to accept the form. The Offer Price determined at the end of the Business Day for Units of the Fund shall apply to all Investment application Forms, complete in all respects, including payment, received by the Management Company or Distributor, if any, at its registered address during Cut Off Timing on that Business Day. Any Investment application Form received after Cut Off Timing will be transferred to the next Business Day. Provided that if a Business Day is not a Dealing Day the Investment application Form would be transferred to the next Dealing Day.
- 8.2.4 The Management Company will make arrangements, from time to time, for receiving purchase request from outside Pakistan and will disclose these arrangements through its website and its Distributors and agents outside Pakistan. In general, the Offer Price applicable to purchase requests received from outside Pakistan will be the Offer Price applicable on the date the Trustee receives the payments from international investors provided it is a Dealing Day otherwise the request will be transferred to the next Dealing Day.
- 8.2.5 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 then 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.
- 8.2.6 In general, the payments from outside Pakistan will be deemed to be complete on the date the Trustee receives the payments from international investors in the pertinent Bank Account of the Fund, net of all charges and costs of conversion and remittance. However, the Management Company may announce a different policy for payments for different classes of Units and investors from outside Pakistan which shall be disclosed in the Offering Document(s)
- 8.2.7 In the event that the provision for payment of Duties and Charges is insufficient to pay in full such Duties and Charges, the Management Company shall be liable for the payment in full of the amount of such Duties and Charges in excess of such provisions (except where such excess arises from any Duties and Charges levied with retroactive effect after the date of payment in which case such excess shall be recovered from the Fund Property).
- 8.2.8 In the event that the provision for payment of Duties and Charges exceeds the relevant amount of Duties and Charges the Registrar shall issue additional Units or fractions thereof to the Unit Holder based on the price applicable to the Units issued against the relevant application.
- 8.2.9 The Offer Price determined by the Management Company shall be forwarded to MUFAP and made available daily to the public at the office and Authorized branches in the manner prescribed under SECP directives. At the discretion of the Management Company the Offer Price may also be published in at least two daily newspapers, one in English and one in Urdu, widely circulated in Pakistan and make it available at its website.

### 8.3. DETERMINATION OF REDEMPTION PRICE

- 8.3.1 From Effective Date, the Redemption Price shall be calculated according to the following method.
- (a) The gross NAV of the Fund will be calculated based on the valuation methodology given in 8.1 above.
  - (b) The gross NAV will be divided by the number of Units outstanding in the Fund to reach the gross NAV per Unit.
  - (c) The gross NAV per Unit will be adjusted for the following to arrive at the net redemption NAV per Unit:
    - i. Deduction of any Back-end Load, if any, but not exceeding five (5) percent of NAV;
    - ii. Deduction of any taxes imposed by the Government;
    - iii. Deduction of such amount as the Management Company may consider an appropriate
- 50



provision for Duties and Charges; and

- (d) The net redemption NAV will be adjusted to the nearest Paisa to arrive at the Redemption Price.
- (e) The Redemption Price shall be calculated based on the forward pricing methodology.

Cut Off Timing for receiving application forms.

Day	Time
Monday to Friday	09:00 am to 05:00 pm

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

The Redemption Form can be lodged with any Authorized Branch of the Distributor, if any, or directly lodged with the Management Company. No other person (including Investment Promotion Officer) is authorized to accept the form. The applicant must obtain a copy of the form signed and stamped by an authorized officer of the Distributor/Management Company acknowledging the receipt of the form and the Certificates, if any. The Redemption Price determined at the end of the Business Day for Units of the Fund shall apply to all Redemption Forms complete in all respects, received by the Management Company or Distributor, if any, at its registered address during Cut Off Timing on that Business Day. Any Redemption Forms received after Cut Off Timing will be transferred to the next Business Day. Provided that if a Business Day is not a Dealing Day the Redemption Form would be transferred to next Dealing Day.

The Management Company will make arrangements, from time to time for receiving Redemption Forms from outside Pakistan and payment of redemption amounts outside Pakistan and will disclose these arrangements through its website and its Distributors and agents outside Pakistan.

The maximum interval of time between receipt of a Redemption Form and payment of redemption amount to the Unit Holder will not exceed six Business Days. The payment of the redemption value shall be made by virtue of a transfer to the Unit Holder's (the first named joint holder, if jointly held) designated banker

In the event that the amount deducted for payment of Duties and Charges pursuant to sub- Section 8.3.1(c) iii is insufficient to pay, in full, such Duties and Charges, the Management Company shall be liable for the payment, in full, of the amount of such Duties and Charges in excess of the provisions.

In the event that the amount deducted as provision for payment of Duties and Charges pursuant to sub- Section 8.3.1(c) iii exceeds the relevant amount of Duties and Charges, the Trustee shall refund such excess amount to the relevant Unit Holders with the next income distribution, or if instructed by the Management Company, at any time earlier.

The Redemption Prices determined by the Management Company shall be forwarded to MUFAP made available daily to the public at the office and branches of the Management Company in the manner prescribed under SECP directives. At the discretion of the Management Company the Redemption Price 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.

#### **CIRCUMSTANCES UNDER WHICH DEALING METHODOLOGY CAN CHANGE**

A permanent change in the method of dealing shall be made after expiry of one month's notice to Unit Holders and with the prior approval of Trustee.

A temporary change shall only be made

- (a) in exceptional circumstances, having regard to the interests of Unit Holders;
- (b) if the possibility of a change and the circumstances in which it can be made have been fully disclosed in the Offering Document; and
- (c) with the approval of the Trustee.

#### **DEALING, SUSPENSION, AND DEFERRAL OF DEALING AND WINDING UP**

**Suspension of fresh issue of Units:** The Management Company may at any time, subject to the





Regulations and in the best interest of unit holders, suspend issue of fresh Units. Such suspension may, however, not affect existing subscribers to invest in any plans that may be offered by the Management Company under different administrative arrangements or the payment of cash dividend or the issue of bonus Units as a result of dividend distribution. 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 Commission 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.

Provided that the Management Company shall, at any time, terminate such suspension at the order of the Commission.

9.2 **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 rules that the Fund may be subject to or 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 laws of the foreign jurisdiction or the laws of Pakistan and in particular those relating to money laundering and/or exchange control 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 such as a case where the stock market circuit breakers for individual scrips or for stock market index are invoked.

9.3 **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 request for fresh issue of Units and may defer part or all of certain request 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 fresh issue of Units has been received, will be issued at the Offer Price prevailing on the date of such issue.

9.4 **Circumstances of suspension of issue and redemption:** The issue and redemption of Units may be suspended or deferred with the approval of the board of directors of the Management Company during extraordinary circumstances, including war (declared or otherwise), natural disasters, a major break down in law and order, breakdown of the communication system, closure of the banking system, invocation of stock market circuit breakers, enforcement of floor and/ or cap on stock market index, significant part of fund property, in the opinion of Management Company being exposed to unfavourable selling conditions such as lack of liquidity or possible value erosion, computer breakdown or strikes or other events that render the Management Company or the Distributors unable to function, or the existence of a 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 Unit Holders 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 Unit Holders to redeem Units at a price determined in accordance with the Net Asset Value. Such a measure shall be taken to protect the interest of the Unit Holders in the event of extraordinary circumstances or in the event redemption requests accumulate in excess of ten percent of the Units in issue or 10% of the Fund's Net Assets. 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 9.8 below.

9.5 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 Trust 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 at least two daily news papers in which the Fund's prices are normally published.

*[Handwritten signatures]*



- 9.6 Management Company shall ensure that in case of suspension of redemption of units of scheme due to extraordinary circumstances in terms of provisions of the constitutive documents and Non Banking Finance Companies and Notified Entities, Regulations, 2008 (as amended or replaced) ("the Regulations"), the issuance of fresh units shall also be kept suspended until and unless redemption of units is resumed.
- 9.7 **Queue System:** In the event redemption requests on any day exceed 10% of the Units in issue or ten (10) % of the Fund's Net Assets, the Management Company may invoke a Queue System whereby requests for redemption shall be processed on a first come first served basis for up to 10% 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 Unit Holders, 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 requests shall be processed on a proportional basis, proportionate to the size of the requests. The requests in excess of the 10% 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 10% 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 (10%) of the Units then in issue.
- 9.8 **Winding up in view of major redemptions:** 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 Unit Holders who are not redeeming, it may announce winding up of the Fund, as per the Regulations, under intimation to the Commission and the Trustee. In such an event, the queue system, if already invoked, shall cease to apply and all Unit Holders 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.

## 10. FEES AND CHARGES

### 10.1. MANAGEMENT COMPANY REMUNERATION

- 10.1.1 Regulation 61 of the Regulations (Non-Banking Finance Companies and Notified Entities Regulations 2008) allows the Management Company to charge a remuneration to be paid monthly in arrears, accrued remuneration duly verified by the Trustee, during the first five years of the 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. Current level of management fee shall be disclosed in the Offering Document.
- 10.1.2 The remuneration shall continue to accrue. In respect of any period other than an Accounting Period such remuneration shall be prorated on the basis of the actual number of days for which such remuneration has accrued in the Accounting Period concerned.
- 10.1.3 The remuneration due to the Management Company shall be calculated and accrued on a daily basis but paid monthly in arrears.
- 10.1.4 In consideration of the foregoing, and save as aforesaid, the Management Company shall be responsible for the payment of all expenses incurred by the Management Company from time to time in connection with its responsibilities as Management Company of the Fund. The Management Company shall not make any charge against the Unit Holders or against the Fund Property or against the Distribution Account for its services or for its expenses, except such expenses as are expressly authorized under the provisions of the Regulations and the Offering Document or the Trust Deed to be payable out of Fund Property.
- 10.1.6 The Management Company shall bear all expenditures in respect of its secretarial and office space and professional management, including all accounting and administrative services provided in accordance with the provisions of the Trust Deed and the Regulations.

### 10.2. TRUSTEE REMUNERATION

- 10.2.1 Upto the Effective Date, the Trustee shall be entitled to remuneration out of the Fund Property based on

50





tariff of charges annexed to the Trust Deed when the Fund was created as a Closed end Fund, which shall be applied to the average daily Net Assets.

10.2.2 Subsequent to Effective Date of the conversion of the Fund from a Closed-end Scheme to an Open End Scheme, the Trustee shall be entitled to a monthly remuneration out of the Fund Property based on an annual tariff of charges annexed hereto (Annexure "A") The Trustee's remuneration shall be paid to the Trustee in arrears. 10.2.3 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 their duties as Trustee of the Trust. The Trustee shall not make any charge against the Unit Holders 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 the Fund Property under the provisions of the Regulations, this First Supplemental Deed and the Offering Document.

10.2.4 The Trustee shall bear all expenditures in respect of its secretarial and office space and professional management, including administrative services provided in accordance with the provisions of this First Supplemental Deed and the Offering Document.

10.2.5 Any increase in the remuneration of the Trustee agreed by the Management Company shall require the prior approval of the Commission.

### 10.3 CONVERSION COST

Conversion Costs shall be charged during the book closure period specifically meant to determine eligibility for Initial Units. The Conversion Cost shall be reimbursed by the Open End Scheme to Management Company on the Effective Date.

### 10.4 ALLOCATION OF FRONT-END / BACK-END LOAD

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

10.4.2 Units issued to an existing account holder through conversion from another scheme managed by the Management Company shall be issued at a price based on the Net Asset Value.

10.4.3 A Distributor located outside Pakistan may, if so authorized by the Trustee and the Management Company, retain such portion of the Front-end Load as is authorized by the Management Company and transfer the net amount to the Trustee, subject to the applicable laws for the time being in force.

10.4.4 Transfer of Units from one Holder to another shall be subject to a processing charge of an amount not exceeding one percent of the Net Asset Value at the date the request is lodged, which shall be recovered from the transferee. However, the processing charge shall not be payable by successors in the case of inheritance or distribution of the estate of a deceased Unit Holder. Such charges would become part of the Fund Property.

10.4.5 Back End Load would become part of Fund Property

10.4.6 Back End Load and Front End Load combined shall not exceed five percent (5%) of NAV.

### 10.5 PAYMENT OF UNITS IN FOREIGN CURRENCY

10.5.1 The Management Company shall appoint one or more scheduled bank(s) as the Authorized Dealer(s) to manage Offer and Redemption of Units from outside Pakistan in foreign currency under the provisions of the Foreign Exchange Regulations.

10.5.2 Payments made in foreign currency to purchase Units shall be converted into Pakistani Rupees through the Authorized Dealer using his quoted rates and any conversion cost, Duties and Charges, Transaction Costs and Front-end Load shall be deducted from the payment before Units are issued. The Units issued will be denominated in Pakistani Rupees using the conversion rates quoted by the Authorized Dealer at the issue date of the Units (buying rate for the relevant currency).

*[Handwritten signatures]*



- 10.5.3 Payments to be made in foreign currency on redemption of Units shall be converted from Pakistani Rupees through the Authorized Dealer using its quoted rates (selling rate for the relevant currency) and any conversion cost, Duties and Charges, Transaction Costs and Back-end Load shall be deducted from the payment to be made. Provided that neither the Management Company, nor the Trustee shall be responsible for arranging the remittance or fulfilling the repatriation formalities of the State Bank of Pakistan, required to be fulfilled by offshore investors.

#### 10.6. FEES AND CHARGES OF THE FUND

**Fees and Charges shall include:**

- (a) remuneration of the Management Company ;
- (b) remuneration of the Trustee and/or Custodian ;
- (c) listing fee payable to the Stock Exchange including renewals;
- (d) charges and levies of Stock Exchange, national clearing and settlement company and central depository company;
- (e) rating fee of the Scheme payable to approved rating agency;
- (f) auditors' fees and out of pocket expenses as billed by them;
- (g) fees payable to the Commission;
- (h) conversion cost
- (i) brokerage and transaction costs related to investing and disinvesting of the assets of the Schemes;
- (j) expenses incurred by Trustee in effecting registration of all registerable assets in the name of the Trustee;
- (k) legal and related costs incurred in protecting or enhancing the interests of the Unit Holders of the Scheme;
- (l) bank charges and borrowing and financial costs;
- (m) hedging costs including forward cover, forward purchase or option purchase costs;
- (n) any printing costs and related expenses for issuing the Scheme's quarterly, half-yearly and annual reports, etc.;
- (o) taxes, fees, cess, duties and other charges applicable to the Scheme on its income or its properties, including taxes, fees, cess, duties and other charges levied by foreign jurisdiction on investments outside Pakistan; and
- (p) any other expense or charge as may be permitted by the Commission.

Note:- However, any cost associated with sales, marketing and advertisement of Scheme shall not be charged to the Scheme.

#### II. TRANSACTION WITH CONNECTED PERSONS

- 11.1 The Management Company on behalf of the Scheme shall not without 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.
- 11.2 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.
- 11.3 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.



*[Handwritten signature]*

*[Handwritten initials]*





R. No. 204

Sub-Registrar-I  
Jamshed Town, Karachi

12. DISTRIBUTIONS FROM THE FUND

12.1. DISTRIBUTION POLICY AND DATE

- 12.1.1 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.
- 12.1.2 The Management Company shall decide as soon as possible, but not later than 45 days after the Accounting Date whether to distribute among Unit Holders, profits, if any, available for the distribution at the end of the Accounting Period to comply with the requirement of the Regulations, the tax laws and other regulations in force relating to income distribution and shall advise the Trustee of the rate of such distribution per Unit. 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.
- 12.1.3 The amount available for distribution in respect of any Accounting Period shall be determined by the Management Company and shall be the sum total of:
- (a) The total income earned on the Fund Property during such Accounting Period, including all amounts received in respect of, dividend, profit and fee;
  - (b) Whole or part of the net realized appreciation, at the option of the Management Company; and
  - (c) From the above amounts shall be deducted expenses and such other adjustment as the Management Company may determine.
- 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
- 12.1.4 The Management Company may also distribute an amount, through cash dividend, bonus, partially cash/bonus or in any other form, monthly and/ or for an interim period that is not a full month/ Accounting Period.

12.2. DISTRIBUTION OF INCOME

- 12.2.1 After the fixing of the rate of bonus distribution per Unit, in case of distribution in the form of Bonus Units, the Management Company will inform the Trustee who shall cause to have additional Units issued in the name of the Unit Holders as per the bonus ratio. The Bonus Units shall rank pari passu as to their rights in Net Assets, earning and the receipts of the dividends and distributions, with the existing Units of the Fund from the date of issue of these Units.
- 12.2.3 On each Accounting Date or interim distribution date, the Management Company shall, in case of cash distribution, instruct the Trustee to transfer to the Distribution Account such amount of cash as required to effect the cash distribution of income to the Unit Holders net of re-investment of dividend. The amount standing to the credit of the Distribution Account shall not be treated as part of the Fund Property but shall be held by the Trustee upon trust to distribute to Unit Holders as herein provided. Management Company may decide not to open a separate distribution account for each dividend distribution.
- 12.2.4 After the fixing of the rate of cash distribution per Unit, cash distribution payments shall be made by transfer to the Unit Holders' designated bank accounts, or in the case of joint Unit Holders, to designated bank account of the joint Unit Holder first named on the Register. The receipt of funds by such designated bankers shall be a good discharge thereof.
- 12.2.5 Before making any payment in respect of a Unit, the Trustee or the Management Company may make such deductions as may be required by law in respect of any Zakat, income or other taxes, charges or assessments, whatsoever, and issue to the Unit Holder, upon request, the certificate in respect of such deduction in the form as may be prescribed or approved by the concerned authorities.
- 12.2.6 Certain Unit Holders may authorize the Management Company to re-invest any cash distributions from the Fund into additional Units of the Fund. The Trustee on instruction of Management Company, in such cases will not pay cash distribution but will issue such Units and pay for such Units out of the relevant cash distribution net of any deductions as may be required by law in respect of any Zakat, income or other taxes, charges or assessments. In such cases, the additional Units will be issued at Net

15 A



Asset Value less any Duties and Charges and will not attract any Front-end Load or Transaction Costs. Deductions in respect of any Zakat, income or other taxes, charges or assessments shall be paid as cash to the relevant Government agencies and the Unit Holder, upon request, will be issued a certificate in respect of such deduction in the form as may be prescribed or approved by the concerned authorities.

- 12.2.7 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.

### 12.3. DISTRIBUTION OF LIQUIDATION PROCEEDS

- 12.3.1 Upon the Trust being terminated or dissolved, the Management Company shall suspend the sale and redemption of Units 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 affected by the Trust together with any mark-up/interest remaining unpaid. In case of any shortfall, neither the Management Company, nor the Trustee shall be liable for the same.

- 12.3.2 The Trustee, on the recommendation of the Management Company, shall from time to time, distribute to the Unit Holders 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 and retaining such sum as considered or apprehended by the Management Company for all costs, charges, expenses, claims and demands. In case of any surplus, the same shall be distributed proportionately among the Unit Holders, provided neither the Trustee nor the Management Company shall be liable for any shortfall.

- 12.3.3 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.

### 13. ANNUAL ACCOUNTING PERIOD AND DATE

- 13.1 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.

- 13.2 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.

### 14. AUDIT

- 14.1 The Management Company shall in consultation with the Trustee, appoint as auditor a firm of chartered accountants from the approved list of auditors circulated by the Commission 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, and shall, if directed by the Commission, remove the Auditors and appoint other Auditors in their place.

- 14.2 The Auditors shall hold office until transmission of the annual report and accounts but may be re-appointed for up to three 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.

- 14.3 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.

- 14.4 The Auditors shall have access to the books, papers, accounts, vouchers and other records of the Trust, whether kept at the office of the Management Company, Trustee, Custodian, Registrar or elsewhere and



shall be entitled to require from the Management Company, the Trustee and their directors, officers and agents, such information and explanations as considered necessary for the performance of audit.

- 14.5 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 and considered necessary to facilitate the Trustee in issuing the certification required under the Regulations.
- 14.6 The Auditors shall prepare a written report to the Unit Holders on the accounts 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, statements or schedules appended thereto.
- 14.7 The contents of the Auditors report shall be as required in the Regulations.

## 15. BASE CURRENCY

The currency of transaction of the Fund is the Pakistani Rupee and the Management Company, Trustee or any Distributor are not obliged to transact the issuance or redemption of the Units in any other currency and shall not be held liable, save as may be specifically undertaken by the Management Company under this First Supplemental Deed, for receipt or payment in any other currency or for any obligations arising therefrom.

## 16. MODIFICATION OF CONSTITUTIVE DOCUMENTS

- 16.1 The Trustee and the Management Company, acting together, shall be entitled, by deed supplemental hereto, to modify, alter or add to the provisions of this First Supplemental Deed in such manner and to such extent as they may consider expedient for any purpose, subject only to the approval of the Commission, if so required. 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 to ensure compliance with any fiscal or statutory requirement or to enable the provisions of this First Supplemental Deed to be more efficiently, conveniently or economically managed or to enable the Units to be listed on a Stock Exchange or otherwise for the benefit of the Unit Holders and that it does 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.
- 16.2 Where this First Supplemental Deed has been further altered or supplemented, the Management Company shall notify the Unit Holders via publication in a widely circulated news paper in Pakistan.
- 16.3 If the Commission modifies the Rules and/or the Regulations, these shall be deemed to have been included in this Supplemental Deed without requiring any modification as such.
- 16.4 If at any time, any clause of this Trust Deed is or becomes in whole or in part, illegal, invalid or unenforceable under the laws of any applicable jurisdiction, neither the legality, validity and enforceability of the remaining clauses of this Trust Deed hereof, nor the legality, validity or enforceability of such clause under the law of any other jurisdiction shall in any way be affected or impaired thereby.

## 17. TERMINATION OF SCHEME

### 17.1. TERMINATION AND LIQUIDATION OF TRUST

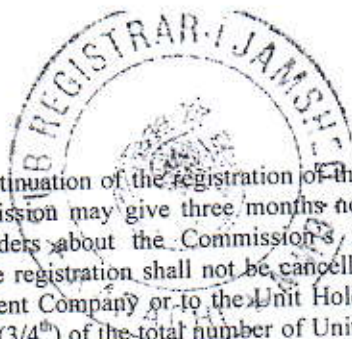
- 17.1.1 The Management Company may terminate the Fund if the Net Assets, at any time, fall below Rupees fifty million. The Management Company shall give at least three months notice to Unit Holders and shall disclose the grounds of its decision. The Management Company may announce winding up of the Fund without notice to the Unit Holders but under intimation to trustee and Commission in the event redemption requests build up to a level where the Management Company is of the view that the disposal of the Fund property to meet such redemption would jeopardize the interests of the remaining Unit Holders and that it would be in the best interest of all the Unit Holders that the Fund be wound up.
- 17.1.2 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 Unit Holders who are not redeeming, it may announce winding up of the Fund without notice after getting approval of

92





Commission



R. No. 207

Sub-Registrar-I  
Jamshed Town, Karachi

- 11.3 If the Commission considers that further continuation of the registration of the Scheme will not be in the interest of the Unit Holders, the Commission may give three months notice to the Trustee, the Management Company and the Unit Holders about the Commission's intention to cancel the registration of the Scheme. Provided that the registration shall not be cancelled without providing an opportunity of being heard to the Management Company or to the Unit Holders upon representation filed before the Commission by three-fourth (3/4<sup>th</sup>) of the total number of Unit Holders of the Scheme, as the case may be. In case of cancellation of registration for such reason, the Management Company shall be required to wind-up the Scheme and refund the net proceeds to the Unit Holders in such manner and within such time as may be specified by the Commission.
- 11.4 This First Supplemental Deed may be terminated in accordance with the conditions specified in the Regulations if there is any breach of the provisions of this First Supplemental Deed or any other agreement or arrangement entered into between the Trustee and Management Company regarding the Trust.
- 11.5 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.
- 11.6 In the event of termination of the Scheme, other than due to reasons mentioned in Clauses 17.1.1 and 17.1.2 above, the Management Company shall notify the Unit Holders by issuing a public notice in at least two newspapers, one in English and one in Urdu, each having wide circulation in Pakistan.

## TRUST ARRANGEMENTS

### 11. PRIMARY FUNCTIONS:

- 11.1 **Fund Management** - The Management Company has the responsibility to take all investment decisions within the framework of the Rules, the Regulations, this Supplemental Deed establishing the Scheme and the Offering Documents issued for the Scheme.
- 11.2 **Control over Assets** - The Trustee has the responsibility for being the nominal owner for the safe custody of the assets of the Scheme on behalf of the beneficial owners (the Unit Holders), within the framework of the Rules, the Regulations, this Supplemental Deed and the Offering Documents issued for the Scheme.
- 11.3 **Investor Records** - The Management Company has the responsibility to maintain Unit Holders' records and for this purpose it may appoint a Registrar, who is responsible for maintaining Unit Holders' records and providing related services. The Registrar shall perform the Registrar Functions and all other related activities.
- 11.4 **Record Keeping** - The Management Company has the primary responsibility for all record keeping, and for producing financial reports from time to time (the Management Company may outsource this function but will remain primarily responsible for it and bear the cost consequent to outsourcing). However, the Trustee has the responsibility to ensure timely delivery to the Management Company of statements of account and transaction advices for banking and custodial accounts in the name and under the control of the Trustee. The Management Company shall provide the Trustee unhindered access to all records relating to the Scheme. Such Record shall be preserved for a period of not less than ten years.
- 11.5 **Investor Services** - The Management Company has the responsibility to facilitate investment and disinvestment by investors and to make adequate arrangements for receiving and processing applications in this regard.
- 11.6 **Investment Promotion Officers** - The Management Company shall, from time to time, appoint Investment Promotion officers to assist it in promoting sales at its own cost.

### 12. VOTING RIGHTS ON FUND PROPERTY

- 12.1 All rights of voting attached to any Fund Property shall be exercisable by the Management Company on behalf of the Trust and it shall be entitled to exercise the said rights in what it may consider to

5

*[Handwritten signatures]*



be the best interests of the Unit Holders and may refrain at its own discretion from the exercise of any voting rights and the Trustee or the Unit Holders shall not have any right to interfere or complain.

- 18.2.2 The Trustee shall, upon written request by the Management Company, at the expense of the Management Company, from time to time, execute and deliver or cause to be executed and delivered to the Management Company or their nominees, powers of attorney or proxies authorizing such attorneys and proxies to vote, consent or otherwise act in respect of any Investment in such form and in favour of such persons as the Management Company may require in writing.

The word "vote" used in this sub-Section shall be deemed to include not only a vote at a meeting but the right to elect or appoint directors, any consent to or approval of any arrangement scheme or resolution or any alteration in or abandonment of any rights attaching to any Investment and the right to requisition or join in a requisition to convene any meeting or to give notice of any resolution or to circulate any statement.

- 18.2.3 The Trustee shall forward to the Management Company in a timely manner all notices of meetings and all reports and circulars received by the Trustee as the registered holder of any Investment.

- 18.2.4 The Management Company shall keep a record of voting on special business for five years.

## 19. UNITS

### 19.1. TYPE OF UNITS AND MINIMUM INVESTMENT

- 19.1.1 Pakistan Strategic Allocation Fund is divided into Units having a Par Value of Rs.10. Two types of Units of the Fund are;

**Unit A:** All investors whose units are converted from Closed End Fund to an Open End Fund will be issued type A units.

Front End Load: None  
Back End Load: None  
Distribution Method: These Units will be entitled to get Bonus Units and/or Cash Dividend ("CD") as decided by Management Company. However, investors may opt for CD Units where all normal distribution to CD units will be cash dividend only even if distribution of other types of units is in the form of bonus units.

**Unit B** All new investors post conversion will be issued type B units.

**Minimum Investment:** The Management Company may from time to time amend the minimum amount of initial investment, after giving fourteen (14) days prior notice to the Unit Holders that is required for opening an account with the Registrar such an enhanced limit shall not take effect retrospectively. At the initial stage, the minimum amount of investment to open an account is Rs.5,000/- and the minimum amount for adding to an existing account is Rs.1,000/- per transaction.

Front End Load: upto 5.0% of NAV including Transaction costs (The current level of load will be disclosed in the offering document).

Back End Load: upto 5.0% of NAV including Transaction costs (The current level of load will be disclosed in the offering document).

Distribution Method: These Units will be entitled to get Bonus Units and/or Cash Dividend ("CD") as decided by Management Company. However, investors may opt for CD Units where all normal distribution to CD units will be cash dividend only even if distribution of other types of units is in the form of bonus units.

- 19.2 The Management Company may announce different Units with differing levels of Front end Load /Back-end Load which shall be disclosed in the Offering Document or Supplementary Offering Document of the Fund.





LEGAL STATUS

- 12.1 All Units, including the Initial Units represent an undivided share in the Fund and rank pari passu as to their rights in the net assets, earnings and the receipt of the dividends and distribution. Each Unit Holder has a beneficial interest in Pakistan Strategic Allocation Fund proportionate to the Units held by such Unit Holders. For the convenience of investors, the Management Company may issue Units with different options as to the administrative arrangements after getting prior approval of Commission. Units issued under the different administrative arrangements shall in addition to being governed by this Supplemental Deed and the Offering Document, including relevant Supplementary Offering Document.
- 12.2 The Units issued with differing options may have differing quantum of Front-end Load added to the Net Asset Value for determining the Offer Price thereof and differing levels of Back-end Load deducted for determining the Repurchase Price, which shall be disclosed in the Offering Document.
- 12.3 Units shall be accounted for in fractions up to four decimal places
- 12.4 Unit Holders may obtain certificates representing the units they hold by paying a nominal fee which shall be disclosed in the Offering Document that might be imposed by the Management Company representing the costs involved. However in such cases, requests for redemption, transfer or transmission of Units shall be processed only on the production of the certificates. In the event of loss or defacing of certificates, the process shall be carried out subject to appropriate safeguards to the satisfaction of the Registrar and Trustee. Certificates shall not be issued under certain plans governed by Supplemental Offering Documents.
- 12.5 The Management Company shall prescribe the minimum amounts of investments to be stated in the Offering Document. The Management Company may at its discretion alter such minimum amounts after giving thirty (30) days prior notice to the Unit Holders. In the event the investment in any investor's account falls below the minimum level as a result of revised limits, changes in valuation, redemption, conversion, transfer or transmission, the Management Company may instruct the Registrar to either change the account/units to another type or to close such account by redeeming the Units in such accounts at the close of any accounting period at the price applicable to redemptions on such date.
- 12.6 The Management Company may opt to amend the nature of listing or delist the Fund on such exchanges where the Fund is already listed. The cost of achieving and maintaining such a listing will be borne by the Fund. For this purpose the Management Company, with the approval of the Commission, may amend the Trust Deed or issue supplemental Trust Deeds or Offering Documents and the Unit Holders' will be bound accordingly.
- 12.7 The Management Company may also register the Units of the Fund in foreign jurisdictions as available for purchase/sale in those jurisdictions and the cost of such registrations will be borne by the Fund. For this purpose the Management Company, with the approval of the Commission, may amend the Trust Deed or issue supplemental Trust Deeds or Offering Documents and the Unit Holders will be bound accordingly.
- 12.8 By a further supplemental deed, the Management Company may at any time, with the consent of the Trustee and approval of the Commission, on giving not less than 7 (seven) days previous notice in writing to each Unit Holder, subdivide or consolidate the whole or any part of the Units and the Unit Holder shall be bound accordingly. The Management Company shall require in such notice that each Unit Holder 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.

ISSUE OF UNITS AND LIMITATION OF LIABILITY

- 13.1 The Management Company shall be responsible for obtaining all requisite consents and approvals for the offer and issue of Units and for the issue, publication or circulation of the Offering Document. For Certificate Holders, not maintaining account with Management Company, such Certificate Holders would be subject to Know Your Customer (KYC) requirements and other applicable laws for account opening.
- 13.2 Except as provided herein the Units shall be offered through the authorized offices or branches of the Distribution Companies on all Dealing Days. The details of Authorized Branches of the Management



Company and Branches of the Distributor shall be provided in the Offering Document.

9.3.3 Each Unit Holder shall only be liable to the extent of the issue price of the Units subscribed by him and no further liability shall devolve on him in respect of any Units held by him. Units shall be issued only against receipt of full payment. No further liability shall devolve on a Unit Holder save any transfer fees or taxes applicable to transfers and transmission.

9.3.4 Application for issuance of Units shall be made by completing the prescribed application form and submitting it with the payment, in such form as is prescribed by the Management Company, in favour of "CDC-Trustee Pakistan Strategic Allocation Fund" at the Authorized Branch or office of any Distribution Company. The Distribution Company shall verify the particulars given in the application for issue of Units and ensure that the signature of any Unit Holder or joint Unit Holder to any document required to be signed by him under or in connection with the application for issue of Units is verified by a banker or broker or other responsible person or otherwise authenticated to its or their reasonable satisfaction.

#### 14. ISSUE OF UNITS OUTSIDE PAKISTAN

Subject to foreign exchange regulations, regulatory approvals and other applicable laws, rules and regulations, in the event of arrangements being made by the Management Company for the issuance of Units to persons not resident in Pakistan or for delivery in any country outside Pakistan, the price at which such Units may be issued may include, in addition to the Offer Price as hereinbefore provided, a further amount sufficient to cover any exchange risk insurance, any additional stamp duty or taxation whether national, local or otherwise leviable in that country in respect of such issue or of the delivery or issue of Units or any additional costs relating to the delivery of Certificates or the remittance of money to Pakistan.

#### 5. REGISTER OF UNIT HOLDERS

5.1 The Registrar at such a place as is agreed by the Management Company shall maintain a Register. The Management Company shall ensure that the Registrar shall comply with all relevant provisions of this First Supplemental Deed and the Regulations.

5.2 The Register may be maintained in electronic form provided the Registrar and the Management Company have made sufficient provision for back-up of the Register.

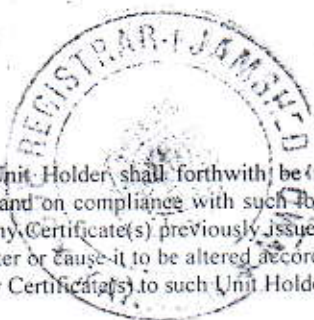
5.3 The Management Company shall ensure that the Registrar shall at all reasonable times during business hours give the Trustee and its representatives access to the Register and to all subsidiary documents and records or certified copies thereof and to inspect the same with or without notice and without charge except when the Register is closed in accordance with the provisions of this First Supplemental Deed, however neither the Trustee nor its representatives shall be entitled to remove the Register or to make any entries therein or alterations thereto.

5.4 The Register shall contain the following information:

- (a) Full names, nationalities, residency status, Computerized National Identity Card (CNIC) number (in respect of Pakistan nationals)/National Identity Card for Overseas Pakistanis (NICOP) or Pakistan Origin Card number (in respect of overseas Pakistanis)/passport numbers or other identifying numbers (in respect of overseas Pakistanis and Foreign Nationals) and addresses of each Unit Holders and joint Unit Holders;
- (b) The number of Units held and the distinctive numbers of Certificate, if any;
- (c) The date on which the name of every Unit Holder was entered in respect of the Units standing in his name;
- (d) The date on which any transfer 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 the Management Company may require.

5 The Register shall be conclusive evidence as to the Units held by each Unit Holder.





R. No.

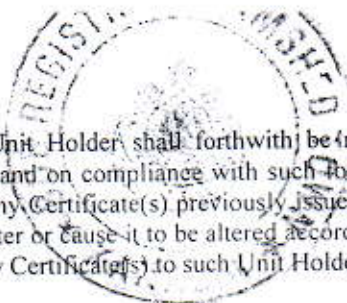
Sub-Registrar-I  
Jamshed Town, Karachi

- 9.5.6 Any change of name or address of any Unit Holder 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 Unit Holder 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 Unit Holder.
- 9.5.7 The Registrar shall not register more than four joint Holders for a Unit. In case of the death of any one of the joint Unit Holders, the deceased's survivor(s) shall be the only persons recognized by the Trustee as having any title to or interest in the deceased's interest in the Units held by the joint Unit Holders. Provided, however, that the Registrar or the Trustee may, at their discretion, request the survivors to provide succession certificate or such other mandate from a court or lawful authority as they consider necessary.
- 9.5.8 A body corporate may be registered as a Unit Holder or as one of joint Unit Holders.
- 9.5.9 The Register may be closed under intimation to Trustee for such period as the Management Company may, from time to time, determine and after giving at least seven days notice to Unit Holders, provided that it is not closed for more than six (6) working days at a time and whole for forty-five days in any calendar year for dividend declaration.
- 9.5.10 The Unit Holder shall be the only person to be recognized by the Trustee, the Management Company and the Registrar as having any right, title or interest in or to such Units and the Trustee, the Management Company and the Registrar may recognize the Unit Holder as the absolute owner thereof and shall not be bound by any notice to the contrary and shall not be bound to take notice of or to see to the execution of any trust, except where required by any court of competent jurisdiction. However, the Management Company may authorize the Registrar to record a pledge on any or all Certificates held by a Unit Holder in favour of a third party at the request of such Unit Holder or all the Joint Unit Holders, as the case may be.
- 9.5.11 The nominee(s), in case of nomination(s) and the executors or administrators or succession Unit Holder of deceased Unit Holder (not being one of several joint Unit Holders) and/or any other person directed by an appropriate court, shall be the only persons recognized by the Trustee and the Management Company as having title to the Units represented thereby.
- 9.5.12 Any person becoming entitled to a Unit in consequence of the death or bankruptcy of any sole Unit Holder or of the survivor of joint Unit Holders may, subject to conditions as hereinafter provided, upon producing such evidence as to his title as the Trustee and Management Company shall think sufficient either be registered himself as Holder of such Unit upon giving the Registrar such notice in writing of his desire or transfer such Unit to some other person. All the limitations, restrictions and provisions of this First Supplemental Deed relating to transfer shall be applicable to any such notice or transfer as if the death or bankruptcy had not occurred and such notice or transfer was a transfer executed by the Unit Holder. Provided however, the Registrar or the Trustee may, at their discretion, request the survivors to provide succession certificates or such other mandate from a court or lawful authority as they consider necessary.
- 9.5.13 The Trustee shall retain any moneys payable in respect of any Unit of which any person is, under the provisions as to the transmission of Unit hereinbefore contained, entitled to be registered as the Unit Holder or which any person under those provisions is entitled to transfer, until such person shall be registered as the Holder of such Unit or shall duly transfer the same.

#### 9.6. ISSUANCE OF CERTIFICATES

- 9.6.1 Upon being satisfied that the Offer Price for each Unit has been received in full from the applicant, the Registrar shall issue an account statement that will constitute evidence of the number of Units registered in the name of the Unit Holder.
- 9.6.2 Certificates shall be issued only if so requested by the Unit Holder at the time of application or at any later stage and upon payment of a fee to be set by the Management Company from time to time. The proceeds of such fee will accrue to the Management Company.
- 9.6.3 Account statements or Certificates, as the case may be, shall only be issued against full payment of the subscription money.





- 14 Any change of name or address of any Unit Holder 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 Unit Holder 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 Unit Holder.
- 15 The Registrar shall not register more than four joint Holders for a Unit. In case of the death of any one of the joint Unit Holders, the deceased's survivor(s) shall be the only persons recognized by the Trustee as having any title to or interest in the deceased's interest in the Units held by the joint Unit Holders. Provided, however, that the Registrar or the Trustee may, at their discretion, request the survivors to provide succession certificate or such other mandate from a court or lawful authority as they consider necessary.
- 16 A body corporate may be registered as a Unit Holder or as one of joint Unit Holders.
- 17 The Register may be closed under intimation to Trustee for such period as the Management Company may, from time to time, determine and after giving at least seven days notice to Unit Holders, provided that it is not closed for more than six (6) working days at a time and whole for forty-five days in any calendar year for dividend declaration..
- 18 The Unit Holder shall be the only person to be recognized by the Trustee, the Management Company and the Registrar as having any right, title or interest in or to such Units and the Trustee, the Management Company and the Registrar may recognize the Unit Holder as the absolute owner thereof and shall not be bound by any notice to the contrary and shall not be bound to take notice of or to see to the execution of any trust, except where required by any court of competent jurisdiction. However, the Management Company may authorize the Registrar to record a pledge on any or all Certificates held by a Unit Holder in favour of a third party at the request of such Unit Holder or all the Joint Unit Holders, as the case may be.
- 19 The nominee(s), in case of nomination(s) and the executors or administrators or succession Unit Holder of deceased Unit Holder (not being one of several joint Unit Holders) and/or any other person directed by an appropriate court, shall be the only persons recognized by the Trustee and the Management Company as having title to the Units represented thereby.
- 20 Any person becoming entitled to a Unit in consequence of the death or bankruptcy of any sole Unit Holder or of the survivor of joint Unit Holders may, subject to conditions as hereinafter provided, upon producing such evidence as to his title as the Trustee and Management Company shall think sufficient either be registered himself as Holder of such Unit upon giving the Registrar such notice in writing of his desire or transfer such Unit to some other person. All the limitations, restrictions and provisions of this First Supplemental Deed relating to transfer shall be applicable to any such notice or transfer as if the death or bankruptcy had not occurred and such notice or transfer was a transfer executed by the Unit Holder. Provided however, the Registrar or the Trustee may, at their discretion, request the survivors to provide succession certificates or such other mandate from a court or lawful authority as they consider necessary.
- 21 The Trustee shall retain any moneys payable in respect of any Unit of which any person is, under the provisions as to the transmission of Unit hereinbefore contained, entitled to be registered as the Unit Holder or which any person under those provisions is entitled to transfer, until such person shall be registered as the Holder of such Unit or shall duly transfer the same.

#### 6. ISSUANCE OF CERTIFICATES

- 6.1 Upon being satisfied that the Offer Price for each Unit has been received in full from the applicant, the Registrar shall issue an account statement that will constitute evidence of the number of Units registered in the name of the Unit Holder.
- 6.2 Certificates shall be issued only if so requested by the Unit Holder at the time of application or at any later stage and upon payment of a fee to be set by the Management Company from time to time. The proceeds of such fee will accrue to the Management Company.
- 6.3 Account statements or Certificates, as the case may be, shall only be issued against full payment of the subscription money.

*[Handwritten signatures]*



19.6.4 Certificates shall be issued as herein provided not later than 21 (twenty one) Business Days after the date of request. The Certificate may be sent to the Unit Holder or his duly authorized nominee at his own risk by registered post or by courier service.

19.6.5 In the case of Units held jointly, the Registrar shall not issue more than one Certificate for the Certificates held by such joint Unit Holders and delivery of such Certificate to the Unit Holder named first therein shall constitute sufficient delivery to all joint Unit Holders.

19.6.6 Certificates shall be issued in such form as may, from time to time, be agreed between the Management Company and the Trustee. A Certificate shall be dated, shall bear the name and address of the Management Company and the Trustee, shall bear a distinctive serial number and shall specify the number of Units represented thereby and the name and address of the Unit Holder as appearing in the Register.

19.6.7 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 a 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, which shall always be autographic. No Certificate shall be of any force or effect until signed as hereinabove mentioned. Certificates so signed shall be valid and binding notwithstanding that before the date of delivery thereof the Trustee or the Management Company or the Registrar or any person whose signature appears thereon as a duly authorized signatory may have ceased to be the Trustee, Management Company, Registrar or an authorized signatory.

19.6.8 Where the Units are in form of book entry securities registered with the Central Depository Register of the Central Depository Company of Pakistan Limited, 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.

#### 19.7. REPLACEMENT OF CERTIFICATES

19.7.1 Subject to the provisions of this First Supplemental Deed and in particular to the limitations of the denominations of Certificates as may be fixed by the Management Company and subject to any regulations from time to time made by the Trustee, with the approval of the Management Company, every Unit Holder shall be entitled to exchange upon surrender of any or all of his existing Certificates for one or more Certificates of such denominations as he may require representing the same aggregate number of Units.

19.7.2 In case any Certificate shall be lost, stolen, mutilated, defaced or destroyed, the Registrar, with the approval of the Management Company, may issue to the person entitled a 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 Trustee /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 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 provision of such indemnification as the Management Company and the Trustee may deem appropriate, at the cost of the pertinent Unit Holder, before issuing any new certificates.

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

#### 19.8. TRANSFER OF UNITS

19.8.1 Every Unit Holder shall be entitled to transfer the Units held by him by an instrument in such form as the Management Company may prescribe, from time to time, with the approval of the



Trustee.

- 12 A Unit shall be transferable only in its entirety.
- 13 Both the transferor and the transferee must sign every instrument of transfer and the transferor shall be deemed to remain the Holder of the Units transferred until the name of the transferee is entered in the Register in respect thereof.
- 14 Every instrument of transfer must be duly completed in all respects including affixation of transfer stamps of the requisite value. Where Certificates have been issued the Trustee may dispense with the production of any Certificate where the Certificate has been lost, stolen or destroyed, subject to compliance by the transferor with like requirements to those arising in the case of an application by him for the replacement thereof as provided in this First Supplemental Deed.
- 15 The Registrar shall retain all instruments of transfer.
- 16 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 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 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 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 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.

#### PLEDGE OF UNITS

- 1 Any Unit Holder or all joint Unit Holders may request the Registrar to record a pledge of all or any of his/their Units in favour of any third party legally entitled to invest in such Units in its own right. The Registrar shall register a pledge on any Units in favour of any third party with the specific authority of the Management Company.
- 2 The pledge, once registered, shall be removed by the authority of the party in whose favour the pledge 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. The disbursement of any loan or undertaking of any obligation against the constitution of such pledge by any party shall be at the entire discretion of such party and neither the Trustee nor the Management Company nor the Registrar takes any responsibility in this matter.
- 3 Payments 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.

#### REDEMPTION OF UNITS

- 1 Unit Holders may redeem any Units held by them at any time using the redemption form. Redemption forms can also be lodged online. Certificates, if issued, must be submitted with the redemption form with an endorsement at the back of the Certificate. Partial redemption of Units covered by a single Certificate is not permitted. However, Holders may apply for a splitting of the Certificate before applying for redemption. Unless the Joint Holders of Units have specified otherwise, all the Joint



Holders shall sign the redemption form of such Units.

- 9.10.2 All forms can be obtained from the Management Company or any Distributor or Facilitator of the Management Company or downloaded from the Management Company website or requested from the Management Company by mail.
- 9.10.3 The redemption form can be lodged with any Authorized Branch of the Management Company. No other person is authorized to accept the form. The applicant must obtain a copy of the form signed and stamped by an authorized officer of the Distributor/Management Company acknowledging the receipt of the form and the Certificates, if any.
- 9.10.4 The Redemption Price at which Units shall be redeemed shall be the price fixed by the Management Company.
- 9.10.5 The Management Company will make arrangements, from time to time, for receiving Redemption Forms from outside Pakistan and payment of redemption amounts outside Pakistan and will disclose these arrangements through its website and its Distributors and agents outside Pakistan.
- 9.10.6 The maximum interval of time between receipt of a Redemption Form and payment of redemption amount to the Unit Holder shall not exceed six Business Days.
- 9.10.7 The payment of the redemption value shall be made by virtue of a transfer to the Unit Holder's (the first named joint holder if jointly held) designated bank. In case of overseas account holders the maximum interval of time between receipt of a Redemption Form and payment of redemption amount to the Authorized Dealer for conversion and transmission to the Unit Holder will not exceed six Business Days.
- 9.10.8 In redeeming Units of the Fund, no money shall be paid to any person except the Unit Holder or his or her duly authorized representative.
- 9.10.9 After an existing Unit Holder has redeemed all his Units and collected all his dues, he shall have no further claims against the Fund.
- 9.10.10 The procedure hereinabove is designed for paper-based transactions. The Management Company may at a later date introduce electronic / Internet based options for the transactions. The Management Company may also offer Automated Teller Machines (ATMs) based redemptions through which a Unit Holder may also redeem Units of the Fund to such extent as the Management Company may arrange from time to time through Automated Teller Machines (ATMs) supported by one or more banks. Such arrangements shall be announced by the Management Company at such terms and conditions as it may deem fit. Such facility shall be available subject to the Unit Holder signing a special form and agreement prescribed by the Management Company.
- 9.10.11 The Management Company may frame additional rules and regulations regarding redemption of dematerialized Units registered with a depository organization, provided such rules and regulations are not in contradiction with the provisions of the Rules, the Trust deed, and the Regulations.
- 9.10.12 The Management Company shall also advise the Trustee, of the details of amounts to be paid to respective Unit Holders against redemption requests. Such payments shall be effected by the Trustee out of the respective Bank Accounts of the Unit Trust by way of transfer of the appropriate amounts to the designated bank accounts of the Unit Holders or by payment instrument to be delivered to the Management Company for onward dispatch to the Unit Holders.

### 11. ADMINISTRATIVE PLAN

- 11.1 The Management Company, with the consent of the Trustee and the prior approval of the Commission, may offer different Administrative Plans.
- 11.2 Details of any Administrative Plan, as and when introduced by the Management Company, shall be set out in a Supplemental Offering Document.
- 11.3 For the avoidance of doubt, it is clarified that Units issued in the Fund under any Administrative Plan shall rank pari passu as to the Net Assets, earnings and receipt of dividends or distribution with other Units issued in the Fund.
- 11.4 Certificates representing Units purchased under an Administrative Plan shall not be issued.
- 11.5 In the event that changes are made to any Administrative Plan after any Units Holders have purchased



Units in the Fund through the Administrative Plan, the Unit Holders shall be given prior notice of atleast seven (7) days to comply with the changes. Any subsequent investments by the Unit Holders in the Fund through the Administrative Plan shall be in accordance with such changes.

- 11.6 The Trustee shall, if requested by Management Company, also open separate bank account(s) titled "CDC -Trustees AHIM Funds" at Bank(s) designated by the Management Company to facilitate investment in each of the Administrative Plans. The operational modalities of these accounts shall be mutually agreed between the Management Company and Trustee. These account(s) shall be temporary collection accounts, where collections received on account of subscription of units by investors of various unit trusts and the Administrative Plans that are managed by the Management Company shall be held prior to their being allocated and transferred to pertinent unit trust(s) in accordance with the Administrative Plans selected by the investors.

## MISCELLANEOUS

### 1. DEPOSITORY ARRANGEMENTS

The Certificates, if eligible and deposited with a depository whether locally or abroad, shall be subject to the terms and conditions prescribed by the depository and any inconsistent terms and conditions applicable to the certificates herein, shall not apply.

### 2. ARBITRATION

In the event of any disputes arising out of this Trust Deed or 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 Supplemental Deed, the Offering Document and/or the Supplementary Offering Document(s) relating to the Scheme, 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.

### 3. CONFIDENTIALITY

The Trustee, the Management Company, the Registrar, the Custodians, the Distributors, the Investment Facilitators and every director or officer of the said parties who are in any way engaged in the business of the Trust and all persons employed or engaged by the said parties in connection with the business of the Trust shall observe strict confidentiality in respect of all transactions of the Trust, its Unit Holders and all matters relating thereto and shall not disclose any information or document which may come to his knowledge or possession in the discharge of his duties, except when required to do so in the ordinary course of performance of his duties or by law or if compelled by any court of law or a competent authority.

### 4. NOTICE

- 4.1 Any notice required to be served upon a Unit Holder 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 or courier shall be deemed to have been served on the third day following that on which the letter containing the same is posted or delivered to the courier and in proving such service, it shall be sufficient to prove that such letter was properly addressed, stamped and posted or delivered to the courier.
- 4.2 The Management Company shall advertise any such notice in two leading daily newspapers in Pakistan having wide circulation in Pakistan. The Cost of Publication shall not be charged to the Fund.
- 4.3 Service of a notice or document on any one of several joint Unit Holders shall be deemed effective



service on the other joint Unit Holders.

- 10.4.4 Any notice or document sent by post or courier service to or left at the registered address of a Unit Holder shall, notwithstanding that such Unit Holder 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.
- 10.4.5 A copy of this First Supplemental Deed and of any such 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 to be determined, from time to time, by the Management Company.
- 10.4.6 If at any time, any clause of this First Supplemental Deed is or becomes in whole or in part illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, the legality, validity and enforceability of the remaining clauses of this First Supplemental Deed hereof, shall in any way be effected or impaired thereby.

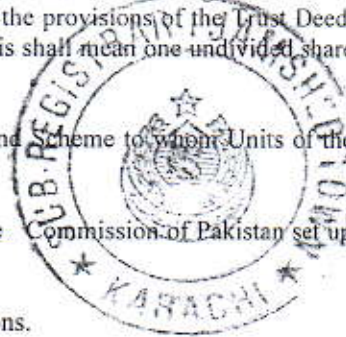
## DEFINITIONS

Unless the context requires otherwise, the 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", "Accounting Year" 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 "Auditors" means such audit firms that are appointed as the auditors of the Scheme by the Management Company with the consent of the Trustee in accordance with the provisions of this First Supplemental Deed and the Regulations;
- 1.4 "Authorized Branch" means branches of the Management Company which are authorized from time to time to perform Distribution Functions;
- 1.5 "Authorized Dealer" means a Scheduled Bank appointed by the Management Company under the Foreign Exchange Manual of the State Bank of Pakistan to manage receipts and transfers of payments for subscription and redemption of Units and distributions to offshore investors.
- 1.6 "Authorized Investment" means Pakistan origin investment and includes the following;
- Local listed Equities
  - Cash and/ or near cash instruments where near cash instruments include cash in bank account (excluding TDRs).
  - Treasury Bills not exceeding 90 Days maturity.
- 1.7 "Back-end Load" means a processing charge deducted by the Management Company from the Net Asset Value in determining the Redemption Price and shall form part of Fund Property;
- 1.8 "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.
- 1.9 "Bank Accounts" mean those accounts the beneficial ownership of which rests in the Unit Holders and for which Central Depository Company (CDC) has been appointed as the Trustee;



- 11.10 "Broker" means any person engaged in the business of effecting transactions in securities for the account of others or a member of the Stock Exchange.
- 11.11 "Book Closure" means a period where the Unit Holder register is closed and no transfer, issue, redemption, conversion of Unit is allowed in that period.
- 11.12 "Bonus Units" mean the units issued, on distribution of the distributable income, in the form of stock dividend. "Business Day" means a day (such business hours thereof) when Stock Exchanges are open for trading in Pakistan
- 11.13 "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. Provided that for a Certificate Holder prior to the Effective Date, this shall mean one undivided share in the Closed-end Scheme
- 11.14 "Certificate Holders" mean the Certificate Holders of the Closed-end Scheme to whom Units of the Open End Scheme shall be issued
- 11.15 "Commission" or "SECP" means the Securities and Exchange Commission of Pakistan set up under Securities and Exchange Commission of Pakistan Act, 1997.
- 11.16 "Connected Person" shall have the same meaning as in the Regulations.
- 11.17 "Connected Broker" means a broker that is a Connected Person.
- 11.18 "Constitutive Documents" means the Trust Deed, this Supplemental Deed, the Offering Document(s) and other principal documents governing the formation, management or operation of the Fund including all related material agreements.
- 11.19 "Conversion Cost" means all cost and expenses relating to the conversion of PSAF into an Open End Scheme, including but not limited to expenses in connection with the abstention of authorization for conversion of the Scheme, execution and registration of Supplemental Constitutive Document, issue, printing, publication and circulation of revised Offering Document, announcements to the public, the Unit Holders, banks and other concerned parties, announcements describing the Fund and inviting investments therein, legal expenses and all other cost and expenses incurred up to the period of effectuating and implementing the conversion of PSAF into an Open End Scheme.
- 11.20 "Custodian" means a company 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; provided it has been approved by the Commission to act as custodian.
- 11.21 "Cut Off Timing" means time span in a Business Day which is allowed for valid receipt of form(s).
- 11.22 "Dealing/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 7 (seven) days notice in the news papers, declare any particular Business Day not to be a Dealing Day;
- 11.23 "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 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.
- 11.24 "Distributor", "Distribution Company", "Distribution Companies" mean company(ies), firm(s), or bank(s) appointed by the Management Company, with the approval of the Trustee, for performing any or all of the Distribution Functions and shall include the Management Company, itself, if it performs the Distribution Functions.
- 11.25 "Distribution Functions" mean the functions with regard to:



*[Handwritten signatures]*



- (a) Receiving applications for the issue of Units and the aggregate Offer Price for Units applied for by such applications;
- (b) Issuing receipts in respect of (a) above;
- (c) Issuing Contract notes to the applicants in accordance with the terms of the Scheme;
- (d) 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
- (e) Accounting to the Trustee for (i) money received from applicants for the issuance of units; (ii) payments made to the Unit Holders on redemption of Units; (iii) expenses incurred in relation to the Distribution Function.

11.26 "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 Net Asset Value.

11.27 "Effective Date" means effective date of conversion which is commencement of first Business Day after the expiry of the Book Closure to be announced by the Management Company for the purpose of determining the entitlement of the Certificate Holders to the Units of the Open End Scheme, in lieu of the Certificates of the Closed-end Scheme held by them

11.28 "Financial Institution" means

- (a) a company or an institution whether established under any special enactment and operating within or outside Pakistan which transacts the business of banking or any associated or ancillary business through its branches;
- (b) a modaraba, leasing company, investment bank, venture capital company, financing company, housing finance company, a nonbanking finance company; and;
- (c) such other institution or company authorized by law to undertake any similar business, as the Federal Government may, by notification in the official Gazette, specify for the purpose

11.29 "First Supplemental Deed" means this First Supplemental Deed of Pakistan Strategic Allocation Fund

11.30 "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 not be 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 natural events 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

11.31 "Front-end Load" means the sales processing charges charged by the Management Company, which are included in the Offer Price of Units.

11.32 "Fund Property" means the aggregate proceeds of the sale of all Units 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



R. No. 264.

Sub-Registrar-I  
Jamshed Town, Karachi

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 Unit Holders pursuant to the Trust Deed but does not include any amount standing to the credit of the Distribution Account.

- 1.33 "Holder" or "Unit Holder" means the investor, for the time being, entered in the Register as owner of a Unit or part thereof, including investors jointly registered pursuant to the provisions of this First Supplemental Deed.
- 1.34 "Initial Units" mean(s) the Unit(s), in lieu of Certificate(s) of the Closed-end Scheme, issued to the Initial Unit Holders in the ratio of 1:1 - i.e. each Initial Unit Holder (formerly Certificate Holder) shall be issued one (1) Unit of Par Value of PKR:10/- for each Certificate of par value of PKR:10/- each.
- 1.35 "Investment" means any Authorized Investment forming part of the Fund Property.
- 1.36 "Investment Advisor" means Management Company.
- 1.37 "Investment Promotion Officer" or "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 will compensate the Facilitators.
- 1.38 "Management Company" means Arif Habib Investments Limited.
- 1.39 "Net Assets" means the excess of assets over liabilities of the Fund, such excess being computed in the manner specified in Clause 8.1 of this First Supplemental Deed.
- 1.40 "Net Asset Value" or "NAV" means per Unit Value of the Fund arrived at by dividing the Net Assets by the number of Units outstanding.
- 1.41 "Offer Price" means the sum to be paid to the Trustee for issuance of one Unit.
- 1.42 "Offering Document" means the prospectus, advertisements or other documents (approved by the Commission) that contain the investment and distribution policy and all other information in respect of the Fund and the plans offered under various 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.
- 1.43 "Open End Fund" "Open End Scheme" means a scheme constituted by way of a trust deed that continuously offers for sale its units that entitle the holder of such units on demand to receive his proportionate share of the net assets of the scheme less any applicable charges;
- 1.44 "Ordinance" means the Companies Ordinance, 1984.
- 1.45 "Par Value" means the Rs. 10 per Unit which is equivalent to the original issue price of Rs.10 per Certificate of the Closed-end Scheme.
- 1.46 "Pakistan Strategic Allocation Fund", "Fund", "Trust" or "Scheme", or "PSAF", or "Open-end Scheme" means the Trust constituted by the Trust Deed.
- 1.47 "Redemption Price" means the amount to be paid to the relevant Holder of a Unit upon redemption of that Unit,
- 1.48 "Redemption Form" means the redemption form prescribed by Management Company.
- 1.49 "Register" means the Register of the Holders kept pursuant to the Regulations and the Trust Deed.
- 1.50 "Registrar" means an organization that the Management Company shall appoint for performing the Registrar Functions.
- 1.51 "Registrar Functions" means the functions with regard to:

*[Handwritten signature]*



- (a) Maintaining the Register;
- (b) Processing requests for issue, redemption, transfer and transmission of Units and requests for recording of lien/pledge or for recording of changes in data with regard to the Unit Holders
- (c) Dispatching income distribution warrants and bank transfer intimations;
- (d) Issuing statement of accounts to the Unit Holders; and
- (e) Issuing, re-issuing and cancelling Certificates.
- 1.52 "Regulations" mean the Non-Banking Finance Companies and Notified Entities Regulations, 2008, as amended or substituted from time to time.
- 1.53 "Rules" mean Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003, as amended or substituted from time to time.
- 1.54 "Stock Exchange" means Karachi Stock Exchange, Lahore Stock Exchange or Islamabad Stock Exchange or any other stock exchange registered under the Securities and Exchange Ordinance 1969.
- 1.55 "Supplementary Offering Document" means a document issued by the Management Company, in consultation with the Trustee after seeking approval of the Commission, describing amendments in the Offering Document or the special features of new type of Units and offering investment in the Scheme.
- 1.56 "Supplemental Trust Deed" means a document issued by the Management Company, in consultation with the Trustee after seeking approval of the Commission for further amendments in the Trust Deed (as amended vide this First Supplemental Deed).
- 1.57 "Transfer Application Form" means the prescribed form, which is given in the Offering Document.
- 1.58 "Transaction Costs" means the costs incurred or estimated by the Management Company to cover the costs (such as but not limited to brokerage, Trustee charges, taxes or levies on transaction etc.) related to the investing or disinvesting activities of the Fund's portfolio, necessitated by creation or cancellation of Units. Such cost 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 element of Transaction Costs taken into account in determining the prices and collected so, shall form a part of the Fund Property.
- 1.59 "Trust Deed" means the Trust Deed dated 13-05-2004, as amended by this First Supplemental Deed which is the principal Document governing the formation, management and operation of the Fund.
- 1.60 "Unit" means one undivided share in the Fund and, where the context so indicates, a fraction thereof.
- 1.61 "Zakat" has the same meaning as in the Zakat and Ushr Ordinance, 1980.

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 means of visible reproduction.



Handwritten signature and initials.

Handwritten number 7.



## 12. SIGNATURES

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

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

(1) Sd. 

Name: NASIM BEG

Designation: Chief Executive

R. No. 284  
Sub-Registrar-I  
Janished Town, Karachi

(2) Sd. 

Name: ZEESHAN

Designation: DIRECTOR FINANCE



The Common Seal of Central Depository Company of Pakistan Limited (CDC) was hereunto affixed in the presence of

(1) Sd. 

Name: ABDUL SAMAD

Designation: HEAD OF TRUSTEE & CUSTODIAL - UNIT - II

(2) Sd. 

Name: Aliqur Rehman

Designation: Head of Trustee - Unit I

Witness:



Name: IQBAL UZZAMAN KHAN

Designation: AGM, TRUSTEE & CUSTODIAL - UNIT II



Name: S. Shankar Hussain Rizvi

Designation: EVP.



S. No. 2692

Presented in the office of Sub-Registrar Office-I, Jamshed Town

on 6.10.2010

Between 2 to 3.

Sub-Registrar-I Jamshed Town, Karachi

RECEIVED

Received Registration Fee as follows

Registration Fee 40/-

Micro Filming Fee 625/-

Endorsement Fee 5/-

Search Fee 670/-

Penalties as 25/34

Postage Charges

Sub-Registrar-I Jamshed Town, Karachi

Sub-Registrar-I Jamshed Town, Karachi

Urgent Microfilm 16  
Rs. 17-10-2010  
Date: 17-10-2010

Mr./Mrs./Miss: Nusrat Begum

S/o D/o W/o: Nusrat Begum

Executing Party Business/Service: Nusrat Begum

Muslim

R/o: Nusrat Begum

Admits execution of this deed IN THE CAPACITY AS SHOWN IN THE DEED

NIC NO: 42301-5558400-7

Mr./Mrs./Miss: Zeeshan

S/o D/o W/o: Zeeshan

Executing Party Business/Service: Zeeshan

Muslim

R/o: Zeeshan

Admits execution of this deed IN THE CAPACITY AS SHOWN IN THE DEED

NIC NO: 42101-08805511-5

Mr./Mrs./Miss: Afsana

S/o D/o W/o: Afsana

Executing Party Business/Service: Afsana

Muslim

R/o: Afsana

Admits execution of this deed IN THE CAPACITY AS SHOWN IN THE DEED

NIC NO: 42101-08805511-5

Mr./Mrs./Miss: Afsana

S/o D/o W/o: Afsana

Executing Party Business/Service: Afsana

Muslim

R/o: Afsana

Admits execution of this deed IN THE CAPACITY AS SHOWN IN THE DEED

NIC NO: 42101-08805511-5

Mr./Mrs./Miss: Afsana

S/o D/o W/o: Afsana

Executing Party Business/Service: Afsana

Muslim

R/o: Afsana

Admits execution of this deed IN THE CAPACITY AS SHOWN IN THE DEED



Handwritten mark

Handwritten mark

Handwritten mark

Handwritten mark

Mehammed Tahir Qasbi  
Advocate Karachi

Handwritten signature

States that he personally  
knows the above executant  
and identifies Handwritten mark  
Date: 6.10.2010.

284  
Registered No: TV  
Book No: TV  
Date: 6-10-2010

Sub-Registrar  
Jamshed Town, Karachi  
A.A. MEMON

Sub-Registrar-I  
Jamshed Town, Karachi  
A.A. MEMON



M.F. Roll No: U 60674  
6703  
Signature  
Photo-Registrar, Karachi  
Date: 15.7.2010





حکومت پاکستان  
قومی شناختی کارڈ  
42301-5558488-3



نام: محمد رفیع  
جنس: مرد  
والد کا نام: عبدالملک خان  
شناختی ثابت: گواہی برائے  
تاریخ پیدائش: 19/08/1947  
رکن: سندھ سروسز



شناختی نمبر: 42301-5558488-3 قائدانہ نمبر: I6P8VX  
موجودہ پتہ: ملتان نمبر 61/6، بلاک 4، کھنٹی، کراچی، تحصیل و ضلع کراچی جنوبی  
مسکین پتہ: ملتان نمبر 61/6، بلاک 4، کھنٹی، کراچی، تحصیل و ضلع کراچی جنوبی  
تاریخ اجراء: 12/06/2008 تاریخ ترمیم: 31/05/2018  
گھنٹہ کارڈ ہے برقی لٹر میں ڈال دیں

Sub-Registrar-I  
Jamshed Town, Karachi



حکومت پاکستان  
قومی شناختی کارڈ  
42101-0880555-5



نام: محمد رفیع  
جنس: مرد  
والد کا نام: عبدالملک خان  
شناختی ثابت: گواہی برائے  
تاریخ پیدائش: 25/10/1978  
رکن: سندھ سروسز



شناختی نمبر: 42101-0880555-5 قائدانہ نمبر: CS9Q3J  
موجودہ پتہ: سرینہ پرائمری پلاٹ 14-B/1، فلیٹ نمبر 206  
محکمہ ای سی ایچ ایس، بلاک 8، کراچی شرقی، تحصیل و ضلع کراچی شرقی  
مسکین پتہ: ای سی ایچ ایس، فلیٹ نمبر 14-B/1، فلیٹ نمبر 206  
محکمہ ای سی ایچ ایس، بلاک 8، کراچی شرقی، تحصیل و ضلع کراچی شرقی  
تاریخ اجراء: 07/03/2009 تاریخ ترمیم: 28/02/2019  
گھنٹہ کارڈ ہے برقی لٹر میں ڈال دیں



حکومت پاکستان  
قومی شناختی کارڈ  
42101-1505733-9



نام: محمد رفیع  
جنس: مرد  
والد کا نام: عبدالملک خان  
شناختی ثابت: گواہی برائے  
تاریخ پیدائش: 20/06/1948  
رکن: سندھ سروسز



شناختی نمبر: 42101-1505733-9 قائدانہ نمبر: J3G1LN  
موجودہ پتہ: سرینہ پرائمری پلاٹ 14-B/1، فلیٹ نمبر 206  
محکمہ ای سی ایچ ایس، بلاک 8، کراچی شرقی، تحصیل و ضلع کراچی شرقی  
مسکین پتہ: ای سی ایچ ایس، فلیٹ نمبر 14-B/1، فلیٹ نمبر 206  
محکمہ ای سی ایچ ایس، بلاک 8، کراچی شرقی، تحصیل و ضلع کراچی شرقی  
تاریخ اجراء: 11/07/2008 تاریخ ترمیم: 30/09/2018  
گھنٹہ کارڈ ہے برقی لٹر میں ڈال دیں



حکومت پاکستان  
قومی شناختی کارڈ  
42201-8176112-3



نام: اقصیہ الزمان خان  
جنس: مرد  
والد کا نام: عبدالملک خان  
شناختی ثابت: گواہی برائے  
تاریخ پیدائش: 11/05/1967  
رکن: سندھ سروسز



شناختی نمبر: 42201-8176112-3 قائدانہ نمبر: O5V6PQ  
موجودہ پتہ: فلیٹ نمبر A-002-A، محکمہ گارڈن گلستان بوہر، بلاک 16  
کراچی، تحصیل و ضلع کراچی شرقی  
مسکین پتہ: ای سی ایچ ایس، فلیٹ نمبر 14-B/1، فلیٹ نمبر 206  
محکمہ ای سی ایچ ایس، بلاک 8، کراچی شرقی، تحصیل و ضلع کراچی شرقی  
تاریخ اجراء: 24/04/2006 تاریخ ترمیم: 31/03/2018  
گھنٹہ کارڈ ہے برقی لٹر میں ڈال دیں



حکومت پاکستان  
قومی شناختی کارڈ  
42101-1818807-7

نام: عبد السمیع  
جنس: مرد  
والد کا نام: عبد الرشید  
شناختی عہدہ: کوئی نہیں  
تاریخ پیدائش: 05/03/1969

علی ارشد حکیم  
دستخط رجسٹرار جنرل

شناختی نمبر: 42101-1818807-7 خاندان نمبر: I0990R  
موجودہ پتہ: فلیٹ نمبر D-7 محلہ مرہا گلکسی نارنگ تاجر آباد، بلاک M  
کراچی وسطی

مسئلہ پتہ: مکان نمبر D-7 مرہا گلکسی بلاک M نارنگ تاجر آباد، کراچی  
سبیل و صلح کراچی وسطی

تاریخ اجراء: 01/10/2009 تاریخ ترمیم: 31/08/2019  
محکمہ کارڈز ملے پر قریبی ٹیئر میں ڈال دیں

حکومت پاکستان  
قومی شناختی کارڈ  
42501-9253203-1

نام: عتیق الرحمن  
جنس: مرد  
والد کا نام: ابو الکلام آزاد  
شناختی عہدہ: کوئی نہیں  
تاریخ پیدائش: 02/06/1969

علی ارشد حکیم  
دستخط رجسٹرار جنرل

شناختی نمبر: 42501-9253203-1 خاندان نمبر: K8P42K  
موجودہ پتہ: فلیٹ نمبر D-56 سٹریٹ نمبر 25  
محکمہ 4 راجہ مناس روڈ کراچی شرقی

مسئلہ پتہ: ایسٹ

تاریخ اجراء: 05/08/2009 تاریخ ترمیم: 31/07/2019  
محکمہ کارڈز ملے پر قریبی ٹیئر میں ڈال دیں

SUB-REGISTRAR  
KARACHI

R. No: 284  
Sub-Registrar-I  
Jamshed Town, Karachi





**MINUTES OF THE EXTRA ORDINARY GENERAL MEETING OF**  
**THE MEMBERS OF**  
**PAKISTAN STRATEGIC ALLOCATION FUND**  
**HELD ON SEPTEMBER 8, 2010**

R. No. 284

Sub-Registrar-I  
Jamshed Town, Karachi

RESOLVED that, subject to approval of the Securities and Exchange Commission of Pakistan ("the SECP"), the Certificate Holders of Pakistan Strategic Allocation Fund hereby approve the conversion of the Fund from a Closed-end Scheme into an Open-end Scheme as soon as may be practicable from the date following the expiry of the book closure to be announced specifically for such purpose by Arif Habib Investments Limited ("the Management Company") which shall be the effective date of conversion ("Effective Date") after fulfilling all legal and regulatory formalities.

RESOLVED FURTHER that the Management Company through its Directors and officers as may be designated by it for such purpose, be and is hereby authorized to prepare necessary documentation, including the Constitutive Documents of an Open-end Scheme containing such terms and conditions, as the Management Company may deem appropriate, including as to issuance of new Units to the investors after the conversion of the Fund at the offer price based on Net Asset Value ("NAV") of the Open-end Scheme with or without any Front-end Load and redemption of Units at the redemption price based on the NAV of the Open-end Scheme without any Back-end Load, as may be approved by the SECP; to continue with Central Depository Company of Pakistan Limited as the Trustee for the Open-end Scheme and to execute a Supplemental/Restated Trust Deed with the Trustee with the approval of the SECP and to get the same registered with the Sub-Registrar, to get the Open-end Scheme registered with the SECP as a Notified Entity under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("NBFC Regulations"), to prepare and publish an Offering Document after seeking approval from the SECP, to execute such other documents and deeds, as may be required for conversion of the Fund into an Open-end Scheme, to obtain and fulfill all regulatory compliances, including approvals from the SECP required at various stages and to fulfill, effectuate and do all such other acts, things and deeds.

RESOLVED FURTHER that the conversion of the Fund shall be effectuated by issuance of Units of the Fund (after its conversion into an Open-end Scheme) to the Certificate Holders of the Fund based on the swap ratio of 1:1 i.e. for each Certificate of the par value of Rs 10/- of the Closed-end Scheme, the Certificate Holder whose name is registered in the Register of the Fund as Certificate Holder on the Effective Date to be announced by the Management Company for such purpose, be issued one Unit of the Open-end Scheme of the par value of Rs 10/-, regardless of the NAV of the Fund with no Front-end Load; and upon issuance of Units of the Open-end Scheme, the Certificates of the Closed-end Scheme shall be deemed to be cancelled and of no effect.

RESOLVED FURTHER that the Management Company through its designated Directors and officers, be and is hereby further authorized to prepare and effectuate an appropriate conversion plan and the timeline for completing the conversion formalities, including as to book closure, issuance of Units of the Open-end Fund to the then existing Certificate Holders of the Fund, to make necessary disclosures and announcements from time to time, to represent the Fund to the SECP, the pertinent Stock Exchanges without the need for any further approvals of the Certificate Holders.





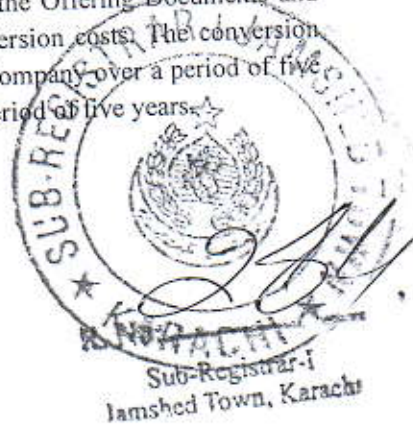
RESOLVED FURTHER that the Management Company be and is hereby further empowered to agree upon modifications in the Resolution or changes in the conversion plan that may be required or directed by the SECP, as may be acceptable to the Management Company without the need for any further approval of the Certificate Holders.

RESOLVED FURTHER that in case the Resolution or the conversion plan is not approved by the SECP on terms proposed by the Management Company or any modified terms that may be accepted by the Management Company, then the Special Resolution shall cease to be effective and the Fund shall continue as a Closed-end Scheme under the NBFC Regulations.

RESOLVED FURTHER that all costs of conversion of PSAF into an Open End Scheme, including preparation, execution and registration of Constitutive Document, registration of the Open End Scheme as a Notified Entity, approval of the SECP for publication of the Offering Documents and other such matters shall be charged to the Open End Scheme as conversion costs. The conversion costs shall be reimbursed by the open end scheme to the Management Company over a period of five years. The Open End scheme may amortize the conversion cost over a period of five years.

CERTIFIED TRUE COPY

Zeeshan  
Company Secretary







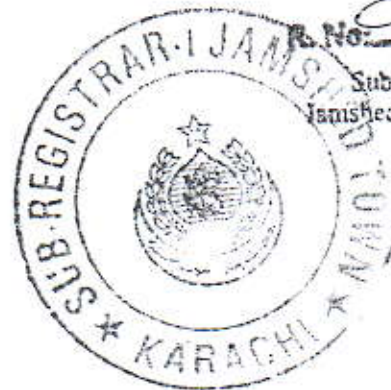
**EXTRACTS OF THE MINUTES OF THE BOARD OF DIRECTORS' MEETING**  
**HELD ON JUNE 17, 2010**

**Resolved that**

"Pakistan Strategic Allocation Fund may be converted into an open-end scheme. The Chief Executive be and is hereby authorised to obtain approval of the certificate-holders and necessary regulatory approvals. He is further authorised to carry out necessary amendments in the Trust Deed and Offering Document as may be required to affect the said conversion."

**CERTIFIED TRUE COPY**


Zeeshan  
Company Secretary

R. No. 284  
Sub-Registrar-I  
Jamshed Town, Karachi

**Arif Habib Investments Limited**

Arif Habib Centre, 23 M.T. Khan Road, Karachi-74000  
Tel: (92-21) 111-468-378 (111-INVEST), Fax: 32470351, 32470337  
E-mail: [marketing@arifhabib.com.pk](mailto:marketing@arifhabib.com.pk) Website: [www.arifhabib.com.pk](http://www.arifhabib.com.pk)



ANNEXURE 'B'

Depository Company of Pakistan's Tariff Structure for Trusteeship of Open-end Scheme

These remuneration shall consist of reimbursement of actual custodial expenses/charges plus the following tariff.

Amount of Funds Under Management (Average NAV)	Tariff per annum
Up to Rs. 1,000 million	Rs 0.7 million or 0.20% p.a. of NAV, which ever is higher.
On an amount exceeding Rs. 1,000 million	Rs. 2.0 million plus 0.10% p.a. of NAV exceeding Rs. 1,000 million



*Handwritten signature and initials*

*284.*  
Sub-Registrar  
Jamshedpur, Jharkhand

بذ آذ الفین





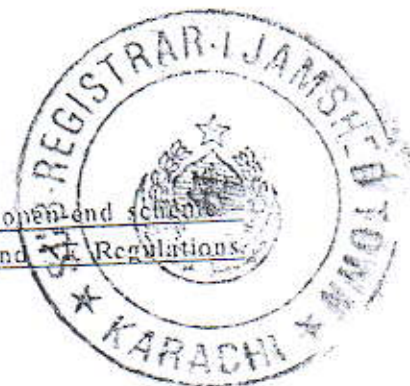
SECURITIES AND EXCHANGE COMMISSION OF  
PAKISTAN

Specialised Companies Division  
NBFC Department

September 23, 2010

CC: SCD NBFC/NE-RS/PSAF 717/2010

Mr. Nasim Beg,  
Chief Executive Officer,  
Araf Habib Investments Limited  
Araf Habib Centre  
25 MT Khan Road  
Karachi.



Subject: Conversion of Pakistan Strategic Allocation Fund to an open-end scheme  
Application in terms of Regulation 65(3) of the NBFC and NEs Regulations  
2008.

Dear Sir,

Please refer to your letter dated September 9, 2010 and subsequent e-mails dated September 21, 2010 and September 21, 2010 on the captioned subject.

I am directed to convey that the Securities & Exchange Commission of Pakistan has no objection to the conversion of Pakistan Strategic Allocation Fund (Closed-end Scheme) into an Open-end Scheme in terms of Regulation 65(4) of the NBFCs & NEs Regulations, 2008, subject to the following conditions:

1. Conversion cost shall not be amortized and charged to the scheme immediately; and
2. Necessary amendments, with prior approval of the Commission, shall be made in the constitutive documents of the Fund before publication of announcement of book closure date for the purpose of effective date for conversion.

The above said conditions shall be properly disclosed to the certificate holders as well as to the trustee of the Fund before conversion into an Open-end Scheme.

Yours truly,

  
Javed Akhter Malik  
Deputy Director

CC: Trustee, CDC Pakistan Limited

  
R. No. \_\_\_\_\_  
Sub-Registrar-I  
Jamshed Town, Karachi





SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN  
SPECIALIZED COMPANIES DIVISION  
NBFC DEPARTMENT

No. SCD/NBFC-II/PSAF/ 760 /2010

October 4, 2010

Mr. Nasim Beg,  
Chief Executive Officer,  
Arif Habib Investments Limited  
Arif Habib Centre  
23 MT Khan Road  
Karachi.



R. No. \_\_\_\_\_  
Sub-Registrar-I  
Jamshed Town, Karachi

Subject: First Supplemental Trust Deed of Pakistan Strategic Allocation Fund to Conversion from a Closed-end Scheme into an Open-end Scheme

Dear Sir,

Please refer to your letter dated September 29, 2010 wherein you have sought approval for the Modified and Restated (First Supplemental) Trust Deed of Pakistan Strategic Allocation Fund (PSAF).

In this regard, I am directed to inform you that the Modified and Restated (First Supplemental) Trust Deed of PSAF has been acceded to by the Securities and Exchange Commission of Pakistan.

Further, you are advised to inform/notify the unit holders regarding the proposed amendments in the trust deed as per provision of the said documents.

Yours truly,

*Javed Akhter Malik*

Javed Akhter Malik  
(Deputy Director)

*[Signature]*

Sub-Registrar-I  
Jamshed Town, Karachi

✓Cc. Mr. Abdul Samad  
Head of Trustee & Custodial Operations  
CDC House, 93-B, Block 'B',  
S.M.C.I.I.S., Main Shahra-e-Faisal,  
Karachi-74400





Securities and Exchange Commission of Pakistan  
Specialized Companies Division  
NBFC Department

ANNEXURE 'E'

No. NBFC-II/JD-(R)/AHIM-PSAF-444

May 13, 2004

Chief Executive,  
Arif Habib Investment Management Limited,  
2/1, R. Y. 16, Old Queens Road, Pardesi House  
Karachi - 74000

Fax: 021-247 0351

Subject: Pakistan Strategic Allocation Fund (Proposed)

Dear Sir,

I am directed to refer to letter No. PASP/004/040317 dated 17 March 2004 from SVP, Arif Habib Securities as advisor to the issue of proposed Pakistan Strategic Allocation Fund and to convey approval of the Securities and Exchange Commission of Pakistan to the appointment of Central Depository Company of Pakistan Limited as trustee of the proposed Fund in terms of rule 43 and 44 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.

Yours truly,

  
(Muhammad Afzal)  
Joint Director

Sub-Registrar-I  
Jamshed Town, Karachi

Cc: (1) Chief Executive, Central Depository Company of Pakistan Limited with reference to his letter No. CDC/CEO/L-0453/2004 dated 16 March 2004 addressed to Chief Executive Arif Habib Investment Management Limited.

(2) SVP, Corporate Finance, Arif Habib Securities, Corporate Office, 60-63, Karachi Stock Exchange Building, Stock Exchange Road, Karachi.





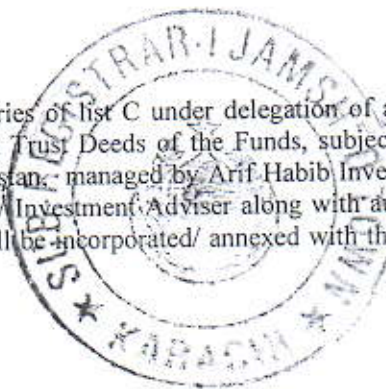
**EXTRACT OF RESOLUTION BY CIRCULATION NUMBER 83**  
**AUTHORIZED SIGNATORIES FOR SIGNING THE AMENDMENTS**  
**IN TRUST DEEDS OF THE FUNDS**

The Board of Directors of Arif Habib Investments Limited (formerly: Arif Habib Investment Management Limited) has passed the following Resolution by Circulation on November 24, 2006.

***Resolved that :***

Any two of the following authorized signatories of list C under delegation of authority be and are hereby authorized to sign the amendments in Trust Deeds of the Funds, subject to the approval of Securities and Exchange Commission of Pakistan, managed by Arif Habib Investment Management Limited on behalf of Management Company / Investment Adviser along with authorized signatories of the Trustee. The amendments so made shall be incorporated/ annexed with the respective original Trust Deeds of the Funds.

- 1- Mr. Arif Habib
- 2- Mr. Nasim Beg
- 3- Mr. Samad A. Habib
- 4- Mr. Muhammad Yousuf
- 5- Syed Ajaz Ahmed
- 6- Syed Shaukat Hussain Rizvi



*264*  
R. No. \_\_\_\_\_  
Sub-Registrar-I  
Jamshed Town, Karachi

***Further resolved that :***

*The Company's Secretary in witness whereof these amendments, is hereby authorized to affix Common seal of the Company.*

**CERTIFIED TRUE COPY**

**Zeeshan**  
**Company Secretary**

**Arif Habib Investments Limited**

Arif Habib Centre, 23 M.T. Khan Road, Karachi-74000  
Tel: (92-21) 111-468-378 (111-INVEST), Fax: 32470351, 32470337  
E-mail: marketing@arifhabib.com.pk Website: www.arifhabib.com.pk





**EXTRACT OF RESOLUTION BY CIRCULATION NUMBER 138**  
**AUTHORIZED SIGNATORIES FOR SIGNING THE AMENDMENTS**  
**IN TRUST DEEDS OF THE FUNDS**

The Board of Directors of Arif Habib Investments Limited has passed the following Resolution by Circulation on May 12, 2009.

***Resolved that:***

*"The name of Mr. Zeeshan, CFO and Company Secretary be and is hereby included in List C of authorized signatories for signing the amendments in trust deeds of the funds managed by Arif Habib Investments Limited (formerly: Arif Habib Investment Management Limited)."*

**CERTIFIED TRUE COPY**



Zeeshan  
Company Secretary



Sub-Registrar-I  
Jamshed Town, Karachi

**Arif Habib Investments Limited**

Arif Habib Centre, 23 M.T. Khan Road, Karachi-74000  
Tel: (92-21) 111-468-378 (111-INVEST), Fax: 32470351, 32470337  
E-mail: [marketing@arifhabib.com.pk](mailto:marketing@arifhabib.com.pk) Website: [www.arifhabib.com.pk](http://www.arifhabib.com.pk)





Securities and Exchange Commission of Pakistan  
Specialized Companies Division  
NBFC Department

License No. NBFC-II/38/AHIL/AMS/ 20/2010

Islamabad, September 29, 2010


**LICENSE TO CARRY OUT  
ASSET MANAGEMENT SERVICES  
AS NON-BANKING FINANCE COMPANY**

The Securities and Exchange Commission of Pakistan, having considered the application for the renewal of license to carry out **Asset Management Services** submitted by **Arif Habib Investments Limited** under rule 5 of the Non-Banking Finance Company (Establishment and Regulation) Rules, 2003 as amended through S.R.O. 1131(I) 2007 and S.R.O. 271(I)/2010 (the "Rules"), and being satisfied that it would be in the public interest so to do, in exercise of powers conferred by sub-rule (9) of rule 5 of the Rules, hereby renews the license of **Arif Habib Investments Limited** to carry out **Asset Management Services** subject to the conditions stated herein below or as may be prescribed or imposed hereafter:

- (i) **Arif Habib Investments Limited** and the Collective Investment Schemes under its management shall comply with the Companies Ordinance, 1984, the Rules, Non-Banking Finance Companies and Notified Entities Regulations, 2008 (as amended or replaced) and any directives, circulars, codes, notifications and guidelines issued by the Commission to regulate the business of asset management companies;
- (ii) **Arif Habib Investments Limited** shall submit annual, half yearly, quarterly or such other reports as specified in the applicable laws; and
- (iii) The license is valid for a period of three years w.e.f. August 20, 2010 and shall be renewable every three years as specified in the Rules.

R. No.

Sub-Registrar-I  
Jamshed Town, Karachi

  
(Salman Ali Shaikh)  
Commissioner





Securities and Exchange Commission of Pakistan  
Specialized Companies Division  
NBFC Department


License No. NBFC-II/38/AHIL/AMS/20/2010

Islamabad, September 29, 2010

**LICENSE TO CARRY OUT  
ASSET MANAGEMENT SERVICES  
AS NON-BANKING FINANCE COMPANY**

The Securities and Exchange Commission of Pakistan, having considered the application for the renewal of license to carry out **Asset Management Services** submitted by **Arif Habib Investments Limited** under rule 5 of the Non-Banking Finance Company (Establishment and Regulation) Rules, 2003 as amended through S.R.O.1131(I) 2007 and S.R.O. 271(I)/2010 (the "Rules"), and being satisfied that it would be in the public interest so to do, in exercise of powers conferred by sub-rule (9) of rule 5 of the Rules, hereby renews the license of **Arif Habib Investments Limited** to carry out **Asset Management Services** subject to the conditions stated herein below or as may be prescribed or imposed hereafter:

- (i) **Arif Habib Investments Limited** and the Collective Investment Schemes under its management shall comply with the Companies Ordinance, 1984, the Rules, Non-Banking Finance Companies and Notified Entities Regulations, 2008 (as amended or replaced) and any directives, circulars, codes, notifications and guidelines issued by the Commission to regulate the business of asset management companies;
- (ii) **Arif Habib Investments Limited** shall submit annual, half yearly, quarterly or such other reports as specified in the applicable laws; and
- (iii) The license is valid for a period of three years w.e.f. **August 20, 2010** and shall be renewable every three years as specified in the Rules.

R. No.   
Sub-Registrar-I  
Jamshed Town, Karachi

  
(Salman Ali Shaikh)  
Commissioner



TRUST DEED  
OF  
PAKISTAN STRATEGIC ALLOCATION FUND

*Dated: 26<sup>th</sup> day of May, 2004*

R. No: 284

Sub-Registrar-I  
Jamshed Town, Karachi



43836

2578

R. No. 284.

Sub-Registrar-I  
Jamshed Town, Karachi

341

*[Handwritten signature]*







Assistant Superintendent of  
Stamp Office, City Courts,  
Karachi, (Pakistan)

1 MAY 2004

341



### TRUST DEED

1. NAME OF CLOSED-END SCHEME  
PAKISTAN STRATEGIC ALLOCATION FUND
2. PARTICIPATING PARTIES AND DEED OF TRUST
- 2.1. PARTICIPATING PARTIES

This Trust Deed is made and entered into at Karachi, on this 26<sup>th</sup> day of  
May 2004 by and between:

(A) Arif Habib Investment Management Limited (AHIM), a company incorporated under the Companies Ordinance, 1984 with its registered office at 2/I, R. Y. 16, Old Queens Road, Karachi-74000 (hereinafter called the "Investment Adviser", which expression, where the context so permits, shall include its successors-in-interest and assigns) of the one part; and

(B) Central Depository Company of Pakistan Limited (CDC), a company incorporated under the Companies Ordinance, 1984 and registered with the Securities & Exchange Commission of Pakistan (SECP) as a Central Depository Company, with its registered office at 8th Floor, Karachi Stock Exchange Building, Stock Exchange Road, Karachi thereafter

*Hyder*  
*7* *Abdullah*



called the "Trustee", which expression, where the context so permits, shall include its successors-in-interest and assigns) of the other part.

WHEREAS:

- (a) The Investment Adviser is registered as an investment adviser under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, (the Rules) to inter-alia establish and operate closed-end schemes;
- (b) The Investment Adviser has been authorized by the SECP vide its letter No. NBFC-II/JD-(R)/AHIM-PSAF-445 dated 13 May 2004 appended hereto as Annexure "B" to constitute a closed-end trust scheme under the name and title of PAKISTAN STRATEGIC ALLOCATION FUND (hereinafter referred to as the "the Closed-end Scheme" or PSAP, or the Fund, or the Trust") and to register this Trust Deed, pending authorization for the establishment and operation of the Scheme in accordance with the provisions of the Rules and this Trust Deed;
- (c) The Investment Adviser has nominated and appointed the CDC as trustee of the Scheme and the CDC has accepted such appointment upon the terms and conditions herein contained;
- (d) The SECP has approved the appointment of Trustee, vide letter No. NBFC-II/JD-(R)/AHIM-PSAF-444 dated 13 May 2004, appended hereto as Annexure "C".

Unless the context requires otherwise the following words or expressions shall have the meaning respectively assigned to them in section 18 hereof:

*[Signature]*  
Sub-Registrar-I  
Janash Town, Karachi

NOW THIS DEED WITNESSETH:

2.2. DECLARATION OF TRUST

2.2.1 A Closed-end Scheme is hereby constituted as a Trust under the Trusts Act, 1882, under the name of Pakistan Strategic Allocation Fund. The Trustee is hereby nominated, constituted and appointed as the trustee of the Scheme herein created and the Trustee hereby accepts such appointment and declares that:

- (a) the Fund Property shall be invested from time to time by the Trustee at the direction of the Investment Adviser strictly in terms of the provisions contained and the conditions stipulated in this Deed, the Offering Document and the Rules and the conditions (if any) which may be imposed by the SECP from time to time;
- (b) the Investment Adviser shall manage, operate and administer the Fund in accordance with the Rules.

2.2.2 The Trust shall have such minimum investment in compliance of the requirement of Rule 33 (b) of The Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 out of which the Investment Adviser shall subscribe to and pay for in cash, or otherwise hold or beneficially own equity securities of closed-end scheme of an amount which is neither less than 10% (ten percent), nor more than 20% (twenty percent) of the paid-up value of the Certificates at any given time. Except that the proviso to Rule 33(b) referred to above, provides that where the Investment Adviser is an investment adviser to more than one closed-end funds, he can either invest or undertake to arrange the investment for a minimum period of two (2) years.

*[Signature]*  
*[Signature]*



Since the Investment Adviser is also the investment advisor to the Pakistan Capital Market Fund and the Pakistan Premier Fund Limited, the Investment Adviser intends to provide an undertaking to the SECP to arrange the investment of the required amount for a minimum period of two (2) years, rather than directly investing the required amount. For attaining the aims and objects, Arif Habib Investment Management Limited does hereby deliver, transfer and handover to the Trustee this day, May 26, 2004, initially a sum of one hundred thousand (100,000) Rupees, which shall be treated as advance payment against the investment to be made or arranged by the Investment Adviser after the authorization for the Scheme is received from the SECP. Details of the initial Fund size shall be included in the Offering Document that shall be issued for the Closed-end Scheme after approval from the SECP.

- 2.2.3 The Investment Adviser may increase the fund size beyond the above-mentioned amount by virtue of Rights subscription or other modes with the approval of SECP, after fulfilling the legal formalities. The issue of Rights Certificates will require the consent of the Certificate Holders through a General Meeting.
- 2.2.4 As soon as may be practicable, the Investment Adviser shall offer Certificates of the aggregate par value of Rs.10/- each to the general public, including banks and financial institutions by an Offering Document, which shall also be published in newspapers having wide circulation in the cities where the Stock Exchanges are located on which the Certificates will be listed. The Offering Document shall be in the form and substance as prescribed under the Rules, which shall be subject to the approval by the SECP and the Stock Exchanges. Provided that the Investment Adviser may offer a portion of the Initial Issue of Certificates prior to the Public Offering of the Certificates to banks, financial institutions and other investors by private placements with the approval of the SECP.
- 2.2.5 The Public Offering shall be underwritten by at least two Underwriters approved by the SECP and firm-underwriting commitments shall be obtained from the Underwriters before issuing the Offering Document. The Underwriters shall be caused or procure subscribers to subscribe to the un-subscribed Certificates offered through Public Offering to the extent of their respective underwriting commitments.
- 2.2.6 Subject to the approval of the SECP, the Trustee, upon the direction of the Investment Adviser and with the approval of the SECP and consent of the Certificate Holders, offer Rights Issue of Certificates in proportion to the existing Certificate Holders' respective holdings of Certificates. In the event that any Rights Issue remain un-subscribed, the same may be offered to financial institutions or to other existing Certificate Holders or to other investors at the same price as offered to the existing Certificate Holders, as and when the Investment Adviser, in consultation with the Trustee may decide.
- 2.2.7 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 common fund for the benefit of the Certificate Holders ranking *pari passu* inter se according to the number of Certificates held by each Certificate Holder. The Investment Adviser and the Trustee hereby further declare that:-
- (a) The Fund Property shall be invested from time to time by the Trustee at the direction of the Investment Adviser strictly in accordance with the provisions and conditions stipulated in this Deed, the Offering Document,

*Prof. Dr. Iqbal*  
*Arif Habib*

*Arif Habib*



284.  
Sub-Registrar-I  
Jamshed Town, Karachi

the Rules and the conditions (if any) which may be imposed by the SECP from time to time.

- (b) The Investment Adviser shall operate and administer the Scheme in accordance with the Rules.

### 2.3. TRUST DEED

- 2.3.1 This Deed shall be subject to and be governed by the Laws of Pakistan including the Rules 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 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 Rules, the latter shall supersede and prevail over the provisions contained in this Deed.
- 2.3.2 Where this Deed has been altered or supplemented the Investment Adviser shall notify the Certificate Holders immediately.
- 2.3.3 The Investment Adviser 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 or the Offer Documents or the Rules.

### 3. GOVERNING LAW

This Deed shall be subject to and be governed by Laws of Pakistan including the Ordinance, the Rules 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 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 Rules, the latter shall supersede and prevail over the provisions contained in this Deed.

### 4. FOR THE TRUST

- 4.1.1 **Binding on Certificate Holders:** The terms and conditions of this Deed and any deed supplemental hereto shall be binding on each Certificate Holder and each Certificate Holder authorizes and requires the Trustee and the Investment Adviser to do as required of them by the terms of this Deed.
- 4.1.2 **Limited Liability:** A certificate holder is not liable to make any further payments after he had paid the purchase price of his certificates and that no further liability shall be imposed on certificate holders in respect of certificates they hold.
- 4.1.3 **Certificate 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 as a single common fund for the benefit of the Certificate Holders ranking *pari passu* inter se, according to the number of Certificates held by each Certificate Holder;
- 4.1.4 **Trustee Reports to Certificate Holders:** The Trustee shall issue a report to the Certificate Holders included in the annual report or at any frequency prescribed by SECP whether in its opinion, the Investment Adviser has in all material respect managed the Fund Property in accordance with the provisions of the Rules and this Deed and if the Investment Adviser has not done so, the

Registration of Fo. No. 100/2015  
Sub-Registrar T. M. B. B.



24

respect in which it has not done so and the steps the Trustee has taken in respect thereof.

- 4.1.5 Retirement of Trustee: The Trustee shall not be entitled to retire voluntarily or otherwise except upon the appointment of a new trustee. In the event of the Trustee desiring to retire, the Investment Adviser, within a period of six months (or in default the Trustee) with the prior written approval of the SECP, may by a deed supplemental hereto under the seal of the Investment Adviser or the Trustee (as the case may be) appoint a new trustee under the provisions of the Rules in place of the retiring Trustee and also provide in such deed for the automatic vesting of all the assets of the Trust in the name of the new trustee.

3411

## 5. INVESTMENT ADVISER

### 5.1. ROLE OF THE INVESTMENT ADVISER

- 5.1.1 The responsibilities of the Investment Adviser are to invest and manage the assets of PSAF according to the provisions of the Deed and the Rules, in good faith, to the best of its ability and without gaining any undue advantage for itself or any Connected Persons or its officers. The Investment Adviser shall maintain proper accounts and records of PSAF for giving a complete view of assets and liabilities, income and expenditure and amounts received in respect of subscriptions of the Certificates. The Investment Adviser shall prepare and transmit to Certificate Holders and the SECP the annual report together with balance sheet and income and expenditure accounts and auditors report. The Investment Adviser shall also prepare and transmit to Certificate Holders and SECP the balance sheet and income and expenditure accounts in respect of the first, second and the third quarters of each Accounting Period. In the unlikely event of its occurrence, the Investment Adviser shall account to Trustee for any loss in value of the assets of PSAF caused by its negligence, reckless or willful act or omission. The Investment Adviser shall be responsible for all acts and omissions of all persons or agents to whom it may delegate the performance of its functions as a manager as if they were its own acts or omissions. The Investment Adviser shall not be under any liability except such liability as may be expressly assumed under the Rules and the Deed, nor shall the Investment Adviser (save as otherwise provided) be liable for any act or omission of the Trustee nor for anything except its own negligence or willful breach of duty.

### 5.2. DUTIES AND POWERS OF THE INVESTMENT ADVISER

- 5.2.1 The Investment Adviser shall comply with the provisions of the Rules 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 Investment Adviser by any officer or responsible official of the Investment Adviser or by any nominee or agent appointed by the Investment Adviser and any act or matter so performed shall be deemed for all the purposes of this Deed to be the act of the Investment Adviser. The Investment Adviser 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 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.



*Signature of Investment Adviser*  
*Signature of Trustee*



- 5.2.2 The Investment Adviser shall manage the Fund Property in the interest of the Certificate Holders in good faith and to the best of its ability and without gaining any undue advantage for itself or any of its Connected Persons, and subject to the restrictions and limitations as provided in this Deed and the Rules. 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 Investment Adviser, unless such instructions are in conflict with the provisions of this Deed or the Rules. The Investment Adviser 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.
- 5.2.3 The Investment Adviser may from time to time appoint, remove or replace the Registrar.
- 5.2.4 The Investment Adviser shall make available or ensure that there is made available to the Trustee such information as the Trustee may reasonably require in respect of any matter relating to the Trust.
- 5.2.5 The Investment Adviser shall not be under any liability except such liability as may be expressly assumed by it under the Rules and this Deed nor shall the Investment Adviser (save as herein otherwise provided) be liable neither for any act or omission of the Trustee nor for anything except its own negligence or willful breach of duty hereunder. If for any reason it becomes impossible or impracticable to carry out the provisions of this Deed the Investment Adviser shall not be under any liability there for 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.
- 5.2.6 The Investment Adviser shall be responsible for all record keeping and for producing financial reports from time to time, as provided under the Rules.
- 5.3. CHANGE OF INVESTMENT ADVISOR
- 5.3.1 The Trustee may with the prior approval of the SECP, remove the Investment Adviser by giving at least twenty-one days notice in writing to the Investment Adviser if any of the following events have occurred:
- (a) the Investment Adviser has 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 Investment Adviser 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 Investment Adviser.
- 5.3.2 The Investment Adviser may retire at any time with the prior written consent of the SECP and the Trustee.
- 5.3.3 The removal of Investment Adviser and appointment of a new Adviser shall always require the prior approval of the SECP and the Trustee.
- 5.3.4 If the SECP has cancelled the registration of the Investment Adviser under the provisions of the Rules, the Trustee shall appoint another investment adviser for the Scheme according to the provisions of this Deed and the Rules.
- 5.3.5 Upon a new investment adviser being appointed, the Investment Adviser will take immediate steps to deliver all the documents and records pertaining to the Trust to the new investment adviser and shall pay all sums due to the Trustee.
- 5.3.6 Upon its appointment the new investment adviser shall exercise all the powers



and enjoy all rights and shall be subject to all duties and obligations of the Investment Adviser hereunder as fully as though such new investment adviser had originally been a party hereto.

## 6. INVESTMENT OF THE FUND PROPERTY & RESTRICTIONS

### 6.1. INVESTMENT OBJECTIVE

PSAF is a value based asset allocation fund, the objective of which is to invest either equity or fixed income securities depending on the valuation of the equity market based on a detailed quantitative model. The Fund will invest increasingly in equity when the model shows that equities are undervalued and decrease exposure to equities and invest in fixed income securities when the quantitative model shows that equities are over valued. The quantitative model will value equities the short, medium and long terms using objective inputs such as economic numbers, overall earnings yields, etc. as well as estimated numbers such as predicted earnings, inflation, etc. Following the model output will result in a disciplined investment strategy that will buy equities when they are cheap and sell them when they are expensive. This disciplined approach will also help in stabilizing the equity markets in Pakistan at levels that can be objectively supported and will work to deflate bubbles and support prices in severe bear markets.

The Fund will be invested in the following asset classes:

- (a) Fixed Income including carryover market, bank deposits, treasury bills, inter-bank market, term finance certificates and government bonds, etc.
- (b) Equities listed on the stock exchanges of Pakistan.

### 6.2. INVESTMENT POLICIES

6.2.1 During and prior to the completion of the Public Offering, the Trustee shall hold the Fund Property, received from pre-IPO investors, on deposit in a separate account with a Bank of good standing (having an investment grade rating, or in absence of a rating, with the approval of the SECP) approved by the Investment Adviser or in money market investments as advised by the Investment Adviser. Any income from such investments will be paid out to the Investment Adviser to set-off against formation costs of the Fund. After the Public Offering, all Fund Property, except in so far as such cash may in the opinion of the Investment Adviser be required for transfer to the Distribution Account, shall be applied by the Trustee from time to time in such Authorized Investments as may (subject always to the provisions of this Deed and the Rules) be directed by the Investment Adviser.

6.2.2 Any Investment may at any time be realized at the discretion of the Investment Adviser either in order to invest the proceeds of sale in other Authorized Investments or to provide cash required for the purpose of any provision of this Deed or in order to retain the proceeds of sale in cash or on deposit as aforesaid or partly one and partly another. Any Investment, which ceases to be an Authorized Investment, shall be realized and the net proceeds of realization shall be applied in accordance with this clause. Provided that the Trust may postpone the realization of such Investment for such period as the Investment Adviser and the Trustee may determine to be in the interest of the Certificate Holders.

*[Signature]*  
7 Ahmed



- 6.2.3 The purchase or sale of any Investment in listed securities for the account of the Trust shall be made on the Stock Exchange through a broker who must be a member of the Stock Exchange, unless the Investment Adviser is satisfied that it is possible and permissible under the Rules to make such purchase or sale more advantageously in some other manner. Save as allowed under the law, the Investment Adviser shall not nominate, directly or indirectly, as a broker any of its directors, officers or employees or their family members (which term shall include their spouse, parents, children, brothers and sisters).
- 6.2.4 The NBFC Rules, 2003 Rule 49(2) states that a closed-end fund having an investment policy of investment in equity securities shall not enter into any transaction in any security other than a security, which is listed on a stock exchange or for the listing of which an application has been made to a stock exchange; Provided that the closed-end fund may invest up to twenty per cent of its total investment portfolio in the unlisted government securities and secured debt securities having minimum investment grade rating. The SECP has vide its letter NBFC-IL/JD-(R)/AHIM-PSAF/582 dated 29 April 2004 relaxed this limit up to 50% for the Fund. The Investment Adviser may seek the SECP's approval for further relaxation in this limit.
- 6.2.5 The Fund Property shall be subject to such exposure limits as are provided in the Rules. Provided that the Trustee and the Investment Adviser will have a period of three (3) months to bring the Fund into compliance with the exposure limits if the deviation is due to appreciation or depreciation of any Investment or disposal of any Investment.
- 6.2.6 If and so long as the value of the holding in a particular company shall exceed the limit imposed by the Rules, the Trustee shall not purchase any further investments in such company. However, this restriction on purchase shall not apply to any offer of right shares or any such other offering, if the Investment Adviser is satisfied that accepting such offer is in the interest of the Trust.
- 6.2.7 The Fund Property shall not be invested in any security of a company if any director or officer of the Investment Adviser or any of their Connected Person owns more than five percent of the total nominal amount of the securities issued or collectively the directors and officers of the Investment Adviser or any of their Connected Person owns more than ten percent of those securities.
- 6.2.8 PSAF shall not purchase from or sell any security to the Investment Adviser or the Trustee or to any director, officer or employee of the Investment Adviser or Trustee or to any person who beneficially owns ten per cent or more of the equity of the Investment Adviser or the Trustee, save in the case of such party acting as an intermediary.

For the purposes of above sub-clauses the term director, officer or employee shall include their relatives including the spouse, parents, children, brothers and sisters.

#### 6.3. RESTRICTIONS

PSAF will not at any time:

- 6.3.1 merge with, acquire or take over any other closed-end fund, unless it has obtained the prior approval of the SECP in writing to the scheme of such merger; acquisition or take over;
- 6.3.2 pledge any of the securities held or beneficially owned by it;
- 6.3.3 make a loan or advance of money to any person except in connection with the normal business of the Scheme, subject to the limits specified under the Rules;

*Signature*  
*Signature*



2341  
Sub-Registrar-I  
Jamshed Town, Karachi

3411  
Registration at No. \_\_\_\_\_  
Sub-Registrar I, D.T. J-1  
Karachi.

- 6.3.4 effect a short sale in any security;
- 6.3.5 purchase any security in a forward contract;
- 6.3.6 purchase any security on margin;
- 6.3.7 participate in a joint account with others in any transaction;
- 6.3.8 apply any part of its assets to real estate, commodities or commodity contracts;
- 6.3.9 acquire any security of which another closed-end fund is the issuer;
- 6.3.10 make an investment in a Company which has the effect of vesting in management, or control over the affairs, of such company in the Scheme;
- 6.3.11 purchase or sell bearer securities or securities, which may result in assumption of unlimited or undetermined liability (actual or contingent);
- 6.3.12 employ as a broker, directly or indirectly, any director, officer or employee of the Fund or its Investment Adviser or any connected person or member of family of such person and enter into transactions with any connected broker which shall equal or exceed ten per cent or more of the transactions of the Fund in any one accounting year of that Fund;

Provided that the SECP may, in each case on merits, permit the ten per cent to exceed if the connected broker offers advantages to the Fund not available elsewhere;

Explanation: For the purposes of this clause the term "family" includes spouse, lineal ascendants and descendants and brothers and sisters;

- 6.3.13 issue at any time, without the prior approval of the SECP in writing, a senior security which is either stock or represents indebtedness;
- 6.3.14 apply for de-listing from Stock Exchange, unless it has obtained prior approval of the SECP in writing to the scheme of de-listing;
- 6.3.15 invest in any security of a company if any director or officer of the Investment Adviser owns more than five per cent of the total amount of securities issued, or, the directors and officers of the Investment Adviser own more than ten per cent of those securities collectively; and
- 6.3.16 invest in any company or security, at any time, in excess of an amount equal to ten per cent of the Net Assets of the Fund or an amount sufficient to acquire ten per cent of issued capital of the company or ten percent of that issue. The SECP vide its letter NBFC-II/JD-(R)/AHIM-PSAF/382 dated 29 April 2004 has clarified that the above limit does not apply to Government securities and that the Fund can invest more than 10% of its Net Assets in a particular Government security or in Government securities in general.
- 6.3.17 invest more than twenty five per cent of the Net Asset Value of the Fund in securities of any one business sector as per classification of the stock exchange in which such security is listed.

#### 6.4. EXCEPTION TO INVESTMENT RESTRICTIONS

- 6.4.1 In the event the weightage of shares exceed the limits laid down in the Offering Document or the Rules as a result of the relative movement in the market prices of the Investments and corporate actions including bonus shares and subscription to right shares, the Investment Adviser shall make its best endeavors to bring the exposure within the prescribed limits within three (3) months of the event. But in any case the Investment Adviser shall not invest further in such shares or sectors while the deviation exists. However, this



restriction on purchase shall not apply to any offer of right shares or any such other offering, if the Investment Adviser is satisfied that accepting such offer is in the interest of the Trust.

6.4.2 The SECP has vide its letter NRFC-H/JD-(R)/AHIM-PSAF/382 dated 29 April 2004 approved certain exceptions to the above restrictions. The Fund may;

- (a) deposit securities for facilitation or guaranteeing settlement of its own trades and transactions in favor of an exchange or clearing house or national clearing and settlement system on acquiring associate membership of the concerned settlement system. The securities, however, shall not be pledged for any other reason with any other person or entity;
- (b) the fund may sell its securities in forward contract to the trustee of the fund confirms that securities of such value are available in the portfolio of the fund;

## 7. VALUATION OF PROPERTY

- 7.1.1 A security listed on a stock exchange shall be valued at its last sale price on such exchange on the date as of 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 not higher than the closing asked price nor lower than the closing bid price;
- 7.1.2 An investment purchased and awaiting payment against delivery shall be included for valuation purposes as security held, and the cash account of the company 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;
- 7.1.3 An investment sold but not delivered pending receipt of proceeds shall be valued at the net sale price;
- 7.1.4 The value of any dividends, bonus-shares or rights which may have been declared on securities in the portfolio but not received by the company as of the close of business on the valuation date shall be included as assets of the company, 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;
- 7.1.5 A security not listed or quoted on a stock exchange shall be valued at investment price or its break-up value as per last audited accounts, whichever is lower.
- 7.1.6 Interest/mark-up accrued on any interest/mark-up bearing security in the portfolio shall be included as an asset of the fund if such accrued interest/mark-up is not otherwise included in the valuation of the security;
- 7.1.7 Any other income accrued up to the date on which computation was made shall also be included in the assets; and
- 7.1.8 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;
- 7.1.9 For any asset class where no specific method of valuation is prescribed in the Rules the guidance from SECP shall be obtained and valuation shall be done



accordingly.

## 8. FEES AND CHARGES

### 8.1. INVESTMENT ADVISER REMUNERATION

- 8.1.1 The Investment Adviser shall be entitled to receive a remuneration of an amount not exceeding three percent (3.0%) per annum of the average daily Net Assets during the first five years of the Scheme and two percent (2.0%) per annum of the average daily Net Assets thereafter.
- 8.1.2 Provided that the remuneration so calculated shall not exceed the maximum remuneration allowed under the rules
- 8.1.3 The remuneration shall begin to accrue from the date of payment in full on all Certificates subscribed initially by the pre-IPO investors, including the Investment Adviser. In respect of any period other than an Accounting Period such remuneration shall be prorated on the basis of the actual number of days for which such remuneration has accrued for the total number of days accrued in the Accounting Period concerned.
- 8.1.4 The remuneration due to the Investment Adviser shall be calculated and accrued on a daily basis but paid annually after the accounts of the Fund have been audited, provided that the Investment Adviser may from time to time draw an advance out of the accrued remuneration a sum that the Trustee shall consider reasonable.
- 8.1.5 In consideration of the foregoing and save as aforesaid the Investment Adviser shall be responsible for the payment of all expenses incurred by the Investment Adviser from time to time in connection with their responsibilities as Investment Adviser of the Fund. The Investment Adviser shall not make any charge against the Certificate Holders or against the Fund Property or against the Distribution Account for its services or for its expenses, except such expenses as are expressly authorized under the provisions of the Rules and this Deed to be payable out of Fund Property.
- 8.1.6 The Investment Adviser shall bear all expenditures in respect of its secretarial and office space and professional management, including all accounting and administrative services provided in accordance with the provisions of this Deed.

### 8.2. TRUSTEE REMUNERATION

- 8.2.1 The Trustee shall be entitled to a monthly remuneration out of the Fund Property based on an annual tariff of charges annexed hereto (Annexure A), which shall be applied to the average daily Net Assets during such calendar month. The remuneration shall begin to accrue from the date of payment in full by the Investment Adviser in respect of the subscription of the initial Certificates of the Fund. For any period other than a full calendar month such remuneration will be prorated on the basis of the actual number of days for which such remuneration has accrued for the total number of days in the calendar month concerned.
- 8.2.2 Such remuneration shall be paid to the Trustee in arrears within thirty days after the end of each calendar month.
- 8.2.3 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 their duties as Trustee of the Trust. The Trustee shall not make any charge against the Certificate Holders or against the Fund



Property or against the Distribution Account for their services or for their expenses, except such expenses as are expressly authorized to be paid out of the Fund Property under the provisions of the Rules and this Deed.

8.2.4 The Trustee shall bear all expenditures in respect of its secretarial and office space and professional management, including all accounting and administrative services provided in accordance with the provisions of this Deed.

8.2.5 Any increase in the remuneration of the Trustee agreed to by the Investment Adviser shall require the approval of the SECP.

### 8.3. FORMATION COST

8.3.1 Formation Costs as explained in clause 18.1.13 herein below, to be amortized over a period not exceeding five years. Any income earned by the fund before the completion of its IPO will be set-off against formation costs.

### 8.4. OTHER FEES AND CHARGES

8.4.1 Brokerage and transaction costs related to investing and the investing of the Fund Property;

8.4.2 Legal and related costs incurred in protecting or enhancing the interests of the Fund or the collective interest of the Certificate Holders;

8.4.3 Bank charges and borrowing/financial costs;

8.4.4 Audit Fees;

8.4.5 Taxes applicable to the Trust on its income, turnover, assets or otherwise;

8.4.6 Annual Fee payable to the SECP

## 9. TRANSACTION WITH CONNECTED PERSONS

### 9.1. CASH FORMING PART OF THE PROPERTY

9.1.1 All cash forming part of the Fund Property shall be deposited by the Trustee in a separate account to be opened in the name of the Trustee, as a nominee of the Fund, with a bank of Investment Grade Rating approved by the Investment Adviser. Such bank shall be required to allow profit thereon in accordance with the rules prescribed by such bank or the financial institution for sharing of profits or mark-up on deposits maintained in such account or under any other arrangement approved by the Investment Adviser.

### 9.2. TRANSACTION WITH INVESTMENT ADVISER

9.2.1 Neither the Trustee or the Custodian (if Trustee has appointed another person as Custodian) nor the Investment Adviser or any of their Connected Persons shall sell or purchase or deal in the sale of any Investment or enter into any other transaction with the Trust save in the capacity of an intermediary.

9.2.2 Subject to the Rules, any transaction between the Trust and the Investment Adviser or any of their respective Connected Persons as principal shall only be made with the prior written consent of the Trustee.

## 10. TRUSTEE

### 10.1. DUTIES AND POWERS OF THE TRUSTEE

10.1.1 The Trustee shall comply with the provisions of this Deed and the Rules, for

*[Signature]*  
*[Signature]*



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 Investment Adviser. 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 negligence or any reckless act and/or omission of the Trustee or any of its directors, officers, nominees or agents.

- 10.1.2 The Trustee shall exercise all due diligence and vigilance in carrying out its duties and in protecting the interests of the Certificate Holders. 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 Investment Adviser, provided they are not in conflict with the provisions of this Deed or the Rules. Whenever pursuant to any provision of this Deed any certificate, notice, direction, instruction or other communication is to be given by the Investment Adviser to the Trustee, the Trustee may accept as sufficient evidence thereof a document signed or purporting to be signed on behalf of the Investment Adviser by any person whose signature the Trustee is for the time being authorized in writing by the Investment Adviser to accept.
- 10.1.3 The Trustee 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.
- 10.1.4 The Trustee shall carry out the instructions of the Investment Adviser in all matters including investment and disposition of the Fund Property, unless such instructions are in conflict with the provisions of this Deed or the Rules or law.
- 10.1.5 The Trustee shall, in consultation with the Investment Adviser, from time to time appoint, remove or replace one or more Custodian for performing the Custodian Function at one or more locations, on terms and conditions to be agreed between the Custodian and the Trustee and approved by the Investment Adviser.
- 10.1.6 The Trustee shall make available or ensure that there is made available to the Investment Adviser such information as the Investment Adviser may reasonably require from time to time in respect of the Fund Property and all other matters relating to the Trust.
- 10.1.7 The Trustee shall be entitled to require the Auditors to provide such reports as may be agreed between the Trustee and the Investment Adviser as may be considered necessary to facilitate the Trustee in issuing the certification required under the Rules. The Trustee shall endeavor to provide the certification at the earliest date reasonably possible.
- 10.1.8 The Trustee shall, if requested by Investment Adviser and may if it considers necessary for the protection of Fund property or safeguarding the interest of Certificate 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 documents, to give evidence, to appoint and remove counsel and to do all incidental acts, things and deeds through the Trustee's authorized officers 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



264.  
Sub-Registrar-I  
Jamshed Town, Karachi

3411  
Reg. No. - 45899 / 2011  
Sub-Registrar-I, Jamshed Town, Karachi

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 Rules. For the avoidance of doubt it is clarified that notwithstanding anything contained in this Deed, the Trustee and the Investment Adviser 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 Fund.

10.1.9 The Trustee shall not be under any liability except such liability as may be expressly assumed by it under the Rules and this Deed nor shall the Trustee (save as herein otherwise provided) be liable for any act or omission of the Investment Adviser nor for anything except its own negligence or willful 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 therefore 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.

## 10.2. CHANGE OF TRUSTEE

10.2.1 If the Trustee goes in to liquidation (otherwise than for the purpose of amalgamation or reconstruction on terms previously agreed to with the Investment Adviser for purpose of reconstruction and amalgamation) 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 Trust under the provisions of the Rules, the Investment Adviser shall forthwith by 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 as trustee some other company or corporation according to the provisions of the Rules and this Deed as the new trustee.

10.2.2 The Investment Adviser may remove the Trustee, with the prior approval of the SECP, after giving at least twenty-one days notice in writing to the Trustee on grounds of any material default or non-compliance with the provisions of this Deed or the Rules, and appoint another trustee.

10.2.3 Upon the appointment of a new trustee the Trustee shall immediately deliver all the documents and records to the new trustee and shall transfer all the Fund Property and any amount deposited in any Distribution Account to the new trustee and make payments to the new trustee of all sum due from the Trustee.

10.2.4 The new trustee shall exercise all the powers and enjoy all rights and shall be subject to all duties and obligations of the Trustee hereunder as fully as though such new trustee had originally been a party hereto.

## 11. DISTRIBUTIONS FROM THE FUND

### 11.1. DISTRIBUTION POLICY AND DATE

11.1.1 At least 90% of the income, excluding realized and unrealized capital gains, received by the Fund reduced by such expenses as are chargeable to the Fund under the Rules shall be distributed annually. The Invest Adviser may also include realized capital gains in the amount available for distribution. The entire amount available for distribution may be distributed as cash dividend or



*[Signature]*  
*[Signature]*



R. No.

Sub-Registrar-I

Jamshed Town, Karachi

- 11.2.3 Before making any payment in respect of a Certificate, the Trustee or the Investment Adviser may make such deductions as may be required by law in respect of any Zakat, income or other taxes, charges or assessments whatsoever and issue to the Certificate Holder the certificate in respect of such deduction in the prescribed form or in a form approved by the concerned authorities.
- 11.2.4 Where the Certificates are placed under pledge, the payment of dividends shall be made in accordance with Clause 17.8.3 below.

## 12. ANNUAL ACCOUNTING PERIOD AND DATE

- 12.1.1 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 subsequent case) from the end of the preceding Accounting Period.
- 12.1.2 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 Adviser may, with the consent of the Trustee and after obtaining approval of the SECP and the Commissioner of Income Tax, change such date to any other date.

## 13. TRUSTEESHIP ARRANGEMENT

### 13.1. PRIMARY FUNCTIONS:

- 13.1.1 **Fund Management** - The Investment Adviser has the responsibility to take all investment decisions within the framework of the Rules, this Trust Deed establishing the Scheme and the Offering Documents issued for the Scheme.
- 13.1.2 **Control over Assets** - The Trustee has the responsibility for being the nominal owner for the safe custody of the assets of the Scheme on behalf of the beneficial owners (the Certificate Holders), within the framework of the Rules, this Trust Deed and the Offering Documents issued for the Scheme.
- 13.1.3 **Investor Records** - The Investment Adviser has the responsibility to maintain investor records and for this purpose it may appoint a Registrar, who is responsible for maintaining investors' (Certificate Holders') records and providing related services. The Registrar shall carry out the responsibility of maintaining investors' records, issuing statements of account, issuing Certificates representing investment of the Certificate Holders in the Scheme, processing dividend payments and all other related activities.
- 13.1.4 **Record Keeping** - The Investment Adviser has the primary 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 Investment Adviser of statements of account and transaction advices for banking and custodial accounts in the name and under the control of the Trustee. The Investment Adviser shall provide the Trustee unhindered access to all records relating to the Scheme.

### 13.2. ADMINISTRATIVE ARRANGEMENTS

- 13.2.1 The Trustee shall have all the obligations entrusted to it under the Rules, the Trusts Act 1882 [II of 1932] the Trust Deed and the Offering Document of the Fund. However, the Trustee shall, in addition to the aforesaid obligations, facilitate the Investment Adviser's business in the following manner:



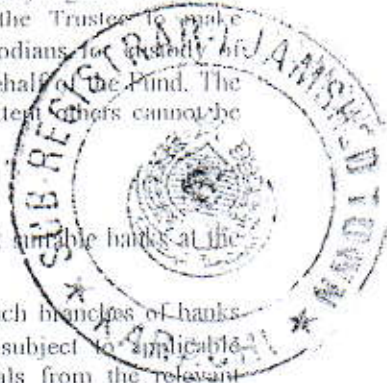
- (a) Attorney(s) and Point Person(s): The Trustee shall nominate one or more of its officers to act as attorney(s) for performing the Trustee's functions and for interacting with the Investment Adviser.
- (b) Custodian(s): The Trustee shall act as custodian for securities for which custody services are available with the Trustee at such terms as the Trustee and the Investment Adviser may mutually agree. For other securities the Investment Adviser may advise the Trustee to make appropriate arrangements with one or more Custodians for custody of securities in which investment may be made on behalf of the Fund. The Trustee shall provide custodial services to the extent others cannot be identified for this purpose.

### 13.3. BANK ACCOUNTS

- 13.3.1 The Trustee shall open Bank Accounts for the Fund at suitable banks at the request of the Investment Adviser.
- 13.3.2 The Trustee shall open additional bank accounts at such branches of banks and at such locations (including outside Pakistan), subject to applicable regulations and after obtaining all necessary approvals from the relevant regulatory authority in Pakistan as may be required by the Investment Adviser from time to time.
- 13.3.3 The Investment Adviser may also require the Trustee to open separate Bank Accounts for each dividend distribution out of the Fund.
- 13.3.4 Notwithstanding any thing in this Deed, the beneficial ownership of the balances in the Accounts shall vest in the Certificate Holders.

### 13.4. FUND PROPERTY

- 13.4.1 The Fund Property shall initially be constituted out of the proceeds of the Certificates subscribed by the Investment Adviser, the proceeds of the Certificates issued to the investors at the time of the Initial Offer and the proceeds of the Certificates issued to the general public pursuant to the Public Offering, including those subscribed by the Underwriters or the investors procured by the Underwriters, which shall all become part of the Fund Property, after deducting any applicable Duties and Charges.
- 13.4.2 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 Certificate Holders in accordance with the provisions of the Rules 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 Investments 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.
- 13.4.3 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 Investment Adviser, or the Custodian 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, actual or contingent incurred, assumed or undertaken by the Trustee, the Investment Adviser, or the Custodian or any other person.
- 13.4.4 The Trustee shall have the sole responsibility for the safekeeping of the Fund



Registration of No. \_\_\_\_\_  
Sub-Registrar I, Mr. P.E.  
Karachi.



Property. In the event of any loss, caused through negligence on the part of the Trustee, the Trustee shall have no obligation to replace the lost investment forthwith with similar investment of the same class and issue together with all rights and privileges pertaining thereto or compensate the Trust to the extent of such loss.

- 13.4.5 Remuneration of the Investment Adviser; remuneration of the Trustee; Brokerage and Transaction Costs related to investing and dis-investing of the Fund Property; Legal and related costs incurred in protecting or enforcing the interests of the Fund or the collective interest of the Certificate Holders; Bank charges and borrowing/ financial costs; Audit Fees; Formation Costs; Annual Fee payable to the SECP, Listing Fee and Associate Membership Fee payable to the Stock Exchanges and taxes if any applicable to the Trust shall be payable out of the Fund Property. Provided that all the formation costs including expenditure incurred in connection with the establishment and authorization of the Scheme and offer of sale of Certificates, commission payable to the Underwriters, etc., shall be borne by the Investment Adviser and shall be reimbursable out of the Fund Property in equal installments over a period of not less than five years.

### 13.5. TRANSACTIONS RELATING TO THE FUND

- 13.5.1 The Trustee shall authorize and facilitate the Investment Adviser to receive daily statements of account for all the bank accounts being operated by the Trustee as a nominee of the Fund.

- 13.5.2 The Investment Adviser shall, from time to time, advise the Trustee of the dividend distribution for the Trust. The Trustee shall 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. The Trustee shall rely on the amount certified by the Auditors as the dividend payable in cash after adjusting for dividend being distributed in the form of Certificates of the Trust, as explained in the offering document.

### 13.6. TRANSACTIONS RELATING TO INVESTMENT ACTIVITY/ PORTFOLIO MANAGEMENT

- 13.6.1 The investment advisor shall, from time to time, advise the Trustee of the settlement instructions relating to any investment/dis-investment transactions entered into by it on behalf of the Trust. The Trustee shall carry out the settlements in accordance with the dictates of the specific transactions. The Investment Adviser 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 dictates of the transaction.

- 13.6.2 The Trustee shall ensure that, where applicable, payments against investments are made against delivery and vice versa.

- 13.6.3 The Trustee shall promptly forward to the Investment Adviser any notices, reports or other documents issued by the issuers of securities, recipients of any of the Trust Funds (as deposits, refunds, distribution of dividends, income, profits, repayment of capital or for any other reason), any depository, an intermediary or agent in any transaction or from any court, government, regulator, stock or other exchange or any other party having any connection with the transaction.



13.6.4 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 Trust. Such action shall include legal action if called for and the Trustee shall be entitled to recover any legal costs reasonably incurred from the Trust.

13.6.5 The Investment Adviser shall provide the Trustee with regular reports indicating dividends, other forms of income or inflows, and any rights or warrants relating to the Investments that are due to be received. The Trustee shall report back to the Investment Adviser any such amounts or warrants that are received on such accounts from time to time.

13.6.6 The Trustee shall provide proxies or other forms of powers of attorney to the order of the Investment Adviser with regard to any voting rights attaching to any investment.

#### 13.7. VOTING RIGHTS ON FUND PROPERTY

13.7.1 All rights of voting attached to any Fund Property shall be exercisable by the Investment Adviser on behalf of the Trustee and it shall be entitled to exercise the said rights in what it may consider to be the best interests of the Certificate Holders and may refrain at its own discretion from the exercise of any voting rights and the Trustee or the Certificate Holders shall not have any right to interfere or complain.

13.7.2 The Trustee shall upon written request by the Investment Adviser, at the expense of the Fund, from time to time execute and deliver or cause to be executed or delivered to the Investment Adviser or their nominees powers of attorneys or proxies authorizing such attorneys and proxies to vote consent or otherwise act in respect of any Investment in such form and in favour of such persons as the Investment Adviser may require in writing.

The word "vote" used in this sub-clause shall be deemed to include not only a vote at a meeting but the right to elect or appoint directors, any consent to or approval of any arrangement scheme or resolution or any alteration in or abandonment of any rights attaching to any Investment and the right to requisition or join in a requisition to convene any meeting or to give notice of any resolution or to circulate any statement.

13.7.3 The Trustee shall forward to the Investment Adviser in a timely manner all notices of meetings and all reports and circulars received by the Trustee as the registered holder of any Investment.

#### 14. MODIFICATION OF TRUST DEED

14.1.1 The Trustee and the Investment Adviser acting together shall be entitled by deed supplemental hereto to modify, alter or add to the provisions of this Deed in such manner and to such extent as they may consider expedient for any purpose, subject only to the approval of the SECP, if so required. Provided that, the Trustee and the Investment Adviser shall certify in writing that, in their opinion such modification, alteration or addition is required pursuant to any amendment in the Rules or to ensure compliance with any fiscal or statutory requirement or to enable the provisions of this Deed to be more efficiently, conveniently or economically managed or to enable the Certificates to be dealt in or quoted on Stock Exchange or otherwise for the benefit of the Certificate Holders and that it does not prejudice the interests of the Certificate Holders or any of them or operate to release the Trustee or the Investment Adviser from any responsibility to the Certificate Holders.



## 15. TERMINATION AND CONVERSION OF CLOSED-END SCHEME

### 15.1. TERMINATION AND CONVERSION

- 15.1.1 The Investment Adviser may terminate PSAF, at any time. The Investment Adviser shall give at least three months notice to Certificate Holders, the Trustee and the SECP and shall disclose the grounds of its decision.
- 15.1.2 The Trust may also be terminated by the SECP on the grounds given in the Rules.
- 15.1.3 This Deed may be terminated in accordance with the conditions specified in the Rules, if there is any breach of the provisions of this Deed or any other agreement or arrangement entered into between the Trustee and Investment Adviser regarding the Scheme.
- 15.1.4 The Investment Adviser may convert the Fund into an open end fund with the approval of Certificate holders by a majority of not less than three fourths of such Certificate holders entitled to vote as are present in person or by proxy at a general meeting of which not less than twenty one days notice specifying the intention to propose the resolution has been duly given, Trustee and the SECP, after complying the provisions of the Rules.

### 15.2. DISTRIBUTION OF LIQUIDATION PROCEEDS

- 15.2.1 Upon the Trust being terminated the Investment Adviser shall proceed to sell all investments then remaining in the hands of the Trustee as part of the Fund Property.
- 15.2.2 The Trustee on the recommendation of the Investment Adviser shall from time to time distribute to the Certificate Holders pro rata to the number of Certificates held by them respectively all net cash proceeds derived from the realization of the Fund Property after making payment as mentioned in sub-clause 16.1.1 above and retaining such sum as considered or apprehended by the Investment Adviser for all costs, charges, expenses, claims and demands.
- 15.2.3 In case the Trust being terminated by the SECP on the grounds given in the Rules the SECP may appoint a liquidator in consultation with the Trustee.

## 16. CERTIFICATES

### 16.1. LEGAL STATUS

- 16.1.1 All Certificates represent an undivided share in the Fund and rank pari passu as to their rights in the net assets, earnings, and the receipt of the dividends and distributions. Each Certificate Holder has a beneficial interest in PSAF proportionate to the Certificates held by such Certificate Holder.
- 16.1.2 By a deed supplemental to this Deed the Investment Adviser may at any time with the approval of the Trustee on giving not less than twenty-one days previous notice through publication in a newspaper widely circulated in the city in which the Certificates are listed on a stock exchange subdivide or consolidate the whole or any part of the Certificates and the Certificate Holders shall be bound accordingly. The Investment Adviser shall require in such notice that each Certificate Holder to whom Certificates have been issued, (who shall be bound accordingly) deliver up his Certificates for endorsement or encasement with the number of Certificates 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.

**16.2. ISSUE OF CERTIFICATES AND LIMITATION OF LIABILITY**

- 16.2.1 The Investment Adviser shall be responsible for obtaining all requisite consents and approvals for the offer and issue of Certificates and for the issue, publication or circulation of the Offering Document.
- 16.2.2 Except as provided herein the Certificates shall be offered through the authorized branches of the bankers to the issue.
- 16.2.3 Each Certificate Holder shall only be liable to pay the issue price of the Certificates subscribed by him and no further liability shall be imposed on him in respect of any Certificates held by him. The Certificates shall be issued only against receipt of full payment. No further liability shall be imposed on a subsequent Certificate Holder save any transfer fees or taxes applicable to transfers and transmission.
- 16.2.4 The Investment Adviser may require the Trustee to issue additional Certificates by way of Right Certificates against the receipt of payment and through other means, at such issue price and other terms as may be set by the Investment Adviser, subject to regulatory approvals first being obtained.

**16.3. ISSUE OF CERTIFICATES OUTSIDE PAKISTAN**

- 16.3.1 Subject to exchange control and other applicable laws, rules and regulations, in the event of arrangements being made by the Investment Adviser for the issuance of Certificates to persons not resident in Pakistan or for delivery in any country outside Pakistan, the price at which such Certificates may be issued may, at the discretion of the Investment Adviser, include in addition to the initial offer price as hereinbefore provided a further amount sufficient to cover any exchange risk insurance, any additional stamp duty or taxation whether national, local or otherwise leviable in that country in respect of such issue or of the delivery or issue of Certificates, or any additional costs relating to the delivery of certificates or the remittance of money to Pakistan.
- 16.3.2 The currency of transaction of the PSAP is the Pakistan Rupee and the Investment Adviser is not obliged to transact the issuance in any other currency, except for issuing Certificates to non-residents, pursuant to the Public Offering after fulfilling all the regulatory requirements.
- 16.4. REGISTER OF CERTIFICATE HOLDERS**
- 16.4.1 The Registrar at such a place as is agreed by the Investment Adviser shall maintain a Register. The Investment Adviser shall ensure that the Registrar shall comply with all relevant provisions of this Deed and the Rules.
- 16.4.2 The Investment Adviser shall ensure that the Registrar shall at all reasonable times during business hours give the Trustee and its representatives access to the Register and to all subsidiary documents and records or certified copies thereof and to inspect the same with or without notice and without charge but neither the Trustee nor its representatives shall be entitled to remove the Register or to make any entries therein or alterations thereto and except when the Register is closed in accordance with the provisions of this Deed.
- 16.4.3 The Registrar shall, within two working days of receiving a written request from any Certificate Holder, post (or send by courier or through electronic means) to such Certificate Holder details of such Certificate Holder's account in the Register. Such service shall be provided free of charge to any Certificate Holder requesting so once in any financial year. The Investment



284  
R. No. \_\_\_\_\_

Sub-Registrar-I

Adviser may prescribe reasonable charges for servicing of any ~~land~~ <sup>land</sup> ~~in~~ <sup>in</sup> ~~the~~ <sup>the</sup> ~~city~~ <sup>city</sup> ~~of~~ <sup>of</sup> ~~Karachi~~ <sup>of Karachi</sup> requests.

16.4.4 The Register shall contain the following information:

- (a) Full names, nationalities, NICs (in respect of Pakistan nationals) and addresses of each Certificate Holders and joint Certificate Holders;
- (b) The number of the Certificates held and the distinctive numbers of Certificate, if any;
- (c) The date on which the name of every Certificate Holder was entered in respect of the Certificates standing in his name;
- (d) The date on which any transfer is registered with distinctive numbers and certificate numbers;
- (e) Information about pledge on Certificates;
- (f) Tax/Zakat status of the Certificate Holders;
- (g) Nominees;
- (h) Information about loss of Certificates and issuance of duplicates;
- (i) Record of specimen signatures of the Certificate Holders;
- (j) Such other information as Investment Adviser may require.

16.4.5 The Register shall be conclusive evidence as to the ~~Certificates held by each~~ <sup>Certificates held by each</sup> Certificate Holder.

16.4.6 Any change of name or address of any Certificate Holder 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 Certificate Holder 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 Certificate Holder.

16.4.7 The Registrar shall not register more than four joint Certificate Holders for a Certificate. In case of the death of any one of the joint Certificate Holders the survivor or survivors shall be the only persons recognized by the Trustee as having any title to or interest in the Certificates held by the joint Certificate Holders. Provided however, the Registrar or the Trustee may at their discretion request the survivors to provide succession certificates or other such mandate from a court or lawful authority, if they consider necessary.

16.4.8 A body corporate may be registered as a Certificate Holder or as one of joint Certificate Holders.

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

16.4.10 The Certificate Holder shall be the only person to be recognized by the Trustee, the Investment Adviser and the Registrar as having any right, title or interest in or to such Certificates and the Trustee, the Investment Adviser and the Registrar may recognize the Certificate Holder as the absolute owner thereof and shall not be bound by any notice to the contrary and shall not be bound to take notice of or to see to the execution of any trust, except where required by any court of competent jurisdiction. However, the Investment Adviser may authorize the Registrar to record a pledge on any or all Certificates held by a Certificate Holder in favour of a third party at the

*[Signatures]*  
Page 22 of 34



request of such Certificate Holder or Joint Certificate Holders as the case may be.

- 16.4.11 The nominee(s), in case of nomination(s) and the executors or administrators or succession certificate holder of deceased Certificate Holder (not being one of several joint Certificate Holder) shall be the only persons recognized by the Trustee and the Investment Adviser as having title to the Certificates represented thereby.
- 16.4.12 Any person becoming entitled to a Certificate in consequence of the death or bankruptcy of any sole Certificate Holder or of the survivor of joint Certificate Holders may subject as hereinafter provided upon producing such evidence as to his title as the Trustee shall think sufficient either be registered himself as Holder of such Certificate upon giving the Trustee/Registrar such notice in writing of his desire or transfer such Certificate to some other person. All the limitations, restrictions and provisions of this Deed relating to transfer shall be applicable to any such notice or transfer as if the death or bankruptcy had not occurred and such notice or transfer was a transfer executed by the Certificate Holder. Provided however, the Registrar or the Trustee may at their discretion request the survivors to provide succession certificates or other such mandate from a court or lawful authority, if they consider necessary.
- 16.4.13 The Trustee shall retain any moneys payable in respect of any Certificate in which any person is, under the provisions as to the transmission of Certificates hereinbefore contained, entitled to be registered as the Certificate Holder in which any person under these provisions is entitled to transfer, until such person shall be registered as the Holder of such Certificate or shall duly transfer the same.

#### 16.5. ISSUANCE OF CERTIFICATES

- 16.5.1 Upon being satisfied that the initial offer price for each Certificate has been received in full from the successful applicant, the Registrar shall issue certificates (or at the Certificate Holder's request, one consolidated certificate) that will constitute evidence of the number of Certificates registered in the name of the Certificate Holder.
- 16.5.2 Certificates shall only be issued against full payment of the subscription money.
- 16.5.3 Certificates 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 Certificate Holder or his duly authorized nominee at his own risk by registered post or by courier service.
- 16.5.4 In the case of Certificates held jointly, the Registrar shall not issue more than one Certificate for the Certificates held by such joint Certificate Holders and delivery of such Certificate to the Certificate Holder named first therein shall constitute sufficient delivery to all joint Certificate Holders.
- 16.5.5 Certificates shall be issued in such form as may from time to time be agreed between the Investment Adviser and the Trustee. A Certificate shall be dated, shall bear the name and address of the Investment Adviser and the Trustee, shall bear a distinctive and serial number and shall specify the number of Certificates represented thereby and the name and address of the Certificate Holder as appearing in the Register.
- 16.5.6 Certificates may be engraved or lithographed or printed as the Investment Adviser may determine from time to time with the approval of the Trustee and shall be signed on behalf of the Trustee by a duly authorized officer of the

*[Signature]*  
Page 23 of 34



Trustee and on behalf of the Investment Adviser by a duly authorized officer of the Investment Adviser. 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, which shall always be autographic except for the initial issue of certificates after the public offering where the Investment Adviser with the approval of the Trustee may allow lithographic or other mechanical method of signature. 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 Investment Adviser or the Registrar or any person whose signature appears thereon as a duly authorized signatory may have ceased to be the Trustee, Investment Adviser, Registrar or an authorized signatory.

- 16.5.7 Where the Certificates 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.

Sub-Registrar-I

Jamshed Town, Karachi

#### 16.6. REPLACEMENT OF CERTIFICATES

- 16.6.1 Subject to the provisions of this Deed and in particular to the limitations of the denominations of Certificates as may be fixed by the Investment Adviser and subject to any regulations from time to time made by the Trustee with the approval of the Investment Adviser every Certificate Holder shall be entitled to exchange upon surrender of the existing Certificate any or all of his Certificates for one or more Certificates of such denominations as he may require representing the same aggregate number of Certificates.

- 16.6.2 In case any Certificate shall be lost, stolen, mutilated, defaced or destroyed, the Registrar with the approval of the Investment Adviser 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 Trustee /Registrar evidence satisfactory to the Investment Adviser 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 Investment Adviser and the Trustee may require. Neither the Investment Adviser nor the Trustee nor the 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 Investment Adviser may also require issuance of public notices in newspapers and/or obtention of such indemnification, as the Investment Adviser and the Trustee may be appropriate, at the cost of the pertinent Certificate Holder before issuing any new certificates.

- 16.6.3 Before the issuing of any Certificate under the provisions of this sub-clause the Registrar may require from the applicant for the Certificate the payment to it of a fee of twenty five rupees for each Certificate, subject to revision of fee from time to time by the Investment Adviser together with a sum sufficient in the opinion of the Investment Adviser to cover any Duties and Charges, if any, payable in connection with the issue of such Certificate.

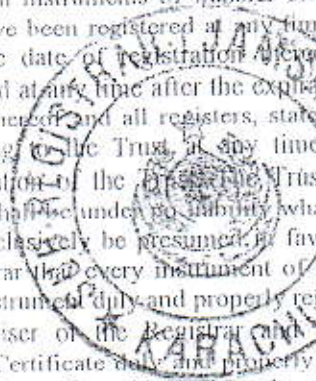
*[Handwritten signature]*  
*[Handwritten signature]*



341

16.7. TRANSFER OF CERTIFICATES

- 16.7.1 Every Certificate Holder shall be entitled to transfer the Certificates held by him by an instrument in such form as the Adviser may prescribe from time to time with the approval of the Trustee.
- 16.7.2 A Certificate shall be transferable only in its entirety.
- 16.7.3 Both the transferor and the transferee must sign every instrument of transfer and the transferor shall be deemed to remain the Holder of the Certificates transferred until the name of the transferee is entered in the Register in respect thereof.
- 16.7.4 Every instrument of transfer must be duly completed in all respects including affixation of transfer stamps of the requisite value. 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.
- 16.7.5 The Registrar shall retain all instruments of transfer.

- 16.7.6 The Registrar with the prior approval of the Investment Adviser 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 Investment Adviser or the Registrar shall be under no liability whatsoever in consequence thereof and it shall conclusively be presumed in favour of the Trustee or the Adviser or the Registrar that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered by the Trustee or the Investment Adviser or the 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 Investment Adviser or the 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.
- R. No. 284  
Sub-Registrar-I  
Registered Town, Karachi
- 

16.8. PLEDGE OF CERTIFICATES

- 16.8.1 Any Certificate Holder or all joint Certificate Holders may request the Registrar to record a pledge of all or any of his/her Certificates in favour of any third party legally entitled to invest in such Certificates in its own right. The Registrar shall register a pledge on any Certificates in favour of any third party with the specific authority of the Investment Adviser.
- 16.8.2 The pledge once registered shall be removed by the authority of the party in whose favour the pledge has been registered or through an order of a competent court. Neither the Trustee, nor the Investment Adviser, nor the Registrar shall be liable for ensuring the validity of any such pledge. The
- Signature*  
*Signature*



disbursement of any loan or undertaking of any obligation against the constitution of such pledge by any party shall be at the entire discretion of such party and neither the Trustee nor the Investment Adviser nor the Registrar take any responsibility in this matter.

- 16.8.3 Payments of dividends or the issue of bonus Certificates under pledge shall be made to the pledge holder for the account of the Certificate Holder.

## 17. MISCELLANEOUS

### 17.1. DEPOSITORY ARRANGEMENTS

- 17.1.1 The Certificates, 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 certificates herein, shall not apply.

### 17.2. ARBITRATION

- 17.2.1 In the event of any disputes arising out of this Trust Deed or the Offering Document between the Investment Adviser 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 of the Supplementary Offering Documents, relating to the Scheme, the same shall be referred to arbitration by two arbitrators, one to be appointed by the Investment Adviser 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.

### 17.3. CONFIDENTIALITY

The Trustee, the Investment Adviser, the Registrar and the Custodian and every director or officer of the said parties who are in any way engaged in the business of the Trust and all persons employed or engaged by the said parties in connection with the business of the Trust shall observe strict confidentiality in respect of all transactions of the Trust, its Certificate Holders and all matters relating thereto and shall not disclose any information or document which may come to his knowledge or possession in the discharge of his duties except when required to do so in the ordinary course of performance of his duties or by law or if compelled by any court of law or a competent authority.

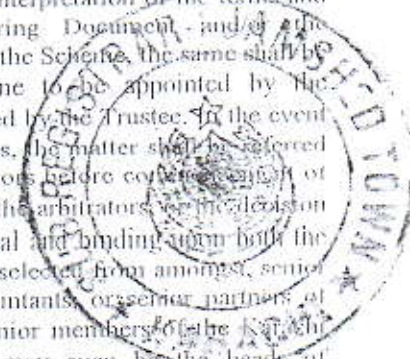
### 17.4. OTHER

- 17.4.1 Any notice required to be served upon the Certificate Holder 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.

- 17.4.2 The Trustee or the Investment Adviser shall advertise any such notice in two

244.  
No. \_\_\_\_\_  
Sub-Registrar-I  
Lamshed Town, Karachi

Registration at No. \_\_\_\_\_  
of Offering Document, Dtd. 12/11/2011



Signature of \_\_\_\_\_  
Signature of \_\_\_\_\_



leading daily newspapers in Pakistan having its primary circulation in Karachi.

17.4.3 Service of a notice or document on any one of several joint Certificate Holders shall be deemed effective service on the other joint Certificate Holders.

17.4.4 Any notice or document sent by post or courier service to or left at the registered address of a Certificate Holder shall notwithstanding that such Certificate Holder be then dead or bankrupt and whether or not the Trustee or the Investment Adviser 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 Certificates concerned.

17.4.5 A copy of this Deed and of any such supplemental deed shall be made available for inspection at the respective Head Offices of the Trustee and of the Investment Adviser at all times during usual business hours and shall be supplied by the Investment Adviser to any person on application at a charge of fifty (50) Rupees per copy or at such rate as determined from time to time by the Investment Adviser.

#### 17.5. AUDIT

17.5.1 The first Auditors shall be Taseer Hadi Khalid & Company, Chartered Accountants, Karachi. Thereafter, the Investment Adviser shall in consultation with the Trustee appoint as auditor, a firm of chartered accountants who shall be independent of the auditor of the Investment Adviser and the Trustee. The Investment Adviser may at any time, with the concurrence of the Trustee, and shall, if directed by the SECP, remove the Auditors and appoint another Auditor in its place.

17.5.2 The Auditors shall hold office until transmission of the annual report and accounts but may be re-appointed for up to three consecutive terms of one year each. Thereafter, that 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 Investment Adviser or the Trustee.
- (b) A person who is a partner of, or in employment of, a director, officer, employee, or Connected Person of the Investment Adviser or Trustee.
- (c) The spouse of a director of the Investment Adviser or Trustee.
- (d) A person who is indebted to the Investment Adviser or Trustee, and
- (e) A body corporate.

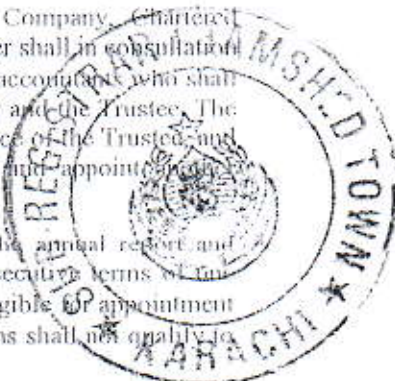
17.5.3 Appointment of a partnership firm to be the Auditors shall be deemed to be the appointment of all persons who are partners in the firm for the time being.

17.5.4 The Auditors shall have access to the books, papers, accounts and vouchers of the Trust, whether kept at the office of the Investment Adviser, Trustee, Custodian, Registrar, or elsewhere and shall be entitled to require from the Investment Adviser, the Trustee and their directors, officers and agents such information and explanations as considered necessary for the performance of audit.

17.5.5 The Trustee shall be entitled to require the Auditors to provide such further reports as may be agreed between the Trustee and the Investment Adviser as may be considered necessary to facilitate the Trustee in issuing the

Sub-Registrar-I  
Furnished Town, Karachi

Registered in F.B. No. 1111  
Sub-Registrar-I, F.B. No. 1111  
Furnished Town, Karachi



*Handwritten signatures and initials.*



certification required under the Rules.

17.5.3 The Auditors shall prepare a written report to the Certificate Holders 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, statements or schedules appended thereto.

17.5.7 The contents of the Auditors report shall be as required in the Rules.

17.5.8 The Investment Adviser shall:

- (a) within four months of closing of the Accounting Period, prepare and transmit the annual report together with a copy of the balance sheet, income and expenditure account together with the Auditor's report for the Accounting Period to the SECP and Certificate Holders in accordance with the Rules.
- (b) within two months after the close of the first half of its year of account, prepare and transmit to the Certificate Holders and the SECP a profit and loss account for and balance sheet as at the end of that half year, whether audited or otherwise, in accordance with the Rules.
- (c) within a month after the close of the first and the third quarter, prepare and transmit quarterly report to the Certificate Holders, the Investment Adviser, the Trustee and the SECP, alongwith a Profit and Loss Account and Balance Sheet as at the end of the pertinent quarter, whether audited or otherwise, in accordance with the Rules.

## 18. DEFINITIONS

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

18.1.1 "Adviser" means Investment Adviser

18.1.2 "Auditors" means, such audit firm that is appointed as the auditor of any of the Closed-end Scheme Trust Schemes managed by the Adviser for which CDC is appointed as the Trustee;

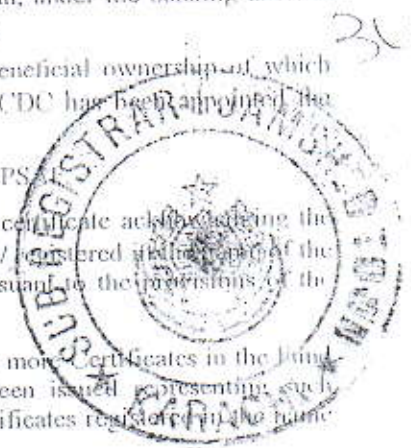
18.1.3 "Authorized Investment" means investments transacted, issued, traded or listed in Pakistan and includes any of the following:

- (a) Securities, shares, stock, bonds, debentures, debenture stock, warrants, options, participation term certificates, modaraba certificates, musharika certificates, term finance certificates, convertible bonds and other asset backed or mortgage backed securities. Such investments shall include those for ready settlement as well as those for future settlement;
- (b) Treasury bills and other government securities;
- (c) Money market instruments including, certificates of deposit and bankers' acceptances, inter-bank transactions, repurchase transactions (REPOs) and reverse REPOs including Carry Over Transactions (COT). Purchase or sale of a security for ready settlement and the reverse thereof (sale or purchase, as the case may be) for future settlement. Carry Over Transaction (COT) is a form of financing transacted through the Stock Exchange. It consists of two simultaneous transactions, the first for purchase of an underlying security (shares) on the settlement date scheduled for the security and the second for selling back the security at a higher price for a subsequent settlement date;





- (d) Deposits with banks or financial institutions, including deposits in currencies other than the Pakistan Rupee;
  - (e) Any other equity or debt security in respect of which permission to deal on a stock exchange is effective;
  - (f) Investment in any equity or debt security, including venture capital investments, that may or may not be listed on the Stock Exchange but does not include bearer security or any security that would involve assumption of unlimited liability.
  - (g) Derivatives and contracts provided these do not result in the Fund being exposed to unlimited risk, hybrid securities (e.g. convertible securities) and synthetic securities (e.g. letter of rights). Provided no investment in such securities/contracts will be made in contravention of the Rules.
- 18.1.4 "Bank" means 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.
- 18.1.5 "Bank Accounts" mean those accounts the beneficial ownership of which rest in the Certificate Holders and for which CDC has been appointed the Trustee.
- 18.1.6 "Certificate" means one undivided share in the PS.
- 18.1.7 "Certificate of holding" means the definitive certificate acknowledging the number of Certificates of the par value of Rs.10/- registered in the name of the Holder issued at the request of the Holder pursuant to the provisions of the Trust Deed.
- 18.1.8 "Certificate holder" means a Holder of one or more Certificates in the Fund whether or not definitive Certificates have been issued representing such Certificates, acknowledging the number of Certificates registered in the name of the Holder with Registrar or CDC.
- 18.1.9 "Connected Person" shall have the same meaning as in the Rules.
- 18.1.10 "Constitutive Document" means this Trust Deed which is the principal Document governing the formation management or operation of the Fund.
- 18.1.11 "Custodian" means a bank, the Central Depository Company, or any other Depository for the time being appointed by the Trustee with the approval of the Adviser 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 Adviser at competitive terms, as part of the normal line of its business.
- 18.1.12 "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, 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.
- 18.1.13 "Formation Cost" means all preliminary and floatation expenses of the PSAP 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 inviting investment therein and all expenses incurred during the period leading up to the initial issue of



*[Handwritten signatures]*



Certificates. Any income earned from Fund Property before the completion of the IPO will be paid-out to the Investment Adviser and deducted from formation cost.

18.1.14 "Fund's Auditors" mean the Auditors.

18.1.15 "Fund Property" means the aggregate proceeds of the sale of all after deducting there from or providing there against any expenses chargeable to the Fund; and includes the investment and all income, profit and other benefits arising there from 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 Certificate Holders pursuant to the Trust Deed but does not include any amount standing to the credit of the Distribution Account.

18.1.16 "Initial Public Offering" or "IPO" means the offering of Certificates to the general public pursuant to listing of the certificates on the stock exchange(s).

18.1.17 "Investment" means any Authorized Investment forming part of the Fund's Property.

18.1.18 "Net Assets" means the excess of assets over liabilities of the Fund, such excess being computed in the manner specified hereunder.

18.1.19 "Net Asset Value" means per Certificate Value of the Fund arrived at by dividing the Net Assets by the number of Certificates outstanding.

18.1.20 "Offering Document" means the advertisements or other documents (approved by the SECP), which contain the investment and all other information in respect of the PSAF, as required by the Rules and is calculated to invite the public to invest in the PSAF.

18.1.21 "Ordinance" means Companies Ordinance 1984.

18.1.22 "Pre-IPO Investor(s)" means the investor(s) that have subscribed for the fund before the Initial Public Offering.

18.1.23 "Par Value" means the initial offer price of a Certificate that shall be Rupees.

18.1.24 "Pakistan Strategic Allocation Fund", "Fund", "PSAF", "Trust" or "Scheme" or "Closed-end Scheme" means the Trust constituted by the Trust Deed.

18.1.25 "Personal Law" means the law of inheritance and succession as applicable to the individual Certificate holder.

18.1.26 "Register" means the Register of the Holders kept pursuant to the Rules and the Trust Deed.

18.1.27 "Registrar" means an organization that the Adviser shall appoint for performing the Registrar Function.

18.1.28 "Registrar Functions" means the functions with regard to:

- Maintaining the Register;
- Processing requests for issue, transfer and transmission of Certificates and requests for recording of lien or for recording of changes in data with regard to the Certificate Holders;
- Dispatching income distribution warrants and bank transfer intimations;



18.1.29 "Rules" means the Non-Bank Finance Companies Rules, 2003 as amended from time to time.

18.1.30 "SECP" means the Securities and Exchange Commission of Pakistan set up under Securities and Exchange Commission of Pakistan Act, 1997.

18.1.31 "Stock Exchange" means Karachi Stock Exchange, Lahore Stock Exchange and Islamabad Stock Exchange or any other stock exchange registered under the Securities and Exchange Ordinance 1969.

18.1.32 "Transfer Application Form" means the prescribed form, which is given in sub-section 20 of the Offering Document.

18.1.33 "Trust" means closed-end scheme, scheme, or Fund.

Words and expressions used but not defined herein shall have the meanings assigned to them in the Rules. 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 means of visible reproduction.

## 19. SIGNATURES

IN WITNESS WHEREOF THIS DEED has been executed on the day and year first above written.

The Common Seal of Arif Habib Investment Management Limited was hereunto affixed in the presence of

Seal

(1) Sd.

*Nasim Beg* Chief Executive

(2) Sd.

*Arif Habib* Director

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

Seal

(1) Sd.

*Mohammad Hanif*  
Jathwala  
CEO

Witness:

Sd.

*Kamran Qazi*  
B-402, Amber Towers  
Shahrah-e-Faisal Karachi

Sd.

Sd.

Sd.

*S. Shaukat Hussain Rizvi*  
1119/20 F.O. Area Karachi

R. No.

Sub-Registrar  
Jamshed Town, Karachi



Original Instrument Fee Rs. 400  
 Stamp Fee Rs. 23  
 Date 26-05-04

RECEIVED FEES AS FOLLOWS:  
 Registration Fee Rs. 1000  
 Copying Fee Rs. 305  
 Endorsement Fee Rs. 05  
 Postage Charges Rs. 1310  
 Total Rs. 1310

Sub-Registrar T. Div. I-B  
 Karachi.  
 M. A. MALLAH

Mr./Mrs/Miss DD in Sample  
 S/o/W/o/D/o Muhammad Ali Harbi  
 Executing Party Occupation Service  
 Muslim Adults, Age 28 Years  
 R/o Dt A. Karachi  
42000-0548037-1

Mr./Mrs/Miss Nasrin Bang  
 S/o/W/o/D/o Safdar Bang  
 Executing Party Occupation Service  
 Muslim Adults, Age 57 Years  
 R/o Clifton K. Karachi  
 Karachi admits execution of this deed in the capacity as shown in the deed  
42301-558488-3



Mr./Mrs/Miss Muhammad Hani  
 S/o/W/o/D/o Dawood Hani  
 Executing Party Occupation Service  
 Muslim Adults, Age 42 Years  
 R/o Subhan Isbat K. Karachi  
 Karachi admits execution of this deed in the capacity as shown in the deed  
42201-2279204-9

King  
A. Sameed  
hujdayra

Mr. Muhammad Tariq Qureshi  
Dr. Sameed  
 Jno. 3852/Hc K. Karachi  
 States that he personally knows the above person and identifies  
 dated 26 MAY 2004

[Signature]

Sub-Registrar T. Div. I-B  
 Karachi.  
 M. A. MALLAH



## Annexure A

*284.*  
R. No. \_\_\_\_\_

CDC's Tariff Structure for Trusteeship of Closed-end Scheme

Sub-Registrar-I  
Jamshed Town, Karachi

The Trustee remuneration shall consist of reimbursement of actual custodial expenses/charges plus the following tariff:

Amount of Funds Under Management (Average NAV)	Tariff per annum
Up to Rs. 250 million	0.20% p.a.
On amount exceeding Rs. 250 million up to Rs. 500 million	Rs. 500,000 plus 0.15% on amount exceeding Rs. 250.0 million
On amount exceeding Rs. 500 million up to Rs. 2,000 million	Rs. 875,000 plus 0.08% p.a. on amount exceeding Rs. 500 million
On amount exceeding Rs. 2,000 million up to Rs. 5,000 million	Rs. 2,075,000 plus 0.06% p.a. on amount exceeding Rs. 2,000 million
On amount exceeding Rs. 5,000 million	Rs. 3,875,000 plus 0.05% p.a. on amount exceeding Rs. 5,000 million

*hug 284 AS*



*3411*

Registration No. \_\_\_\_\_  
Sub-Registrar-I, Jamshed Town, Karachi





Securities and Exchange Commission of Pakistan  
Specialized Companies Division  
NBFC Department

Annex B  
264  
R. No. \_\_\_\_\_  
Sub-Registrar-I  
Jamshed Town, Karachi

No. NBFC-II/JD-(R)/AHIM-PSAF-445

May 13, 2004

Chief Executive,  
Arif Habib Investment Management Limited,  
2/1, R. Y. 16, Old Queens Road, Pardesi House,  
Karachi - 74000

Fax: 021-247 0351

Subject: Pakistan Strategic Allocation Fund (Proposed)

Dear Sir,

I am directed to refer to letters dated 17 March 2004 and 2 May 2004 from SVP Arif Habib Securities as advisor to the issue of proposed Pakistan Strategic Allocation Fund, and to say that the Securities and Exchange Commission of Pakistan has no objection to the registration of Trust Deed of Pakistan Strategic Allocation Fund under the Trust Act, 1882 on the following conditions that

- (i) Clause 3 shall be reworded as 'This Deed shall be subject to and be governed by the Laws of Pakistan including the Ordinance, the Rules 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 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 Rules, the latter shall supersede and prevail over the provisions contained in this Deed.'
- (ii) Clause 6.2.8 shall be deleted.
- (iii) The words 'save in normal course of business' appearing in clause 6.3.2 of deed shall be deleted.
- (iv) Sub-clause (b) of clause 6.4.2 shall be reworded as 'the fund may sell its securities in forward contract if the trustee of the fund confirms that securities of such value are available in the portfolio of the fund'.
- (v) Sub-clause (c) & (d) of clause 6.4.2 shall be deleted.

NIC Building, Jinnah Avenue, Blue Area, Islamabad.  
PABX: 9207091-4 Ext. 122 - Fax. No. 9218590. E-mail: secphq@nb.paknet.com.pk

Handwritten signature/initials: *Handwritten signature/initials*



The clearance of the draft deed is without prejudice to the consequences of verifying compliance to the conditions stipulated in the licence issued in favour of Arif Habib Investment Management Company Limited and the requirements stipulated in the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.

Yours truly,

*Muhammad Afzal*  
(Muhammad Afzal)  
Joint Director

*284*  
R. No. \_\_\_\_\_  
Sub-Registrar-I  
Jamshed Town, Karachi







Securities and Exchange Commission of Pakistan  
Specialized Companies Division  
NBFC Department  
\*\*\*

Annex C

No. NBFC-II/JD-(R)/AHIM-PSAF-444

May 13, 2004

Chief Executive,  
Arif Habib Investment Management Limited,  
2/1, R. Y. 16, Old Queens Road, Pardesi House,  
Karachi - 74000

Fax: 021-247 0351

Subject: Pakistan Strategic Allocation Fund (Proposed)

284.  
R. No. \_\_\_\_\_

Dear Sir,

Sub-Register-1  
Jamshed Town, Karachi

I am directed to refer to letter No. PASP/ 004/040317 dated 17 March 2004 from SVP, Arif Habib Securities as advisor to the issue of proposed Pakistan Strategic Allocation Fund and to convey approval of the Securities and Exchange Commission of Pakistan to the appointment of Central Depository Company of Pakistan Limited as trustee of the proposed Fund in terms of rule 43 and 44 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.

Yours truly,

  
(Muhammad Afzal)  
Joint Director



- Co: (1) Chief Executive, Central Depository Company of Pakistan Limited with reference to his letter No. CDC/CEO/L-0458/2004 dated 16 March 2004 addressed to Chief Executive Arif Habib Investment Management Limited.
- (2) SVP, Corporate Finance, Arif Habib Securities, Corporate Office: 60-63, Karachi Stock Exchange Building, Stock Exchange Road, Karachi.





کراچی

42201-0522034-5

30/06/2008

04/07/2008

کراچی

42201-0522034-5

19/07/1968

کراچی

42201-2279204-0

31/03/2013

06/04/2003

کراچی

42201-2279204-0

31/03/2013

06/04/2003



341


284

R. No. \_\_\_\_\_

Sub-Registrar-I  
Jamshed Town, Karachi




 حکومت پاکستان  
 وزارت داخلہ  
 42101-1505733-9  
 20/06/1918  
 [Signature]


 JOURNAL  
 42101-1505733-9  
 30/09/2008  
 08/10/2002  
 [Barcode]


 حکومت پاکستان  
 وزارت داخلہ  
 42000-0548037-1  
 30/04/2007  
 26/06/2002  
 [Signature]  



 NK3B6R  
 42000-0548037-1  
 30/04/2007  
 26/06/2002  
 [Barcode]



341  
 Registration at No. \_\_\_\_\_  
 Registrar T. Div. Jamsh  
 Karachi.

284.

R. No. \_\_\_\_\_  
 Sub-Registrar-I  
 Jamshed Town, Karachi

[Signature]  
 [Signature]





جمہوریہ پاکستان  
قومی شناختی کارڈ  
42301-5558488-3



19/08/1947

نام: محمد علی  
پیدائش: 19/08/1947  
پتہ: ...

...

...

...

...



16P8VX

42301-5558488-3

...



30/06/2008 18/07/2002



284

R No. \_\_\_\_\_

Sub-Registrar-I  
Jamshed Town, Karachi

...

...



OPS/5558/1780/04  
11<sup>th</sup> March 2004

R. No. 284.  
Sub-Registrar-I  
Jamshed Town, Karachi

The Directors  
Arif Habib Investment Management Limited  
Karachi

341  
Registration at No. 341  
Sub-Registrar I, D.V. I-B  
Karachi

Dear Sirs,

**PROPOSED RESOLUTION BY CIRCULATION NUMBER 38  
APPROVAL FOR PAKISTAN STRATEGIC ALLOCATION FUND**

As discussed in the 17<sup>th</sup> Board of Directors Meeting held on 20<sup>th</sup> February 2004, considering the market conditions and the response the Company had for Pakistan Capital Market Fund, the Management is targeting to launch a closed end Fund namely, Pakistan Strategic Allocation Fund by June 2004. The Fund would be a closed-end asset allocation fund that would switch between equities and fixed income based on a strategic model.

The Fund is structured as closed-end Scheme. The size of the Fund is estimated at around PKR 3 bn however, its final size would be fixed after getting Pre-IPC commitments and it would be quoted on all the Stock Exchanges in Pakistan.

The Board is requested to authorise the management to proceed in the matter and to file necessary applications for the approval of scheme with relevant authorities. For the purpose, the Board is requested to pass the following resolutions:

- Resolved that**  
a closed-end scheme namely, Pakistan Strategic Allocation Fund be launched. The salient features of the Scheme shall be:
- Pakistan Strategic Allocation Fund would switch between equities and fixed income based on a strategic model.
  - The Scheme would be authorised under Non Banking Finance Companies (Establishment and Regulation) Rules, 2003.
  - The Scheme would be listed on Karachi, Lahore and Islamabad Stock Exchanges
  - The size of the Scheme shall be decided by the Chief Executive after getting Pre-IPC commitments.

**Further resolved that:**

- the Chief Executive be and is hereby authorised to file appropriate applications with the Securities & Exchange Commission of Pakistan for obtaining necessary approvals of the proposed Scheme.
- subject to the approval of Securities and Exchange Commission of Pakistan, the Chief Executive be and is hereby authorised to appoint CDC or any other eligible entity as Trustee of the Scheme at the terms and conditions to be mutually agreed by him.

Arif Habib Investment Management Limited.

7th Floor, Al-Sabah Centre, Rafiquei Shaheed Road, Off. Shahrah-e-Faisal, Karachi- Post Code: 75150  
Ph : 111-468-378 (111- INVEST) Fax : (92-21) 566-1175 E-mail : investments@arifhabib.com.pk Website : www.arifhabib.com.pk



341

- the Chief Executive and a Director be and are hereby authorised to sign the Trust Deed on behalf of the Company
- Arif Habib Securities Limited be and is hereby appointed as advisor and arranger of the Scheme at the terms and conditions to be mutually agreed by Chief Executive.
- the Chief Executive or the Company Secretary be and are hereby authorized to apply for the Listing of the Scheme at Karachi, Lahore and Islamabad Stock Exchanges.
- the Chief Executive or the Company Secretary be and are hereby authorized to apply for the Associate Membership of the Clearing Houses of Karachi, Lahore and Islamabad Stock Exchanges on behalf of the Scheme.
- subject to the approval of Securities and Exchange Commission of Pakistan, Arif Habib Securities Limited and any other entity be and are hereby appointed as underwriter to the public issue of the Scheme at the terms and conditions mutually agreed by the Chief Executive.
- subject to the Listing Regulations of Karachi, Lahore and Islamabad Stock Exchanges, the Chief Executive be and is hereby authorised to appoint one or more banks or bankers to the public issue of the Scheme at the terms and conditions to be agreed by him.
- in compliance with Rule 33 of the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003, Arif Habib Investment Management Limited being the Investment Advisor to the Scheme be and is hereby authorised to invest not less than ten percent and not more than twenty percent of the issued capital of the Scheme and that the Chief Executive be and is hereby authorised to arrange borrowing of funds, for the purpose of above investment, from Arif Habib Securities Limited or any other financial institutions at the terms and security to be agreed by the Chief Executive.
- an application be made on behalf of the Scheme to National Clearing Company of Pakistan Limited ("NCC") for admission of the Scheme to the National Clearing and Settlement System ("NCSS") in the capacity of Clearing Members and that for the aforesaid purpose, the Clearing Member Application Forms in the prescribed form of NCC be executed on behalf of the Scheme;
- if NCC accepts the Scheme's application for admission to NCSS in the capacity of Clearing Member, the Company on behalf of the Scheme do enter into a Clearing Member Agreement with NCC in NCC's standard forms;



*[Signature]*

*[Signature]*

Page 2 of 4

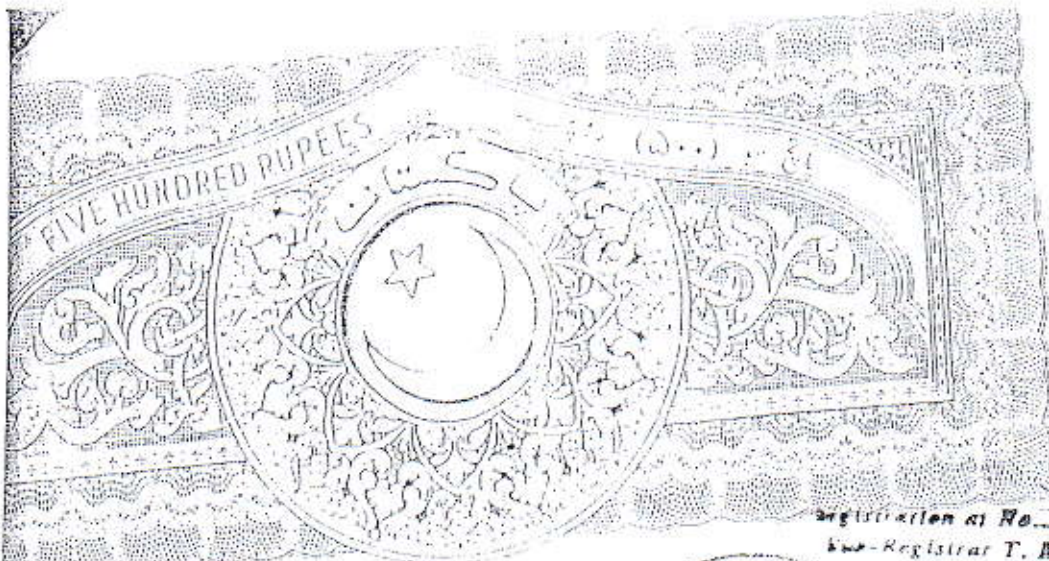
*[Signature]*

*[Signature]*









3411

Registration at No. \_\_\_\_\_  
Sub-Registrar T. B. B. B.  
Karachi,

378

C.D.C. 234

R. No. \_\_\_\_\_  
Sub-Registrar-I  
Janshed Town, Karachi



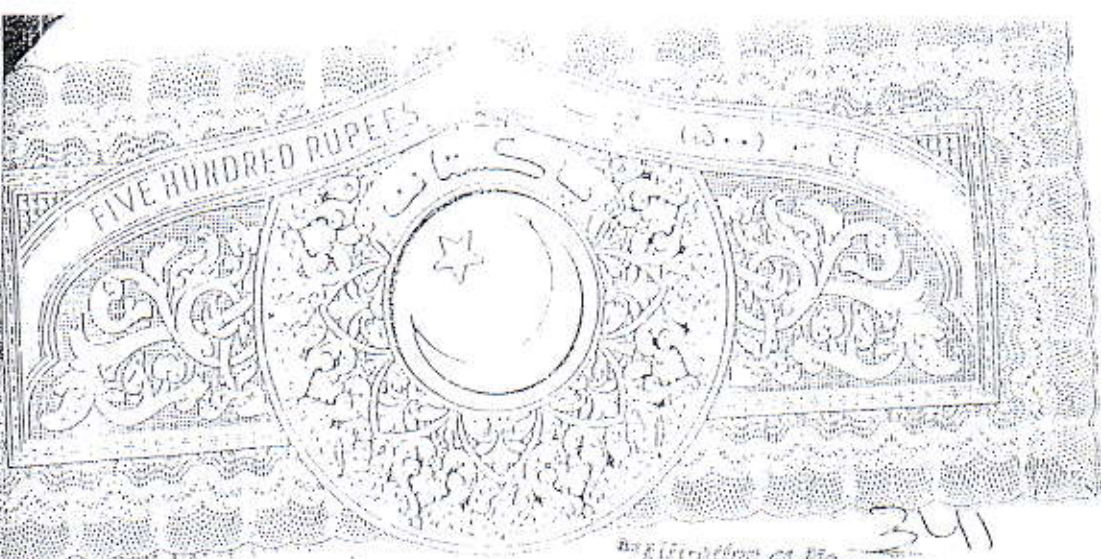
### GENERAL POWER OF ATTORNEY

3341  
Sub-Registrar T. B. B. B.  
Karachi

KNOW ALL MEN BY THESE PRESENTS that CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED, a company incorporated under the Companies Ordinance, 1934 and having its registered office at 8<sup>th</sup> Floor, Karachi Stock Exchange Building, Karachi-70000 (hereinafter referred to as "the Company") DO HEREBY NOMINATE, CONSTITUTE and APPOINTS MR. MOHAMMAD HANIF AKHIL (hereinafter called "the Attorney") as its true and lawful agent and attorney to represent and act for the Company in all matters relating to the conduct and management of the business or businesses and affairs of the Company and to do and perform for and on behalf of the Company and in the name of the Company and as the act and deed of the Company or otherwise as might be needful, everything which in the course of such conduct and management might in the opinion of the Attorney be necessary or expedient and as fully and effectually to all intents and purposes as if every act done by the Attorney in exercise of the powers hereby conferred, was fully authorised by and was the act of the Company and in particular (but without in any way limiting, lessening or abridging the generality of the powers aforesaid) to do and perform all or any of the matters, deeds, acts and things herein specified including the power to delegate all or any of the said powers and authorities and appoint any other person or persons to act under or in place of the Attorney with all or any of the powers

Muhammad Hanif Akhil  
Sub-Registrar





377  
C.D.C.  
2002

Registration of No. 341  
Sub-Registrar T. D. D. D.  
Karachi  
R. No. 264  
Sub-Registrar-I  
Jamshed Town, Karachi  
Sd/- Sub-Registrar B. D. D.  
Karachi

and authorities hereby conferred and to remove any such substitute or substitutes or sub-attorney or sub-attorneys at pleasure and to appoint another or others or not as to the Attorney should seem fit, and particularly to exercise within the limits of authority lawfully delegated to him by the Board of Directors of the Company, all or any of the following powers, that

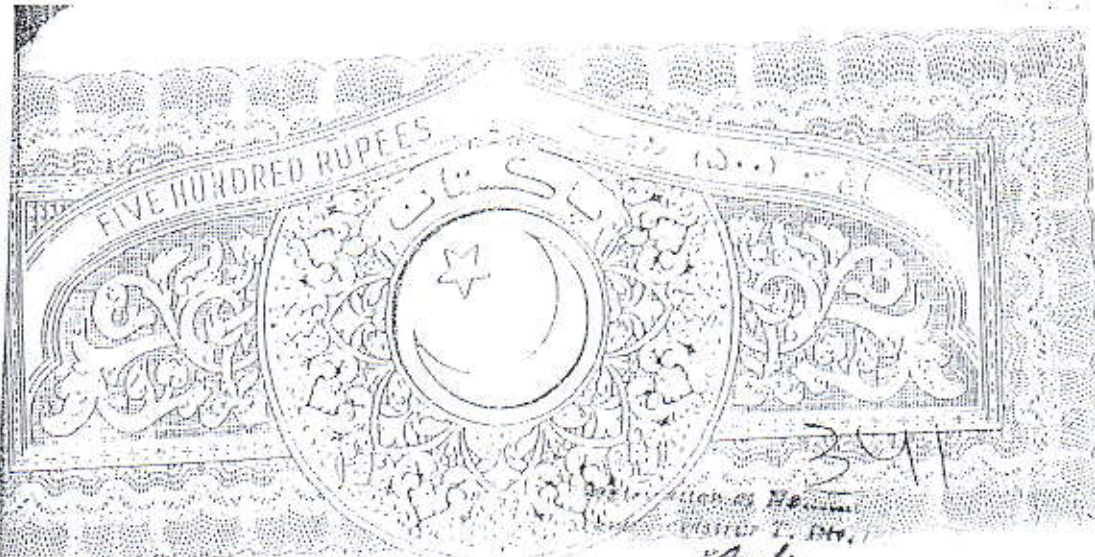
1. To exercise the power of the Company under the Central Depositories Act for the Central Depository Company of Pakistan Regulations, and all agreements, contracts and other arrangements entered into by the Company with any issuers, participants, account holders, DVP Account Holders, eligible pledgers and other persons, and to act as a central depository, including any stock exchanges and member exchange, National Clearing Company of Pakistan Limited and its clearing members, and related settling banks, to the extent required.

2. To hire, engage and appoint all such officers, clerks, agents and employees as to the Attorney shall, from time to time, appear necessary or expedient for the purposes of the affairs, business or businesses and operations of the Company whether for permanent, temporary or special services, and upon such terms as to the Attorney shall seem fit, and from time to time, at the discretion of the Attorney to promote, transfer, suspend or discharge any or all such officers, clerks, agents and employees whether engaged by the Attorney or by the Company or by other

Munir  
Sd/-







CALISE STAMP

30 DEC 2002

TO OTHER

WITH

300

VENUE A SIGNATURE

R. No.

Sub-Registrar-I  
Jamshed Town, Karachi

REGISTERED IN KARACHI  
Mr. Registrar H. K. K.  
Karachi

on the Company's behalf and also to engage experts, consultants and contractors on such terms and conditions as may, by the Attorney, be deemed fit, and to terminate their appointments;

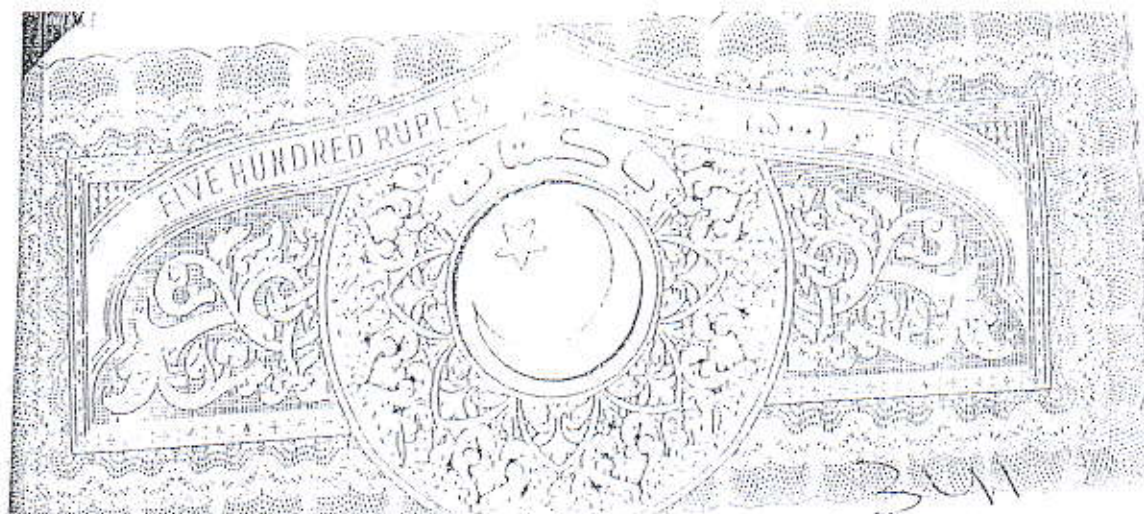
3. To enter into and execute any arrangements, agreements, contracts, deeds, mandates, guarantees, indemnities, counter-guarantees and other instruments and documents relating to the business or businesses and operations of the Company and to alter, vary, modify, amend or cancel any such arrangements, agreements, contracts, deeds, mandates, guarantees, indemnities, counter-guarantees and other instruments and documents and to do everything in and to the Company's behalf for the purpose of carrying out and giving effect to any such arrangements, agreements, contracts, deeds, mandates, guarantees, indemnities, counter-guarantees and other instruments and documents either as originally entered into or as so altered, varied or modified.

4. To make and sign applications to Government, Federal, Provincial or City/Local and semi Government departments, agencies and bodies or any other persons or companies or corporations or competent authorities and to appear and represent the Company before the same for the obtaining of all licences, certificates, permissions, no-objections or consents required under any Act, Ordinance, Order, statutory instrument, by-law, administrative directives/instruction/order or contracts or agreements or arrangements or may otherwise be required in connection with the operations and business or businesses and any transactions of the Company

*Signature*

*Signature*





KARACHI STAMP VENDOR

No. 12, Street No. 8 City Court, Karachi

DATE

ED TO WITH ADDRESS

OUCH WITH ADDRESS

ISS

DE RS (ATTACHED)

MP VENDOR'S SIGNATURE

30 DEC 2002

Registration at No. 12, Street No. 8 City Court, Karachi

Sub-Registrar T. D. P. P. Karachi

*[Handwritten signature]*

Sub-Registrar-I  
Karachi Town, Karachi

*[Handwritten signature]*  
Sub-Registrar H. D. P. Karachi

and/or matters related therewith.

5. To enter into any arrangements or agreements and contracts with any Government, Federal, Provincial or City/local departments or authorities or other person or companies or corporations and to appear and represent the Company before the same and to obtain and acquire from the same any rights, entitlements, powers, authorities, privileges, licenses or concessions and to carry out, exercise or comply with the requirements supplemental to the same.

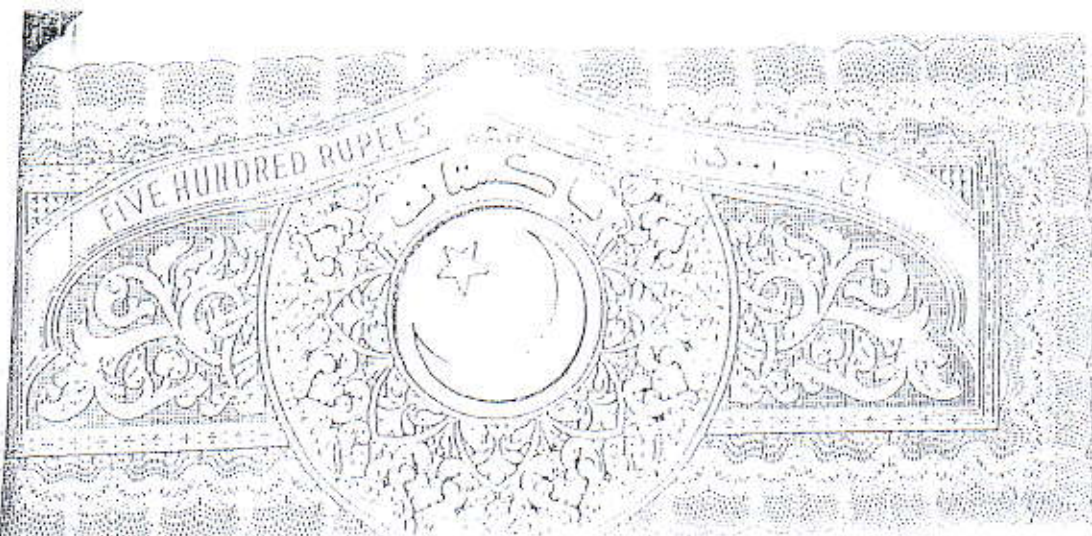
6. In connection with the matters stated herein, to receive, recover, receive, and be payment of any money or monies that shall or may become payable to the Company and upon receipt thereof to give and grant sufficient and effective receipts and discharges for the same.

7. To settle any debts due to and any claims and demand by or against the Company and to make and give receipts, releases and other discharges for monies payable to the Company and for claims and demands of the Company.

8. To draw and sign cheques and other orders for the payment of money on any banks or bankers or any Government Treasury or any other Government establishment, department, officer, any other persons, companies or corporations upon whom, in the usual course of

*[Handwritten signature]*  
*[Handwritten signature]*





STAMP VENDOR

Shop No. 8 City Court, Karachi

DATE

TH ADDRESS

TH ADDRESS

(ATTACHED)

FOR'S SIGNATURE

30 DEC 2002

*[Handwritten Signature]*

R. No.

Sub-Registrar-I  
Jamshed Town, Karachi

354  
Sub-Registrar-I  
Jamshed Town, Karachi  
Karachi

business of the Company as a central depository it may be necessary or expedient to draw and sign cheques or orders for payment of money and also to designate and authorise signatories of bank accounts in respect of same.

341  
Registration at No. 341  
Sub-Registrar-I, D.H. Bldg.  
Karachi

Exclusively in connection with those activities of the Company in which the Company engaged in or may in future be engaged in addition to its usual business of a central depository, to open and operate bank accounts and to draw and sign cheques and other orders for the payment of money on any banks or bankers or any Government treasury or any other Government establishment, department, officer, any other persons, companies or corporations and to close such bank accounts and to designate and authorise signatories of such bank accounts.

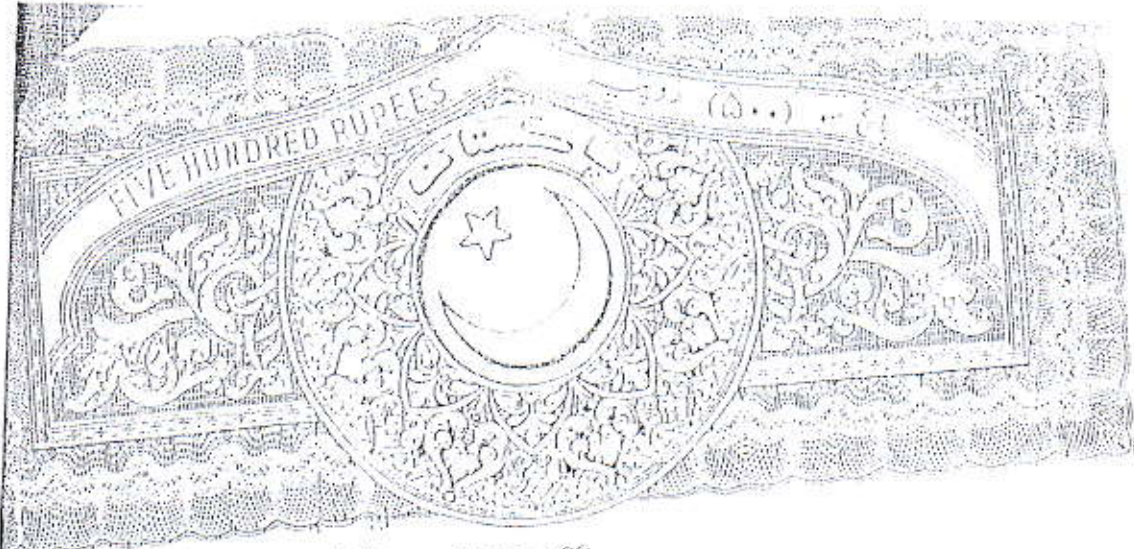


10. To invest the moneys and funds of the Company on temporary basis in the purchase of any securities or by placing the same on deposit with banks and financial institutions for a fixed period as deemed appropriate by the Attorney or in call accounts and to sell such securities.

11. To exercise all rights of conversion or of exchange or of funding or similar or analogous rights vested in the Company in respect of any securities held by the Company from time to time and that whether such securities were acquired by the Company directly or by the Attorney on

*[Handwritten Signatures]*





17986  
27 DEC 1902  
REGISTRATION AT KARACHI  
Sub-Registrar T. D. D. Karachi

341

REGISTRATION AT KARACHI  
Sub-Registrar T. D. D. Karachi

REGISTRATION AT KARACHI  
Sub-Registrar T. D. D. Karachi

R. No. 284

behalf of the Company.

Sub-Registrar-I  
Jamsheed Town, Karachi

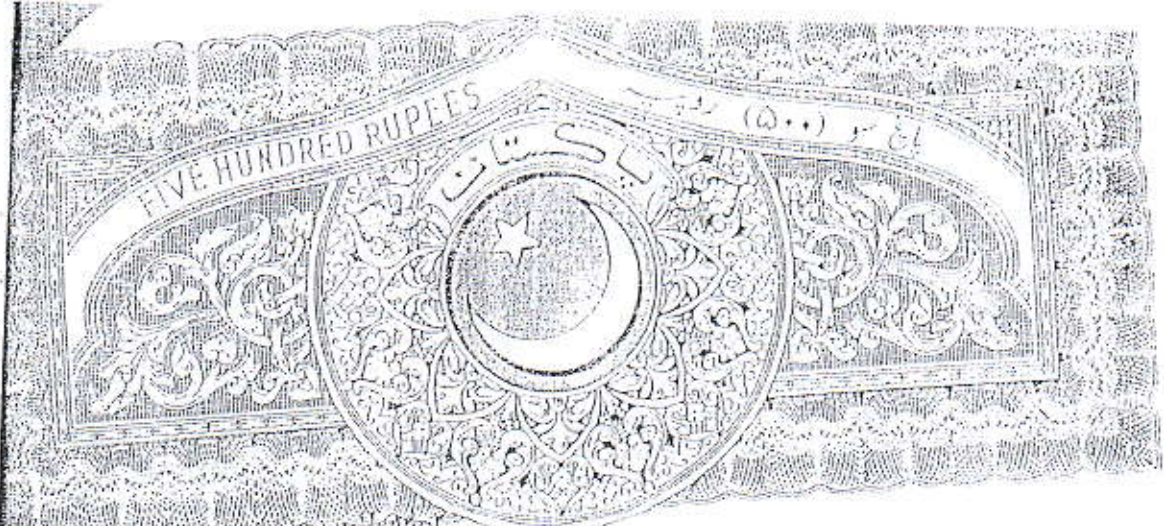
To realise or otherwise deal with any of the investments of the Company or the Attorney may think proper and to exercise on behalf of the Company all or any of the powers and things thereto and to endorse all or any securities or other documents requiring endorsement.

in enter into, sign, seal, deliver and execute all and every instrument, document, deed, conveyance, or thing whatever and of whatever nature which the Company may think proper to execute or do or which requires to be executed by the Company and in particular but not limited to the generalities of the foregoing all bonds, deeds and undertakings to be entered into by the Company as surety for any person, firm or company and all transfers, mortgages, leases, assignments, mortgages, charges, leases, underleases, tenancy agreements, options, licences, renewals of licences, releases and surrenders TO MAKE, SIGN AND EXECUTE all applications, declarations or submissions and to execute and swear all affidavits which may be proper, requisite or necessary for the purposes of effecting or completing any such transfer, conveyance, assurance, assignment, mortgage, charge, lease, underlease, tenancy agreement, option, licence, renewal of licence, release or surrender and all supporting and ancillary forms, writings and documents AND TO APPEAR before any Inspector General of Registration or District Registrar or Sub-Registrar of Assurances or other officer or authority having jurisdiction



Handwritten signatures and initials at the bottom of the document.





Lic. No. 256, Peres Ha 1, First Floor,  
Rohi Centre, Talpur Road Karachi.  
DATE.....  
TO WITH ADDRESS AND.....  
FROM WITH ADDRESS AND.....  
BY..... (ATTACHED.....)  
MEMBER'S SIGNATURE.....

27 DEC 2007

R. No. 284

Sub-Registrar-1  
Jamshed Town, Karachi

Registration at No.....  
Sub-Registrar T. Div. I-E  
Karachi

in that behalf and before him or them to present for registration, acknowledge and admit execution of and register all such deeds, instruments, agreements and writings as may be made, entered into, signed, sealed, delivered or executed by the Company or the Attorney on behalf of the Company in the performance of the powers and authorities hereby contained in which the Company has the right or is required to present for registration and registration in accordance with the provisions of the Registration Act 1908 or any statutory modification or extension of the same or regulation made thereunder and for the time being in force and to pay all proper fees, duties and charges which may be incurred in the performance and execution of the powers and authorities herein before contained.



14. To purchase or by any other means acquire any free hold, leasehold or other property or any estate or interest whatever and any rights, privileges or easements over or in respect of any property and any buildings or premises and any real or personal property or rights therein whatsoever which may be necessary for or may be conveniently used by or may enhance the value of any other property belonging to the Company.

15. To negotiate for the sale and to sell, transfer and dispose of any real or personal property or rights and interests therein belonging to the Company at such price and on such terms and conditions as the Attorney in his discretion shall think fit and proper and for that purpose to settle

*Signature*

Stamp



FIVE HUNDRED RUPEES



a. 236, Room No. 1, First Floor,  
Central Talpur Road Karachi.

DATE: 15/11/1911  
ADDRESS: KARACHI  
ATTACHED: 4/11/11  
S. SINGH

Registration at No. 3411  
Sub-Registrar T. Div. Karachi  
Sub-Registrar H. Div. Karachi



the terms of and to sign, seal, execute and deliver all such contract or contracts, agreement or agreements for sale or deeds of sale, conveyances or transfers with all necessary and reasonable covenants therein on the part of the Company and generally upon such terms and conditions as shall be deemed necessary or expedient for the protection and preservation of the interests of the Company.

R. No. 284  
Sub-Registrar-I  
Jamshed Town, Karachi

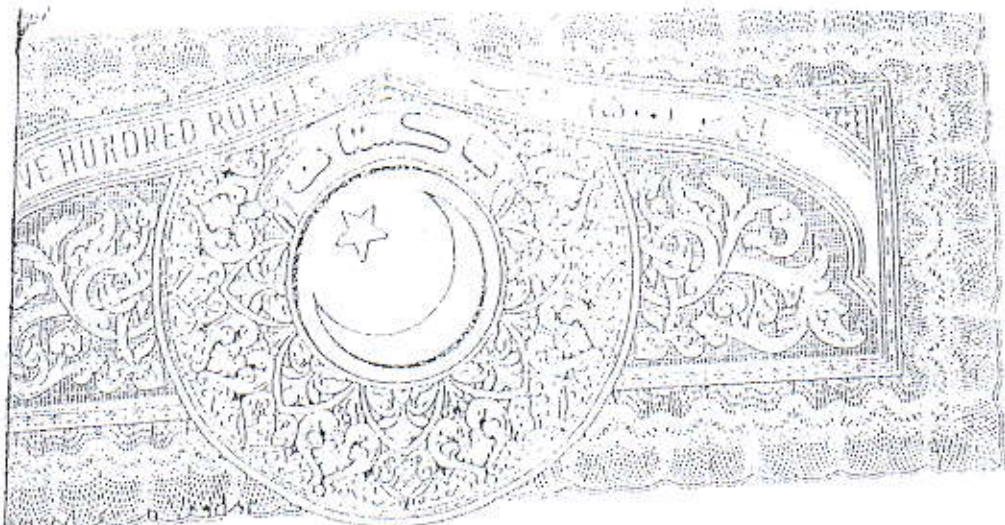
From time to time and  
Directors, to sign loan and of  
agreements, lease agreements and  
Company, and to mortgage, charge  
property, immovable or movable  
release, or otherwise deal with an  
movable property, to accept any m  
also to execute and/or enforce any p  
any such mortgage, charge, pledge  
benefit thereof in such manner as th  
and releases in favour of the Co  
favour of creditors or others for  
releases or redemption on behalf of

or Afford  
satisfying  
similar doc  
alterate,  
ever, belo  
charge, ch  
charge,  
of sale of  
it as also  
they may find proper and also  
any of properties mortgaged or ch  
thereover person and to sign any de  
Company

all think fit o  
sents, mar  
for reason  
ter, give  
o or held b  
security  
or lien in  
rights, pow  
or otherwise  
proper and also  
and obtain the  
in releases over  
the Company in  
consequences and

Amended  
15/11/11





to H-1, 1st Floor,  
 P.O. of Karachi.  
 DATE: 27.12.004  
 WITNESSED: A.C. 1

R. No. 284 354  
 Sub-Registrar-1  
 Jamshed Town, Karachi

Registered in the  
 Sub-Registrar T. D. S.  
 Karachi

To insure all or any risks of and properties belonging to and/or under the control of or  
 body of the Company and from time to time to procure insurance coverage against, including  
 not restricted to, risk management of the business or all or any of the businesses and  
 operations of the Company to such extent and in such manner and on such terms and  
 conditions as the Company may deem proper.

Registration as No. 341  
 Sub-Registrar T. D. S.  
 Karachi

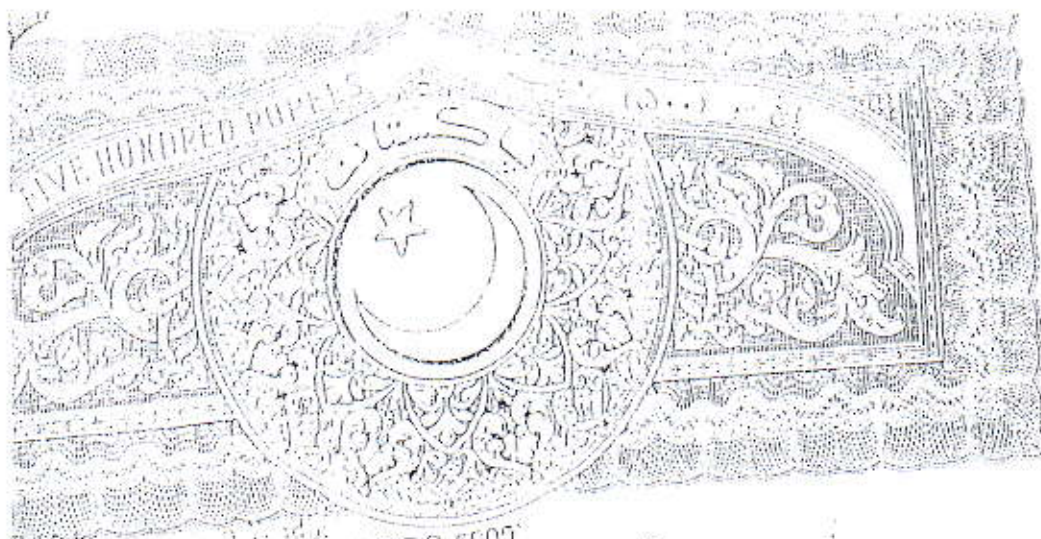
To attend and vote and represent the Company at any meeting of the shareholders of any  
 company or corporation, and to act as proxy or appoint a proxy on the Company's behalf upon  
 shares or other securities held or owned by the Company, or in which the Company may have  
 an interest.

19. To use, exercise, and enforce, all powers, rights and remedies in respect of any lands,  
 goods, chattels, merchandise, stocks, funds, monies, shares, securities, real and personal estate or  
 property of every kind whatsoever, or any account, matter or thing whatsoever, which the  
 Company can or could use, exercise, or enforce.

20. To call for, settle, and adjust all accounts now pending or outstanding, or which may  
 hereafter pend or exist between the Company and any other person or persons whomsoever or in  
 which the Company may be in any way concerned or interested and to pay or receive the balance

*Witness*  
*by proxy*





27 DEC 1907  
REGISTRATION  
FIVE HUNDRED  
RUPEES  
FIVE HUNDRED  
RUPEES  
FIVE HUNDRED  
RUPEES

*[Signature]*  
R. No. *[Signature]*  
Sub-Registrar-I  
Jamshed Town, Karachi

354  
Sub-Registrar-I  
Jamshed Town, Karachi

a balance which may appear to be due on any account, as the case may require.

Registration at No. *[Signature]*  
Sub-Registrar-I, Mr. L.F.  
Karachi

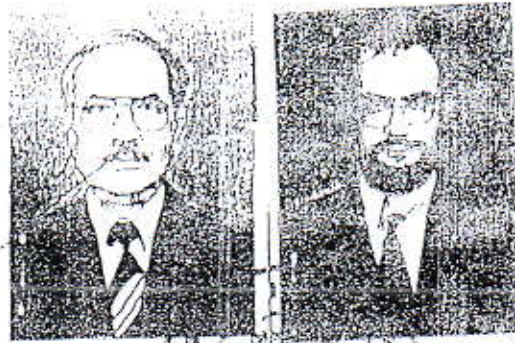
11 To represent the Company in all matters as a trustee and/or custodian and to act for the Company in all respects in that capacity.

12 To institute, conduct, defend, compound, settle, withdraw or abandon any suits or legal proceedings, whether criminal or civil, by or against the Company or its officers or agents or to begin its affairs, in any Court or Tribunal or before any Government official, to defend, to reply and revision and other applications and petitions, and in connection therewith to retain and employ such Attorneys, Solicitors, Advocates, Notaries, Counsel or other professional aid or assistance as to the Attorney shall seem fit, and, for that purpose, to sign on the Company's behalf all such authorities and documents as may from time to time be needed or expedient, and as the Attorney shall think fit and to sign and verify any pleadings, documents, deeds or any applications and to affirm affidavits and also to compromise, refer to arbitration, abandon, submit to judgment, appeal, review or revision or become non-suited in any such action or proceeding and for such purpose to appear before judges, magistrates or other officers wherever necessary.

23 To execute, sign, verify, attest, swear and affirm any pleadings, including plaint, written statement, affidavit, rejoinder, application, Vakalatnama and any other documents which may be

*[Signature]*  
*[Signature]*





341  
Registered as No. \_\_\_\_\_  
Sub-Registrar T. Div. I.C. \_\_\_\_\_  
Karachi,

354  
Registered as No. \_\_\_\_\_  
Sub-Registrar T. Div. I.C. \_\_\_\_\_  
Karachi,

necessary and proper and to prefer any appeal/revision and review in the High Court or Supreme Court and to represent the Company before any tribunal, authority/officer for the aforesaid purposes on the Company's behalf.

R. No. \_\_\_\_\_

Sub-Registrar-I  
Jamshed Town, Karachi

To sign and file all requisite returns and other forms and statements required to be filed under the Income-tax and/or under any other tax laws (including rules made thereunder), to attend to and procure assessments, to file appeals thereagainst, and to engage tax practitioners and other experts in that connection.

25. To sign and file all returns, other forms and statements as may be required to be filed by the Company under any labour or human resources related laws and rules made thereunder.

26. To accept on the Company's behalf service of process and any notices required to be served on the Company and to acknowledge receipt thereof.

27. To concur in doing any of the acts and things herein mentioned in conjunction with any other person or persons interested in the premises.

28. To do, perform, execute and transact all other acts, matters and things whatsoever, which



*W. Amin*  
*Sub-Registrar*



341  
Registration at No. \_\_\_\_\_  
Sub-Registrar T. Btr. L. 2/2  
Karachi.

354  
Sub-Registrar T. Btr. L. 2/2  
Karachi.

R. No. \_\_\_\_\_

Sub-Registrar-I  
Jamshed Town, Karachi

Attorney may consider necessary or expedient in relation to the premises and in the conduct  
management of the affairs of the Company notwithstanding that no special power has been  
need on the Attorney under this General Power of Attorney in respect thereof

And it is hereby declared that the word "person" throughout these presents shall (unless  
context shall require a contrary construction) be deemed to include, and shall include any  
set of persons, and also any foreign government and any firm, corporation, company,  
association or body politic, municipal, commercial or any other kind whatsoever

THE COMPANY HEREBY RATIFIES AND AGREES to ratify and confirm all that the  
Attorney, or any substitute(s) or sub-attorney(s) shall lawfully do or cause to be done by virtue of  
these presents.

*Munir*

*W. J. Khan*




3511  
Registration at No. \_\_\_\_\_  
Sub-Registrar T. B. K. K. K.  
Karachi

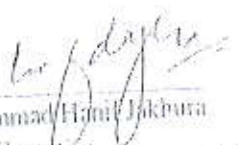
286  
R. No. \_\_\_\_\_  
Sub-Registrar-I  
Jamshed Town, Karachi

354  
Sub-Registrar-I  
Jamshed Town, Karachi

IN WITNESS WHEREOF the Company has executed this Power of Attorney by causing its Common Seal to be hereunto affixed this 31<sup>st</sup> day of December 2002 by Mr. Mohammad Hamid Jakhura and Mr. Abdul Hamid Dagia, the Chief Executive and Director respectively of the Company who have been authorised to affix the Common Seal of the Company hereunto in pursuance of the Resolution of the Board of Directors of the Company dated December 23, 2002 and to sign the General Power of Attorney in token of the affixation of the Common Seal of the Company.

Specimen Signature of the Attorney

  
Mohammad Hamid Jakhura


  
Mohammad Hamid Jakhura  
Chief Executive

501-87-193086

WITNESS:

Name: Rasool Hooda  
NIC #: 42161-17-1252-1



  
Abdul Hamid Dagia  
Director

NIC: 502-45-401757

WITNESS:

Name: Waqar Ahmad Siddiqui  
NIC #: 269-73-362804





Serial No. 28  
 Presented at the Office of the  
 Sub-Registrar T. Div. I-B Karachi  
 between the hours of 11 AM and 1 PM  
 on the 31 DEC 2007

*[Signature]*

Sub-Registrar T. Div. I-B  
 M. A. MALLAH

R. No. *[Signature]*  
 Sub-Registrar-I  
 Jamshed Town, Karachi

RECEIVED FEES AND CHARGES  
 Registration Fee Rs. 40  
 Copying Fee Rs. 75  
 Endorsement Fee Rs. 05  
 Postage Charges Rs. 120  
 Total Rs. 341

Sub-Registrar T. Div. I-B  
 Karachi

Sub-Registrar T. Div. I-B  
 Karachi

Registration of No. *[Signature]*  
 Sub-Registrar T. Div. I-B  
 Karachi

1. MALLAH Mr./Mrs./Miss *Muhammad Hanif Jakhura*

S/o W/o/D/o *Dawood Jakhura*

Executing Party Occupation *Service*

Muslim Adults, Age *40* Years

R/o *B. 62/15, Calcutta Road*

Karachi admits execution of this deed. S.O. 132  
 in the capacity as shown to the deed



Mr./Mrs./Miss *Hanif Ahmad*

S/o W/o/D/o *Ahmad Dargis*

Executing Party Occupation *Service*

Muslim Adults, Age *57* Years

R/o *C. 152, V. 10, A. Nordin Nazimabad*

Karachi admits execution of this deed. *Karachi*  
 in the capacity as shown to the deed S.O. 245-40/752

*[Signature]*



*[Signature]*



Mr. Muhammad Tariq Jinnah  
 Advocate (No 3882)

states that he personally  
 knows the above execution  
 and identifies *[Signature]*  
 dated 31 DEC 2007

*[Signature]*

Sub-Registrar T. Div. I-B  
 Karachi  
 M. A. MALLAH





APR 18 1970

10-1-57



Approved at Washington  
Geo. B. Johnston, Jr.  
Major General

Registration at Ho.....  
Sub-Registrar T. D. V. I. B.  
K. P. S. S. S.

1990

R. No. 284  
Sub-Registrar-I  
Jamshed Town, Karachi





344  
Registered at Registrar  
Sub-Registrar T. D. Karachi  
Karachi

## BOARD RESOLUTION

Resolved that (1) pursuant to the authority granted to the Board of Directors of the Central Depository Company of Pakistan Limited ("the Company") in Article 128 of its Articles of Association ("the Articles"), a General Power of Attorney ("GPOA") in terms of the draft laid before the Board, be granted to/in favour of Mr. Mohammad Hanif Jakhura in his capacity as the Chief Executive of the Company to be used by him subject to (i) the restrictions under the Companies Ordinance, 1984; (ii) the Articles; and (iii) the Matrix of company's Human Resource Manual setting out the procedure for exercising the Company's financial and Administrative powers and authorities, (2) the said GPOA be executed by the affixation of the Common Seal of the Company thereon and that the Chief Executive and one other Director of the Company be and are hereby authorized to affix the Common Seal of the Company on the said GPOA for the said purpose and to sign the same in token thereof pursuant to Article 142 of the Articles of the Company, and to have the same registered.

Specimen Signature of Attorney Registration at No. 344  
Sub-Registrar T. D. Karachi  
Karachi

Signature of  
Mohammad Hanif Jakhura  
Specimen Signature of Director  
(Executioner)  
Sub-Registrar-I JAMSHED  
KARACHI

Specimen Signature of Chief Executive  
(Executioner)

Signature of  
Mohammad Hanif Jakhura

Certified true copy

I HEREBY CERTIFY THAT THE ABOVE RESOLUTION HAS BEEN DULY PASSED BY THE BOARD OF DIRECTORS IN ITS 86<sup>TH</sup> MEETING HELD ON DECEMBER 23, 2002

Signature of  
Ahmer Qureshi  
Company Secretary

Signature of  
R. No. 344  
Sub-Registrar-I  
Jamshed Town, Karachi

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

4TH FLOOR, KARACHI STOCK EXCHANGE BUILDING, STOCK EXCHANGE ROAD, KARACHI-74000 PAKISTAN  
PHONE: (92-21) 114-111-500 FAX: (92-21) 242-6271



CHALLAN NO. 83

(Treasury Rule 22)

(Treasury Sub Treasury)

to be filled by the remitter

To be filled in  
Department of  
Accounts  
Order to the  
Bank

By whom initiated	Name (or designation and address of the person to whose be all money is sent	Full particulars of the remittance and of authority (if any)	Amount	
			Rupans	Pas
	ASSTT. Supt of STAMPS KARACHI	SPECIAL ADHESIVE	5100/-	
Signature		Total	5100/-	
Amount received				



CASH RECEIVED  
2 MAY 2014  
115100/-

Treasurer Accountant Date Treasury Officer Agent

R. No. 284.  
Sub-Registrar-I  
Jamshed Town, Karachi



3411  
Registration at No. \_\_\_\_\_  
Book No. 26-05

Sub-Registrar-I-DIV, I-II

Karachi

26-05-2004

L. A. KADLAN

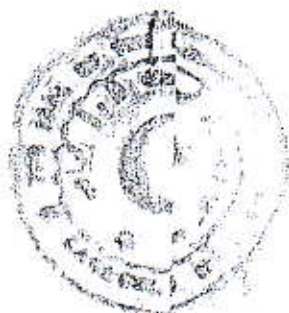


M.F. Roll No. 43836

1915

Plot No. 14-7-2004

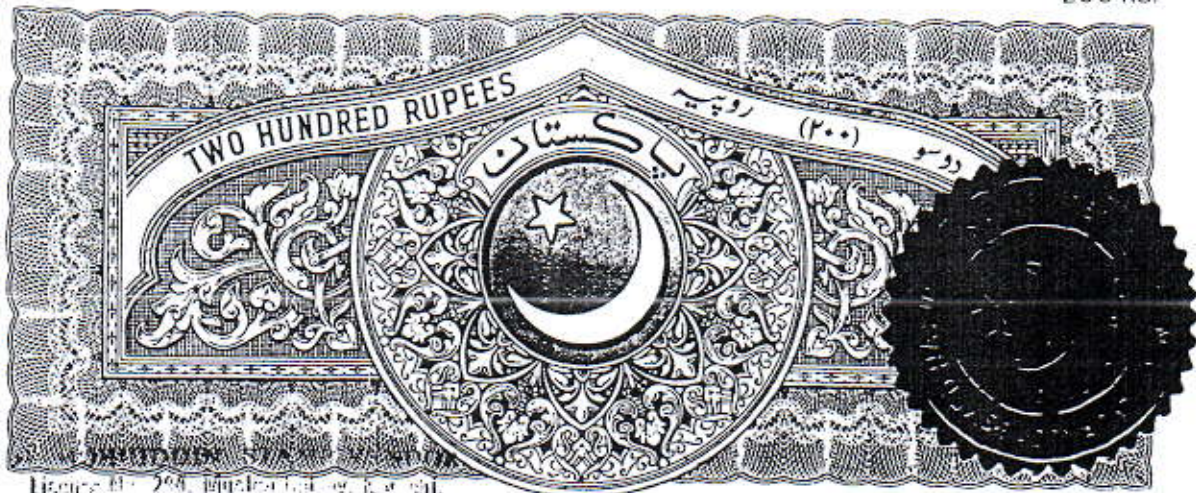
Date 14-7-2004



R. No. 284

Sub-Registrar-I  
Janished Town, Karachi





Head Office: 204, Minerva Centre, Karachi.

S. No. 4706

02 FEB 2009

Signature: S. P. O. A.

Value: 200 (Attorney)

Signature: S. P. O. A.

Signature: S. P. O. A.

Signature: S. P. O. A.

### SUB-POWER OF ATTORNEY



### KNOW ALL MEN BY THESE PRESENTS:

THAT Central Depository Company of Pakistan Limited, a company incorporated under the Companies Ordinance, 1984, registered with the Securities & Exchange Commission of Pakistan, as a central depository company and having its Registered Office at CDC House, 99-B, Block "B", S.M.C.S.H, Shahrah-e-Faisal, Karachi (previously at 8<sup>th</sup> Floor, Karachi Stock Exchange Building, Stock Exchange Road, Karachi) (hereinafter referred to as "the Company"), has appointed me, **MOHAMMAD HANIF JAKHURA** son of Mr. Dawood Usman Jakhura, the Chief Executive Officer of the Company as its true and lawful agent and attorney to act for the Company in all matters relating to conduct and management of business and affairs of the Company in terms of the General Power of Attorney dated December 31, 2002, pursuant to the Resolution passed by the Board of Directors in the 86<sup>th</sup> Meeting held on December 23, 2002, which General Power of Attorney has been duly registered in the office of the Sub-Registrar "T" Division, I-B Karachi, under Registered No. 364 of Book No. II, dated December 31, 2002 and M.F. Roll No.5902/1074 dated 31-01-2003 of the Photo Registrar, Karachi. (hereinafter referred to as "the General Power of Attorney").

Sub-Registrar-I  
Fished Town, Karachi

AND THAT under the said General Power of Attorney, I am authorized to delegate all or any of my powers and authorizations to Sub-Attorney(s) under Sub-Power(s) of Attorney.

AND THAT since I am required to travel out of Karachi from time to time in connection with the business of the Company or due to other business commitment, it is necessary for me to appoint Sub-Attorney(s) and to issue Sub-Power(s) of Attorney in favour of the Company's designated officer(s) to enable them to act on behalf of the Company from time to time.

NOW THEREFORE BY THESE PRESENTS, I **Mohammad Hanif Jakhura** son of Mr. Dawood Usman Jakhura, holding CNIC No. 42201-2279204-9, the Chief Executive Officer and legally constituted Attorney of the Company, hereby constitute, ordain and appoint **Mr. Abdul Samad** son of Mr. Abdul Rasheed, holding CNIC No. 42101-1818807-7, the Head of Share Registrar & Back Office Accounting Services of the Company, as Company's legally constituted Sub-Attorney (hereinafter referred to

Certified True Copy

**Kamran Ahmed Qazi**  
CFO & Company Secretary



as "the Sub-Attorney") to do, effectuate and fulfill all or any of the following acts, things and deeds: —

1. To represent the Company in all matters relating to its registrar/transfer agency services, trusteeship services in relation to mutual funds and custodial and sub-custodial services and to act for the Company in all respects in such capacities.
2. To execute agreements, deeds and documents in relation to the Company's functions as registrar/transfer agent of issuers of securities and for this purpose, to deal with and generally to represent the Company to the issuers and to the holders of shares and securities of such issuers on all matters relating to the Company's services as registrar/transfer agent.
3. To execute trust deeds, supplemental trust deeds, deeds of change of trustees in respect of open-ended, closed-end and pension funds for which the Company is appointed as trustee (collectively "the mutual funds") and to get the same registered with the Sub-Registrar and to appear before the Sub-Registrars and execute and admit the execution thereof and to fulfill all legal and procedural formalities in connection therewith.
4. To appoint custodians and sub-custodians in respect of shares and securities of mutual funds and to execute custodian agreements, sub-custodial agreements and other such related agreements by whatever name called.
5. To institute, conduct, defend any suits or legal proceedings, whether criminal or civil, by or against the Company or its officers or otherwise in relation to its capacity as trustee of mutual funds, as registrar/transfer agents of issuers and/or as custodians of securities held by the Company on account of the clients and concerning any affairs of any mutual funds and/or issuers and/or clients for which the Company may be performing custodial services, in any Court or Tribunal or before any Government official; to file appeals, review and revision and other applications and petitions, and in connection therewith, to retain and employ such attorneys, solicitors, advocates, notaries, counsel or other professional aid or assistance as to the Sub-Attorney shall seem fit; and, for that purpose, to sign on the Company's behalf all such authorities and documents as may from time to time be needed or expedient and to sign and verify any pleadings, documents, deeds or any applications and to affirm affidavits and for such purpose to appear before the courts, judges, magistrates or other officers wherever necessary.
6. To manage, superintend and deal with all the affairs of the Company's Trustee, Registrar/Transfer Agent and/or Custodial Service Departments and to represent the Company to the investment advisers, asset management companies, pension fund managers, issuers of securities, stock brokers, banks, financial institutions, investors, unit holders, certificate holders, distribution companies, investment facilitators, stock exchanges and other concerned persons and entities having dealings with the Company in its capacity as trustee of mutual funds, in its capacity as registrar/transfer agent and in its capacity as custodian or sub-custodian of securities.
7. To attend and vote and represent mutual funds at meetings of the shareholders of any company or corporation, and to act as proxy or appoint a proxy on the Company's behalf as trustee of the Funds and to sign and deliver proxy forms, authorizations and other mandates in favour of asset management companies, investment advisory companies, pension fund managers, etc. for whose Funds the Company is appointed as trustee.



**Certified True Copy**




**Kamran Ahmed Qazi**  
CFO & Company Secretary

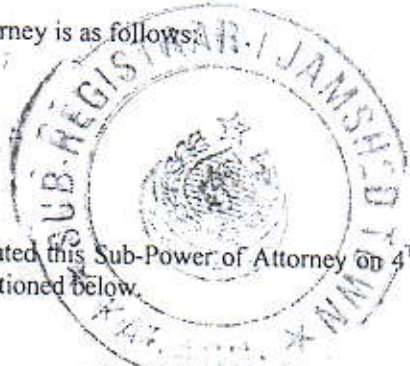


8. To accept on the Company's behalf service of processes and any notices required to be served on the Company as trustee of mutual funds, as registrar/transfer agent and as custodian/sub-custodians of securities and to acknowledge receipts thereof.

I HEREBY UNDERTAKE TO RATIFY AND CONFIRM that all the acts, things and deeds done by the Sub-Attorney by virtue of these presents shall be considered as acts, things and deeds done by the Company i.e. Central Depository Company of Pakistan Limited in its capacity as trustee, custodian, sub-custodian and as registrar/ transfer agent.

The Specimen signature of the Sub-Attorney is as follows:

  
Abdul Samad




IN WITNESS WHEREOF, I have executed this Sub-Power of Attorney on 4<sup>TH</sup> day of February 2009, before the Witnesses mentioned below.

EXECUTANT:  
MOHAMMAD HANIF JAKHURA



WITNESSES:

1.   
Kamran Ahmed Qazi  
NIC #: 42201-0522034-5

2.   
Muhammad Khurram  
NIC #: 42301-0576375-3

  
Sub-Registrar  
Jamshed Town, Karachi



Certified True Copy



Kamran Ahmed Qazi  
CFO & C. Secretary



شناختی نمبر: 42201-2279204-9  
 قلمی نمبر: MD0V07  
 رجسٹرڈ آف شاپان مالک، مکان نمبر 68  
 محلہ فیروز ڈی بی ایس، کراچی، تحصیل و ضلع کراچی جنوبی

50187103806

30/11/2012

15/12/2006



حکومت پاکستان  
 قومی شناختی کارڈ  
 42201-2279204-9



نام: محمد حسین  
 جنس: مرد  
 والد کا نام: دادو عثمان  
 شناختی نمبر: کوئی نہیں  
 تاریخ پیدائش: 14/06/1962

دستخط کارڈ

دستخط منسلک

شناختی نمبر: 42101-1818807-7  
 قلمی نمبر: I0990R  
 رجسٹرڈ مکان نمبر 7-D، رہائشی گلی جک 1M، رتھم آباد  
 کراچی، تحصیل و ضلع کراچی وسطی

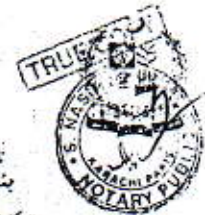
50100189481

30/09/2009

12/10/2009



حکومت پاکستان  
 قومی شناختی کارڈ  
 42101-1818807-7



نام: عبدالصمد  
 جنس: مرد  
 والد کا نام: عبدالرحیم  
 شناختی نمبر: کوئی نہیں  
 تاریخ پیدائش: 05/03/1969



دستخط منسلک

شناختی نمبر: 42201-0522034-5  
 قلمی نمبر: K5K84M  
 رجسٹرڈ مکان نمبر 177-E، جک 2 ای سی ایس، کراچی  
 تحصیل و ضلع کراچی شرقی

51700300474

30/06/2009

04/07/2009



حکومت پاکستان  
 قومی شناختی کارڈ  
 42201-0522034-5



نام: کاروان احمد قاضی  
 جنس: مرد  
 والد کا نام: قاضی سلیم احمد  
 شناختی نمبر: اپنے پر پوت کا نشان  
 تاریخ پیدائش: 19/07/1968

دستخط کارڈ

دستخط منسلک

شناختی نمبر: 42301-0576375-3  
 قلمی نمبر: JQ6X01  
 رجسٹرڈ مکان نمبر 1012-D، ہارن اکوئیشن ایپارٹمنٹ، کلاں، کراچی  
 تحصیل و ضلع کراچی جنوبی

612094297000

30/09/2014

10/10/2006



حکومت پاکستان  
 قومی شناختی کارڈ  
 42301-0576375-3



نام: سلیم حسین  
 جنس: مرد  
 والد کا نام: محمد حسین  
 شناختی نمبر: اپنے پر پوت کا نشان  
 تاریخ پیدائش: 24/09/1974

دستخط کارڈ

دستخط منسلک

Certified True Copy

*[Signature]*

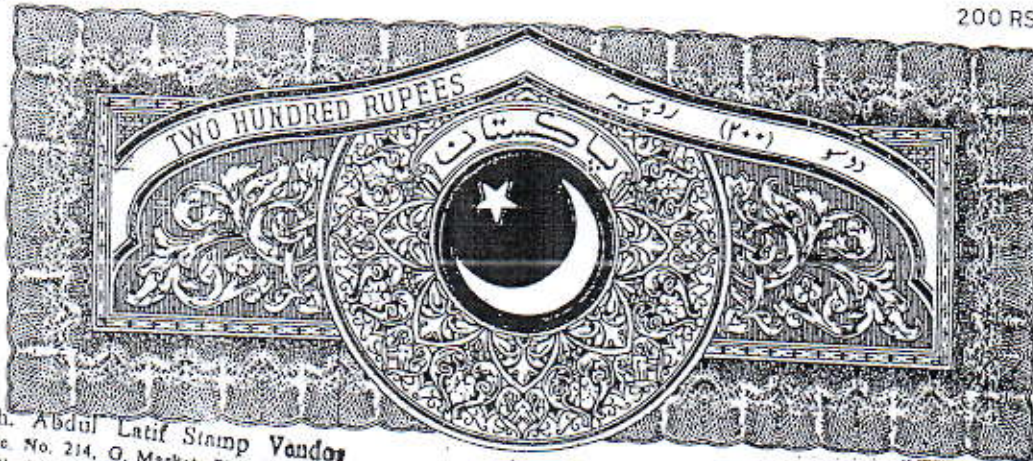
Kamran Ahmed Qazi  
 CFO & Company Secretary

R. No:

*[Signature]*

Sub-Registrar-I  
 Jamshed Town, Karachi





Sh. Abdul Latif Stamp Vendor  
 Lic. No. 214, G. Market, Plot No. 34/1, 29 MAY 2007  
 Block No. 6, P.R.C.H.S. Karachi-29.  
 11/3/26 DAYS  
 UND TO WITH ADDRESS  
 THROUGH WITH ADDRESS  
 PURPOSE  
 VALUE RS  
 ATTACHED  
 STAMP VENDOR'S SIGNATURE

## SUB-POWER OF ATTORNEY



KNOW ALL MEN BY THESE PRESENTS:

THAT Central Depository Company of Pakistan Limited, a company incorporated under the Companies Ordinance, 1984 and registered with the Securities & Exchange Commission of Pakistan, as a central depository company and having its Registered Office at CDC House, 99-B, Block 'B', S.M.C.H.S. Main Shahr-e-Faisal Karachi, (hereinafter referred to as "the Company"), has appointed me, **MOHAMMAD HANIF JAKHURA** son of Mr. Dawood Usman Jakhura, the Chief Executive Officer of the Company as its true and lawful agent and attorney to act for the Company in all matters relating to conduct and management of business and affairs of the Company in terms of the General Power of Attorney dated December 31, 2002, pursuant to the Resolution passed by the Board of Directors in the 86<sup>th</sup> Meeting held on December 23, 2002, which General Power of Attorney has been duly registered in the office of the Sub-Registrar "T" Division, I-B Karachi, under Registered No. 42, Karachi dated December 31, 2002 (hereinafter referred to as "the General Power of Attorney").

AND THAT under the said General Power of Attorney, I am authorized to delegate all or any of my powers and authorizations to Sub-Attorney(s) under Sub-Power(s) of Attorney.

AND THAT due to my pre-occupation with other affairs of the Company, it is necessary for me to appoint a Sub-Attorney for conducting the affairs of the Trustee and Custodial Services Department of the Company EITHER jointly with one other legally constituted attorney or sub-attorney or an authorized officer of the



Certified True Copy

Kamran Ahmed Qazi  
 CFO & Company Secretary

Page 1 of 4

R.No.

Sub-Registrar-I  
 Jamshed Town, Karachi

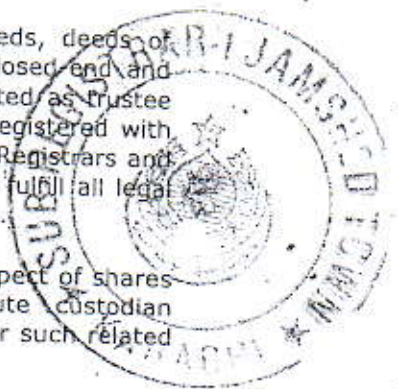


Company OR singly as stipulated hereafter and to issue a Sub-Power of Attorney in his favour.

NOW THEREFORE BY THESE PRESENTS, I **Mohammad Hanif Jakhura** son of Mr. Dawood Usman Jakhura, holding NIC No. 42201-2279204-9, the Chief Executive Officer and a legally constituted Attorney of the Company, hereby constitute, ordain and appoint Mr. **Atiqur Rehman** son of Mr. Abul Kalam Azad, holding CNIC No. 42501-9253203-1, the Head of Trustee and Custodial Services Department of the Company, as Company's legally constituted Sub-Attorney (hereinafter referred to as "the Sub-Attorney") to do, effectuate and fulfill all or any of the following acts, things and deeds, EITHER jointly with one other legally constituted attorney or sub-attorney or an officer of the Company OR singly as specified: —

I. TO ACT JOINTLY WITH ANOTHER LEGALLY CONSTITUTED ATTORNEY OR SUB-ATTORNEY OR AN AUTHORIZED OFFICER OF THE COMPANY:

1. To execute trust deeds, supplemental trust deeds, deeds of change of trustees in respect of open-ended, closed end and pension funds for which the Company is appointed as trustee (collectively "the Funds") and to get the same registered with the Sub-Registrar and to appear before the Sub-Registrars and execute and admit the execution thereof and to fulfill all legal and procedural formalities in connection therewith.
2. To appoint custodians and sub-custodians in respect of shares and securities of the Funds and to execute custodian agreements, sub-custodial agreements and other such related agreements by whatever name called.
3. To deliver and accept deliveries of shares and securities on account of the Funds, to and from stock brokers, banks, financial institutions, counter parties, custodians, sub-custodians, etc.
4. To draw and sign cheques and other orders for the payment of money on any banks or bankers or any Government Treasury or any other Government establishment, department, offices, in the Company's capacity as trustee of the Funds and custodians of securities of other parties, as may be necessary and to also operate bank accounts of the Funds.
5. To represent the Company in all matters as a trustee and/or custodian and to act for the Company in all respects in that capacity.



Certified True Copy

**Kamran Ahmed Qazi**  
CFO & Company Secretary

Page 2 of 4

R. No. 284

Sub-Registrar-I  
Jamshed Town, Karachi



6. To institute, conduct, defend any suits or legal proceedings, whether criminal or civil, by or against the Company or its officers or otherwise in relation to its capacity as trustee of the Funds and concerning any affairs of any Fund or Funds, in any Court or Tribunal or before any Government official; to file appeals, review and revision and other applications and petitions, and in connection therewith, to retain and employ such attorneys, solicitors, advocates, notaries, counsel or other professional aid or assistance as to the Sub-Attorney shall seem fit; and, for that purpose, to sign on the Company's behalf all such authorities and documents as may from time to time be needed or expedient and to sign and verify any pleadings, documents, deeds or any applications and to affirm affidavits and for such purpose to appear before the courts, judges, magistrates or other officers wherever necessary.

II. TO ACT SINGLY:

1. To manage, superintend and deal with all the affairs of the Company's Trustee and Custodial Service Department and to represent the Company to the investment advisers, asset management companies and pension fund managers, stock brokers, banks, financial institutions, investors, unit holders, certificate holders, distribution companies, investment facilitators, issuers, stock exchanges and other concerned persons and entities having dealings with the Company in its capacity as trustee of the Funds.
2. To attend and vote and represent the Funds at meetings of the shareholders of any company or corporation, and to act as proxy or appoint a proxy on the Company's behalf as trustee of the Funds and to sign and deliver proxy forms, authorizations and other mandates in favour of asset management companies, investment advisory companies, pension fund managers, etc. for whose Funds the Company is appointed as trustee.

To accept on the Company's behalf service of processes and any notices required to be served on the Company as trustee of the Funds and to acknowledge receipt thereof.

I HEREBY UNDERTAKE TO RATIFY AND CONFIRM that all the acts, things and deeds done by the Sub-Attorney, jointly with one other legally constituted attorney or sub-attorney or an authorized officer of the Company as mentioned in Clauses I.1 to I.6 above, or singly as mentioned in Clauses II.1 to II.3 above, by virtue of these presents shall be considered as acts, things and deeds done by the Company i.e. Central Depository Company of Pakistan Limited in its capacity as custodian and as trustee of the Funds.

Certified True Copy



**Kamran Ahmed Qazi**  
CFO & Company Secretary

Page 3 of 4

284  
R. No.

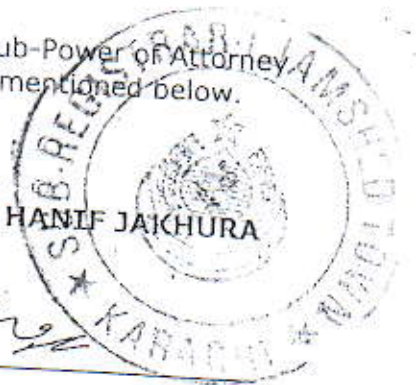
Sub-Registrar-I  
Jamshed Town, Karachi



  
Atiqur Rehman

IN WITNESS WHEREOF, I have executed this Sub-Power of Attorney  
on 29<sup>th</sup> day of May 2007, before the Witnesses mentioned below.

EXECUTANT:  
MOHAMMAD HANIF JAKHURA



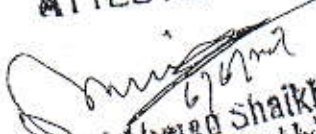
WITNESSES:

1.   
Kamran Ahmed Qazi  
NIC #: 42201-0522034-5

2.   
Muhammad Khurram  
NIC #: 42301-0576375-3



ATTESTED

  
Rashid Ahmed Shaikh  
B.A.L.L.B.  
ADVOCATE/NOTARY PUBLIC  
City Court, Karachi

R. No: 286

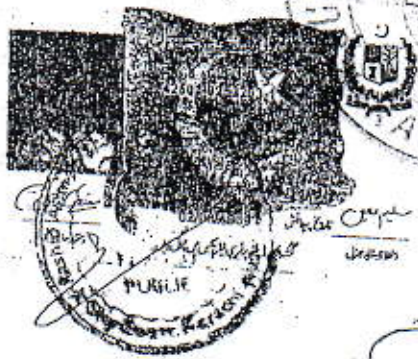
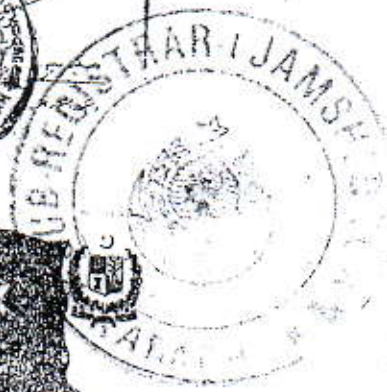
Sub-Registrar-I  
Jamshed Town, Karachi

Certified True Copy

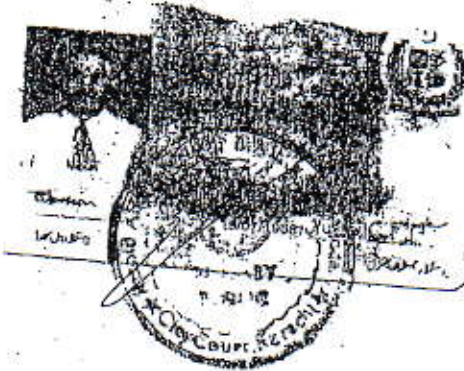


Kamran Ahmed Qazi  
CFO & Company Secretary

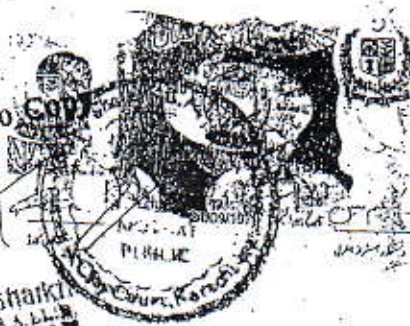
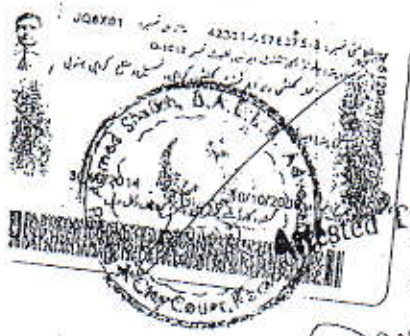




284.



R. No. Sub-Registrar-I Jamshed Town, Karachi



Attested True Photo Copy

Rashid Ahmed Sharif  
B.A.L.L.B.  
ADVOCATE/NOTARY PUBLIC  
City Court, Karachi

Certified True Copy

*[Signature]*

Kamran Ahmed Qazi  
CFO & Company Secretary