

**SECOND SUPPLEMENTAL TRUST DEED OF
PAKISTAN CAPITAL MARKET FUND**

THIS SECOND SUPPLEMENTAL TRUST DEED OF PAKISTAN CAPITAL MARKET FUND is made and entered into at Karachi, on this 05th day of December, 2008; by and between

BY AND BETWEEN

- (A) **Arif Habib Investment Management Limited**, a company incorporated under the Companies Ordinance, 1984, with its registered office at 2/1, R.Y. 16, Old Queens Road, Karachi (hereinafter called the "**Management Company**", which expression where the context so permits shall include its successors-in-interest and assigns) of the First Part; and

AND

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

WHEREAS:

- (1) The Management Company (then known as *Investment Advisor*) and the Trustee executed a Trust Deed dated October 27, 2003, to constitute Pakistan Capital Market Fund (then a closed-end scheme and defined in the said Trust Deed as the "Scheme" or "PCMF" or the "Fund" or the "Trust"), which Trust Deed was registered with the Sub-Registrar "T" Division I-B, Karachi, under Registered No.475 of Book No.IV dated 27-10-2003, M. F. Roll No.74012 dated 6-11-2003 of the Photo Registrar Karachi ("the Trust Deed").

- (2) Vide First Supplemental Trust Deed of Pakistan Capital Market Fund dated October 5, 2005 executed between the Management Company and the Trustee, registered with the Sub-Registrar "T" Division I-B, under Registered No.471 of Book No.IV dated 5-10-2005 and N. F. roll No.U-101510/2968 dated 15-11-2005 of the Photo Registrar Karachi (hereinafter called "the First Supplemental"), the Management Company and the Trustee with the approval of the Certificate Holders converted the Fund from a Closed-end Scheme to an Open-end Scheme and the Trust Deed was amended and replaced by a Modified and Restated Trust Deed annexed to the First Supplemental as Annexure "D" thereof (hereinafter called "the Modified and Restated Trust Deed").
- (3) The Management Company and the Trustee have agreed to further amend certain Clauses of the Modified and Restated Trust Deed in accordance with Clause 17 thereof.
- (4) The Securities & Exchange Commission of Pakistan ("SECP") has approved the further amendments to the Trust Deed, vide its letters No. NBFC-II/DD/AHIM/PCMF/1019/2008 dated December 01, 2008, annexed hereto as Annexures "A".

NOW THEREFORE THIS SECOND SUPPLEMENTAL TRUST DEED OF PAKISTAN CAPITAL MARKET FUND, WITNESSETH AS FOLLOWS:—

1. Amendment of Clause 6.4 of the Modified and Restated Trust Deed:

Clauses 6.4.1 and 6.4.2 be and are hereby replaced by the following texts:

- 6.4.1 "Subject to any statutory requirements for the time being in force and to the terms and conditions herein contained, the Trustee may at any time, at the request of the Management Company, concur with the Management Company in making and varying arrangements with Banks, financial institutions and collective investment schemes for borrowing by the Trustee for the account of the Fund, provided that the charges payable to such Banks, financial institutions and collective investment schemes are not higher than the prevailing market rates. Provided further that the maximum borrowing for the account of the Trust shall not

exceed the limit provided in the Non-Banking Finance Companies and Notified Entities Regulations 2007, 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".

- 6.4.2 "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".

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

The Trustee and the Management Company hereby certify that the above amendments are required in the Trust Deed for making additional borrowing arrangements from collective investment scheme and that in the opinion of the Management Company and the Trustee, the above amendments shall not prejudice the interests of the Unit Holders or any of them or operate to release the Trustee or the Management Company from any responsibility to the Unit Holders.

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

The Common Seal of Arif Habib Investment Management Limited was hereunto fixed on December 05, 2008 in the presence of:

Seal: _____
Mr. Nasim Beg
Chief Executive

Syed Ajaz Ahmed
CFO & Company Secretary

The Common Seal of Central Depository Company of Pakistan Limited was hereunto fixed on December 05, 2008 in the presence of:

Seal: _____
Mr. Kamran Qazi
CFO & Company Secretary

WITNESSES

1. _____
Syed Shaukat Hussain Rizvi

2. _____
Zeeshan Quddus