

Stamp Vendor
Lic. No. 313, Shop No. 14 Progressive Centre,
S. No. 13, Karachi-7, Karachi.
ISSUED TO WITH ADDRESS
THROUGH TO WITH ADDRESS
PURPOSE
VALNE R. ATTACHED
STAMP VENDORS SIGNATURE

17 NOV 2005

Hasan

FIRST AMENDMENT TO THE TRUST DEED OF METROBANK — PAKISTAN SOVEREIGN FUND

This First Amendment of Trust Deed of Metrobank Pakistan Sovereign Fund is made at Karachi, on this 24 day of November 2005,

by and between

- Arif Habib Investment Management Limited (AHIM),** a company incorporated under the Companies Ordinance 1984 and also registered as Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment & Regulations), Rules, 2003 (the "Rules" — formerly Asset Management Companies Rules, 1995), to inter alia establish and operate unit trusts with its registered office at 2/1, R.Y.16, Old Queens Road, Karachi-74000 (hereinafter called the "Management Company" which expression, where the context so permits, shall include its successors in interest and assigns) of the one part;

Received

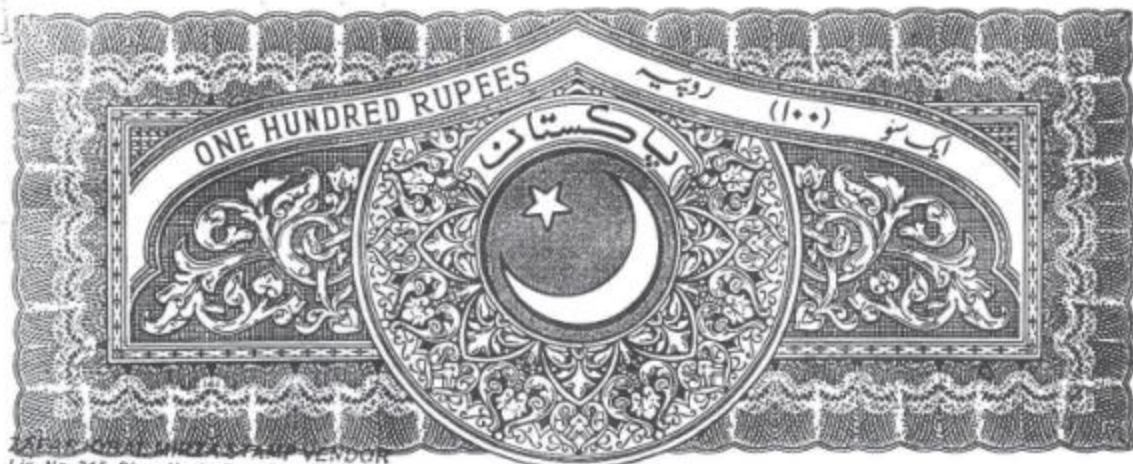
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24/11/05

[Signature]

[Signature]

[Signature]



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Received

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2. **Metropolitan Bank Limited (MBL)**, a limited liability banking company incorporated in Pakistan and licensed under the Banking Companies Ordinance 1962, having its Registered Office at Spencer's Building, I.I. Chundrigar Road, Karachi, (hereinafter called the "Trustee" which expression, where the context so permits, shall include its successors in interest and assigns) of the other part;

WHEREAS:

- (1) The Management Company and the Trustee executed a Trust Deed dated December 24, 2002, to constitute Metrobank-Pakistan Sovereign Fund, which Trust Deed was registered with the Sub-Registrar, T Division I-B, Karachi, under Registered No.407 of Book No.IV dated 24-12-2002 and M.F. Roll No.U-64728/1028 of the Photo Registrar, Karachi, dated 27-12-2002 (hereinafter referred to as "the Trust Deed").
- (2) The Management Company and the Trustee have agreed to amend certain Clauses of the Trust Deed in accordance with Clause 35.3 of the Trust Deed.
- (3) The Securities and Exchange Commission of Pakistan (SECP), has approved the amendments to the Trust Deed, as per its letter No.NBFC-II/JD(R)/AHIM-MbPSF/419 dated May 7, 2004 and letter No. No.NBFC-II/JD(R)/AHIM-MbPSF /788/2005 dated November 7, 2005.

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

1. Amendment in the Description of the Management Company

The description of the Management Company as Party No.1, in the Trust Deed be and is hereby amended as follows:—

"Arif Habib Investment Management Limited (AHIM), a company incorporated under the Companies Ordinance 1984 and also registered as Non-Banking Finance Company under the Non-

[Handwritten signatures and initials]

Banking Finance Companies (Establishment & Regulations), Rules, 2003 (the "Rules" – formerly Asset Management Companies Rules, 1995), to inter alia establish and operate unit trusts with its registered office at 2/1, R.Y.16, Old Queens Road, Karachi-74000 (hereinafter called the "Management Company" which expression where the context so permits shall include its successors in interest and assigns) of the one part;"

2. Amendment to Clause 1.9:

Clause 1.9 of the Trust Deed stands amended as follows:—

"Connected Person" shall have the same meaning as in the Rules."

3. Amendment to Clause 1.12:

Clause 1.12 of the Trust Deed stands amended as follows:—

1.12 **"Core Units"** shall mean such Units of MSF that are issued to Core Investors. The Core Units shall be issued with the condition that these are not redeemable for a period of two years from the date of issue. During the said two years, there is no restriction on converting the Core Units into Units of one or more Schemes, provided that the investment in such Schemes shall also be governed with the same restriction; provided further that proceeds from any Sub-Schemes that matures within the said two-years period shall be reinvested and retained in one or more Scheme till the expiry of the said two years. The Core Units and the related Units of the Sub-schemes are transferable with this condition and shall rank pari passu with all other Units of the respective Schemes, save for this restriction. Any transfer of these Core Units or the Units of the related Sub-schemes, during the first two years of the issue of the Core Units, shall be affected only on the receipt by the Registrar of a written acceptance of this condition by the transferee.

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4. **Amendment to Clause 1.39:**

Clause 1.39 of the Trust Deed stands amended as follows:—

1.39 "**Rules**" means the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (formerly Asset Management Companies Rules, 1995), as amended from time to time."

5. **Amendment to Clause 3.3:**

Clause 3.3 of the Trust Deed stands amended as follows:—

3.3 Bank Accounts

- a) The Trustee shall open separate Bank Accounts for MSF and Sub-schemes at its main branch or other suitable branches at Karachi or anywhere in Pakistan or abroad in consultation with the Management Company.
- b) The Management Company may require the Trustee to open collection accounts for the Fund. These accounts shall be a temporary allocation account where collections shall be held prior to their being allocated and transferred to the specific Schemes from time to time.
- c) The Trustee shall open additional bank accounts at branches of such banks and at such locations (including outside Pakistan, subject to applicable regulations and after obtaining all necessary approvals from the relevant regulatory authority in Pakistan) as is required by the Management Company from time to time.
- d) The Management Company may also require the Trustee to open separate accounts for temporary parking of redemption funds that the Unit Holders wish to reinvest at a later stage.
- e) The Management Company may also require the Trustee to open separate Bank accounts for each

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dividend distributions out of the Fund or Sub-schemes.

Notwithstanding any thing in this Deed the beneficial ownership of the balances in the Accounts vests in the Unit Holders of the respective Schemes.

6. Amendment to Clause 5.4:

Clause 5.4 of the Trust Deed stands amended as follows:—

- 5.4 MSF has a policy of investing in Pakistan Rupee denominated debt securities issued by the Government of Pakistan, or investing in Sub-schemes and the Sub-schemes in turn, have a policy of investing in Pakistan Rupee denominated debt securities issued by the Government of Pakistan; thus the Management Company obtained an exemption from application of clauses (2), (3) and (4) of Rule 13 of the Asset Management Companies Rules, 1995 (repealed), which are now sub-rules (2), (3) and (4) of Rule 71 of the Rules.

7. Amendment to Clause 6.1:

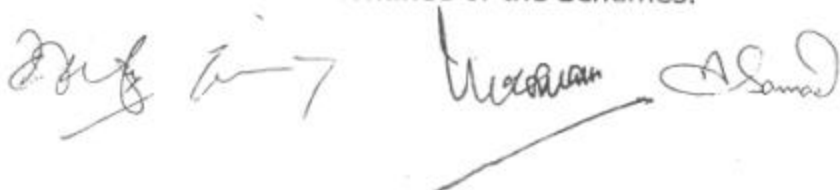
Clause 6.1 of the Trust Deed stands amended as follows:—

- 6.1 The Management Company shall advise the Trustee of the allocation of the funds (received in the main collection account) between the respective Schemes. Based on such advice, the Trustee shall transfer the funds to accounts of the respective Schemes.

8. Amendment to Clause 6.2:

Clause 6.2 of the Trust Deed stands amended as follows:—

- 6.2 The Trustee shall authorize and facilitate the Management Company to receive daily statements of account for all the bank accounts being operated by the Trustee as a nominee of the Schemes.



9. **Amendment to Clause 6.3:**

Clause 6.3 of the Trust Deed stands amended as follows:—

- 6.3 The Management Company shall advise the Trustee of the conversion between Schemes and the Trustee shall transfer the funds so required from the account of one Scheme to the other.

10. **Amendment to Clause 6.4:**

Clause 6.4 of the Trust Deed stands amended as follows:—

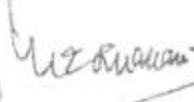
- 6.4 The Management Company shall also advise the Trustee on a daily basis of the details of amounts to be paid to respective Unit Holders against redemption requests. Such payments shall be effected by the Trustee out of the respective accounts of the Schemes by way of transfer of the appropriate amounts to the bank account of the Unitholder or the distributor in the event the distributor in the event the distributor has already paid the Unitholder.

11. **Amendment to Clause 6.5:**

Clause 6.5 of the Trust Deed stands amended as follows:—

- 6.5 The Trustee shall make arrangements through branches of banks to facilitate issue and redemption of Units of any of the Schemes. A request for the issue of Units may also be made through the use of electronic means, that is, the Internet and ATM facilities. A request for redemption of Units, may be made through the ATM facility only when the relevant bank/branches have been instructed by the Management Company to accept an Unit Holder's request to redeem the Units of the concerned Scheme. The trustee shall agree to such arrangements after satisfying itself in respect of all appropriate safeguards having been taken, without incurring any liability for additional risks involved. The compensation for such services that are provided by






the Trustee in this respect shall be mutually agreed between the Trustee and the Management Company.

12. Amendment to the Title of Clause 8:

The Title of Clause 8 stands amended as follows:—

OTHER MATTERS RELATING TO THE SCHEMES AND
ADMINISTRATIVE PLANS

13. Amendment to Clause 8.2:

Clause 8.2 of the Trust Deed stands amended as follows:—

- 8.2 Issue and Redemption of Units:** The Registrar shall process sale and repurchase applications as well as conversion / switching and transfer applications in accordance with the Offering Document and the relevant Supplementary Offering Documents. In addition, the Registrar shall also process the automated conversion/switching between Schemes as per the terms of the relevant Supplementary Offering Documents. Based on the prices applicable to the relevant sale or repurchase, the Registrar shall determine the number of Units to be issued or redeemed. In certain cases the Registrar function may be carried out by such bank/distributor as has been appointed for this function by the Management Company with the approval of the Trustee. Under certain circumstances as provided in this Trust Deed, the Management Company may suspend the issue and/or redemption of Units.

14. Amendment to Clause 9.2:

Clause 9.2 of the Trust Deed stands amended as follows:—

- 9.2** The Trustee shall upon written request by the Management Company, at the expense of the relevant Scheme, from time to time execute and deliver or cause to be executed or delivered to the Management Company 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 Management Company may require in writing.

15. Amendment to Clause 19.1:

Clause 19.1 of the Trust Deed stands amended as follows:—

19.1 The base currency is the Pakistan Rupee.

16. Amendment to Clause 19.2:

Clause 19.2 of the Trust Deed stands amended as follows:—

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

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

Such sum shall be adjusted upwards to the nearest Paisa. The Offer Price so determined, shall apply to purchase requests, complete in all respects, received by the Distributor during the business hours on the following day.



However, the Management Company is of the view that based on the information available, the price exceeds or falls short of current value of the underlying assets by a material extent, it may defer dealing and announce a new price, which shall be applicable to Units being issued on that date. In any event, the Management Company shall announce and apply new prices, as required under the Rules.

The Management Company may announce different plans under different administrative arrangements with differing levels of Front-end Load, which may also vary according to other criteria in the Management Company's sole discretion. Consequently, the Offer Price may defer for Units issued under differing administrative arrangements and for different investors.

17. Amendment to Clause 22.1:

Clause 21.1 of the Trust Deed stands amended as follows:—

22.1 The base currency is the Pakistan Rupee

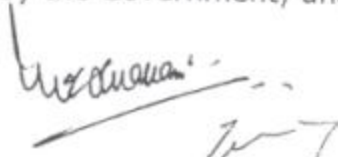
18. Amendment to Clause 22.2:

Clause 22.2 of the Trust Deed stands amended as follows:—

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

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





- c) Such amount as the Management Company may consider an appropriate provision for Duties and Charges;
- d) Such amount as the Management Company may consider an appropriate provision for Transaction Costs;

Such sum shall be adjusted downwards to the nearest Paisa.

The Redemption Price so determined shall apply to redemption requests, complete in all respects, received by the Distributor during the business hours on the following day. However, where the Management Company is of the view that based on information available, the price exceeds or falls short of the current value of the underlying assets by a material extent, it may defer dealing and announce a new price, which shall be applicable to Units being redeemed on that date. In any event, the Management Company shall announce and apply new prices as required under the Rules.

The Management Company may announce different plans under different administrative arrangements with deferring levels of Back-end Load. Consequently, the Redemption Price may differ for Units issued under differing administrative arrangements and different investors.

Any document referring to the repealed Asset Management Companies Rules, 1995 or notifications relating to Non-Banking Finance Companies shall be construed as referring to corresponding provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.

The amendments to the Trust Deed have already come into effect from 30-09-2004, pursuant to the SECP's letter No.NBFC-II/JD(R)/AHIM-MbPSF/419 dated May 7, 2004 and reconfirmed, vide its post facto permission letter No.NBFC-II/JD(R)/AHIM-MbPSF/788/2005 dated November 7, 2005.



Except as modified and amended in terms of this Deed all other terms and conditions of the Trust Deed shall remain unchanged and the Trust Deed shall continue to remain in full force and effect, amended as above.

The Trustee and the Management Company hereby certify that the amendments to the Trust Deed have come into effect from 30-09-2004 and that in their opinion, the above amendments have not prejudiced and shall not prejudice the interest of the Unitholders or any of them and have not operated and shall not operate to release the Trustee or the Management Company from any responsibility to the Unitholders.

IN WITNESS WHEREOF THIS FIRST AMENDMENT OF TRUST DEED OF METROBANK PAKISTAN SOVEREIGN FUND HAS BEEN EXECUTED ON THE DATE FIRST MENTIONED ABOVE.

FOR AND ON BEHALF OF ARIF HABIB INVESTMENT MANAGEMENT LIMITED

Signatory 1:

Signatory 2:

Name: NASIM BEG

Name: SAMAD A. HABIB

Signature: 

Signature: 

NIC #: 42301-5558488-3

NIC #: 42000-0548037-1

FOR AND ON BEHALF OF METROPOLITAN BANK LIMITED

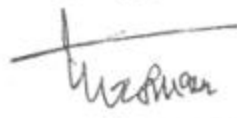
Signatory 1:

Signatory 2:

Name: ERBAL KASARI JAFFARI

Name: Haroon Mallami





Signature: [Signature]NIC #: 42-000-0519190-1Signature: [Signature]NIC #: 42201-0825294-7Witnesses

Witness No.1:

Witness No. 2:

Name: SYED AJAZ AHMEDName: M. ASIF MEHDI RIZVISignature: [Signature]Signature: [Signature]NIC #: 42101-6357807-9NIC #: 42101-1589961-3