

SECOND SUPPLEMENTAL TRUST DEED
IGI AGGRESSIVE INCOME FUND (FORMERLY POBOP ADVANTAGE PLUS FUND)

This Second Supplemental Trust Deed for amendment of Trust Deed dated July 16, 2007 ("Second Supplemental Trust Deed") is made at Karachi, on this, 6th day of **August, 2010**;

AMONG

- (I) **IGI Funds Limited**, a public limited company incorporated under the Companies Ordinance, 1984 (hereinafter called "**IGIFL**" which expression where the context so permits, shall include its successors in interest and assigns) having its registered office at 5 F.C.C, Syed Maratib Ali Road, Gulberg, Lahore, Pakistan, of the **First Part**;

AND

- (II) **Pak Oman Asset Management Company Limited**, a public limited company incorporated under the Companies Ordinance 1984 having its office at 1st Floor, Tower-A, Finance & Trade Centre, Shakra-e-Faisal, Karachi (hereinafter called the "**POAMCL**" which expression where the context so permits shall include its successors in interest and assigns) of the **Second Part**;

AND

- (III) **Central Depository Company Of Pakistan Limited**, a public limited company, incorporated under the Companies Ordinance, 1984, having its registered office at CDC House, 99-B Block 'B S.M.C.H.S., Main Shahrah-e-Faisal, Karachi, (hereinafter called the "**Trustee**" which expression where the context so permits, shall include its successors in interest and assigns) of the **Third Part**;

Whereas;

1. The POAMCL (in its capacity as the Management Company prior to Effective Date) and Central Depository Company of Pakistan Limited as the Trustee, executed a Trust Deed dated July 16, 2007 to constitute "POBOP Advantage Plus Fund" (referred to in the said Trust deed as the "Fund", "Trust", "Unit Trust" or "Scheme" under the Trust Deed), which Trust Deed was

registered with the Sub-Registrar I, Jamshed Town, Karachi under Registered No. 560 of Book IV dated 16 July 2007 and M.F. Roll No. U-58438 dated 23 July 2007 of the Photo Registrar Karachi.

2. The POAMCL and the Trustee also amended certain Clauses of the Trust Deed in accordance with Clause 18 of the Trust Deed vide a First Supplemental Trust Deed of 'POBOP Advantage Plus Fund' dated 26th May, 2008 which was registered with the Sub-Registrar I, Jamshed Town, Karachi, under Registered No. 410 of Book No. IV dated 26 May 2008 and M.F. Roll No. U-43583 dated 14 June 2008.
3. POAMCL accorded its consent for the transfer of management rights of the Scheme to IGIFL vide its letter no. POAMC/ CS/ 229 dated 21st May, 2010 annexed hereto as **Annexure "A"**.
4. IGIFL has agreed to be appointed as the Management Company of the Scheme (renamed as IGI Aggressive Income Fund) in place of POAMCL, in accordance with the terms and conditions contained in a Memorandum of Understanding dated 23rd February, 2010 between POAMCL and IGIFL, a true copy of which is annexed hereto as **Annexure "B"**.
5. The Securities & Exchange Commission of Pakistan (the "Commission") has approved the retirement of POAMCL and the appointment of IGIFL in its place as the Management Company of the IGI Aggressive Income Fund (formerly POBOP Advantage Plus Fund) vide its letter no. NBFC-II/POAMCL/463/2010 dated June 01, 2010, a true copy of which is annexed hereto as **Annexure "C"**.
6. IGIFL intends to restructure the portfolio of the Fund in the manner deemed appropriate by IGIFL and will endeavour to substantially complete such restructuring with a period of eighteen (18) months commencing from the Effective Date.
7. The IGIFL (as the incoming Management Company), POAMCL (as the outgoing Management Company) and the Trustee hereby agree upon the terms and condition for the retirement of POAMCL and the contemporaneous appointment of IGIFL as the Management Company of IGI Aggressive Income Fund (formerly POBOP Advantage Plus Fund).
8. The IGIFL and the Trustee further hereby agree to amend the Trust Deed of Scheme in certain respect so as to bring it in conformity with the provision of the Non Banking Finance Companies and Notified Entities Regulations, 2008 ("Regulations").
9. As per circular 7 of March 6th, 2009 issued by the Commission ("Circular No. 7"), the Commission has specified criteria for categorization of the collective investment schemes and all open-end schemes are required to be categorized according to the criteria and the Commission has required the Management Company to modify the constitutive documents of the Scheme pursuant to the Circular No. 7.
10. As per circular No 11 of March 26th, 2009 issued by the Commission ("Circular No. 11"), the Commission has required the Management Company to modify the constitutive documents of the Scheme pursuant to the Circular No.11;

("Circular No. 7" and "Circular No. 11" are hereinafter referred to as the "Circulars")
11. In view of the Circulars, the Trust Deed is required to be modified;
12. The Securities & Exchange Commission of Pakistan ("Commission") vides its letter no. NBFC-II/JE-ZI/IGIFL/608/2010 dated August 03, 2010 has approved the amendments to the Trust Deed and to rename the Scheme as "**IGI Aggressive Income Fund**", a true copy of which is annexed hereto as **Annexure "D"**.

NOW THEREFORE THIS **SECOND SUPPLEMENTAL DEED** WITNESSETH AND IT IS HEREBY AGREED BETWEEN THE PARTIES AS FOLLOWS:-

1. Effective Date and Change of Name

1.1 This Second Supplemental Trust Deed shall become effective on the date of its presentation for registration (the "Effective Date").

2. Retirement of POAMCL and appointment of IGIFL

2.1 Immediately upon the execution of the Second Supplemental Trust Deed on the Effective Date ("Closing Time"), POAMCL stands retired and has ceased to be the Management Company of the Scheme and IGIFL has been appointed as the Management Company of the Scheme in place of POAMCL and IGIFL shall be deemed to have become a party to the Trust Deed as Management Company in place of POAMCL. With effect from the Closing Time, all terms, conditions, responsibilities, obligations, rights and entitlements of Management Company under the Trust Deed and the Offering Document, have become applicable to IGIFL as the Management Company of the Scheme.

2.2 From the Closing Time, all the references to POAMCL under the Trust Deed and the Offering Document shall be deemed to be references to IGIFL as the Management Company.

2.3 On the Effective Date, POAMCL has handed over to IGIFL as the new Management Company, all documents and records pertaining to the Scheme, which were in possession or control of POAMCL to IGIFL. The new Management Company shall hold and stand possessed of all documents as well as records and with effect from Closing Time and perform all the functions and be subject to all obligations and liabilities of the Management Company of the Scheme and shall exercise all rights, privileges and powers of the Management Company, as contained in the Trust Deed, the Offering Document, the Rules and the Regulations.

3. Liabilities and responsibilities of POAMCL and IGIFL

3.1 POAMCL declares and confirms that:

- i. no legal or administrative proceedings are pending or threatened against POAMCL of the Scheme;
- ii. it has terminated or modified all agreements, arrangements and documents relating to the Scheme except for the Trust Deed and the Offering Document and IGIFL shall have no obligation under any agreements, arrangements and documents relating to the Scheme except for Trust Deed and the Offering Document.

3.2 IGIFL as the new Management Company and the Scheme shall not be liable for any default in or non-performance of its duties by POAMCL as the Management Company prior to the Effective Date or for any negligence on POAMCL's part or on part of its officers or officials, nominees or agents and for any acts or omissions relating to the period ending at the Closing Time in accordance with the provisions of the Trust Deed, the Offering Document, the Rules and the Regulations.

3.3 IGIFL shall not be liable in respect of any default, non performance or violations of the terms and conditions of the Trust Deed, the Offering Document, the Rules or the Regulations that may have taken place, advertently or inadvertently prior to and upto the Closing Time and which may

come to the notice of the Management Company, the Trustee or the Commission at any time after the Effective Date.

- 3.4 POAMCL agrees that it will indemnify and hold harmless IGIFL and its affiliates, and its and their respective directors, officers, employees, agents and controlling persons (IGIFL and each such person being an "Indemnified Party") from and against any and all losses, claims, damages and liabilities, joint or several, as incurred, to which such Indemnified Party may become subject under any applicable law, and related to or arising out of (i) any untrue statement of a material fact contained in any information, furnished or made available by POAMCL or the omission to state therein a material fact necessary in order to make the statements therein not misleading, in the light of the circumstances under which they were made, or (ii) any negligence in respect of the affairs of the Scheme or any default, non performance or violations of the terms and conditions of the Trust Deed, the Offering Document, the Rules or the Regulations by POAMCL, prior to and up to the Closing Time. POAMCL also agrees to reimburse any Indemnified Party for all expenses (including counsel fees and expenses) as they are reasonably incurred in connection with the investigation of, preparation for or defense of any pending or threatened claim or any action or proceeding arising there from, whether or not such Indemnified Party is a party and whether or not such claim, action or proceeding is initiated. Provided however, the liability of POAMCL shall be subject to and only to the extent contained under the Trust Deed, the Offering Document and the Regulations.
- 3.5 Subsequent to the signing of this Second Supplemental Trust Deed, IGIFL shall notify the Unit Holders of the Scheme of the acquisition of the management rights of the Scheme by IGIFL, by issuing a public notice in at least two newspaper having wide circulation in Pakistan.
- 3.6 Immediately after the Effective Date, the Trustee shall change the title of the bank accounts maintained in respect of the Scheme to "CDC Trustee – IGI Aggressive Income Fund".
- 3.7 POAMCL as the outgoing management company, IGIFL as the new Management Company and the Trustee hereby certify that in their opinion, the retirement of POAMCL as management company and the appointment of IGIFL as Management Company in place of POAMCL and the amendments to the Trust Deed as above shall not prejudice the interests of the Unit Holders or any of them and shall not operate to release or exonerate POAMCL as the retiring management company from any responsibility to the Unit Holders upto the Effective Date, or operate to relieve or exonerate IGIFL as the new Management Company and / or CDC as the Trustee from any responsibility to the Unit Holders and /or operate or relieve them or any of them from the Effective Date and onwards.

4. Amendments to the Trust Deed:

From the Effective Date, the Trust Deed stands amended in the following respects:

4.1 Amendment of Clause 1 under the heading of 'NAME OF THE SCHEME'

Clause 1 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

Name and Category of the Scheme

1.1 *Name of the Scheme*

IGI Aggressive Income Fund (IGIAIF)

1.2 *Category of the Scheme*

Aggressive Fixed Income Scheme

4.2 Amendment of Clause 2 under the heading of 'PARTICIPATING PARTIES AND CONSTITUTION OF THE TRUST'

(i) In the Preamble of the Trust Deed, the paragraph (1) is hereby deleted in its entirety and substituted with the following:

(1) **IGI Funds Limited**, a public limited company incorporated under the Companies Ordinance 1984, having its registered office at 5 F.C.C, Syed Maratib Ali Road, Gulberg, Lahore (hereinafter called the "**Management Company**", which expression, where the context so permits, shall include its successors in interest and assigns) of the one part;

(ii) Paragraph (D) and (F) are hereby deleted in their entirety.

4.3 Applicability of the Regulations:

In the entire Trust Deed, wherever the word "Rules" appear, a comma and words "the Regulations" are hereby added.

4.4 Change of Name of the Scheme

In the entire Trust Deed, the name "POBOP Advantage Plus Fund" is hereby substituted with the name "IGI Aggressive Income Fund".

4.5 Amendment of Clause 3.1 under the heading of 'GOVERNING LAW'

Clause 3.1 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

"3.1 This Trust Deed shall be subject to and governed by the laws of Pakistan, including the Ordinance, the Rules, the Regulations and all other applicable laws and regulations and it shall be deemed for all purposes whatsoever that all the provisions required to be contained in a trust deed by the Regulations are incorporated in this Trust Deed as a part and parcel hereof and in the event of any conflict between this Trust Deed and the provisions required to be contained in a trust deed by the Regulations, the latter shall supersede and prevail over the conflicting provisions contained in this Trust Deed. The Scheme shall also be subject to the rules and regulations framed by the State Bank of Pakistan ("SBP") with regard to foreign investments made by the Scheme and investments made in the Scheme from outside Pakistan in foreign currency. Investments made in offshore countries and Bank Accounts and custodial services accounts that may be opened by the Trustee for the Scheme in offshore countries on the instructions of the Management Company may become subject to the laws of such countries. In case the Management Company intends to seek relaxation of any condition under the Rules and/or the Regulations applicable to the Scheme, then it shall obtain prior specific written approval from the Commission for such relaxation."

4.6 Amendment of Clause 4.4 under the heading of 'Trustee to Report to the Unit Holder(s)'

Clause 4.4 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

"4.4 Trustee to report to the Unit Holders

4.4.1 The Trustee shall report to the Unit Holders in accordance with the Regulations and the Trust Deed including a report to be included in the annual and second quarter reports to be sent to the Unit Holders as to whether in its opinion, the Management Company has in all material respects, managed the Scheme in accordance with the provisions of this Deed, the Offering Document, the Rules and the Regulations, and if the Management

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

4.4.2 *The Trustee shall be entitled to require the Auditors to provide such reports as may be agreed between the Trustee and the Management Company that may be considered necessary to facilitate the Trustee in issuing the certification required under the Regulations. The Trustee shall endeavor to provide the certification at the earliest date reasonably possible.”*

4.7 Omission of Clause 4.5 ‘Manner in which the Trustee may retire’

Clause 4.5 of the Trust Deed be and is hereby deleted in its entirety.

4.8 Amendment of Clause 5.4 under the heading of ‘Distribution’

Clause 5.4 of the Trust Deed is hereby deleted in its entirety and substituted with the following:-

“5.4 Distribution

The Management Company may from time to time appoint, remove or replace one or more suitable persons, entities or parties as Distributor(s) and/or Sub-Distributor(s) for carrying on Distribution Function(s) at one or more location(s) on the terms and conditions to be incorporated in distribution and/or sub-distribution agreement(s) to be entered into between the Distributor(s) and/or Sub-Distributor(s) and the Management Company, which shall clearly state the conditions for avoidance of frauds and sales based upon misleading statements. Such Distributor(s) and Sub-Distributor(s) shall be associate members of the association constituted in consultation with the Commission and shall abide by the code of conduct prescribed by such Association.”

4.9 Amendment of Clause 5.7 under the heading of ‘Others functions and responsibilities of the Management Company’

(i) Sub-clause 5.7.7 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

“5.7.7 The Management Company shall maintain proper accounts and records to enable a complete and accurate view to be formed of (i) the assets and liabilities of the Scheme, (ii) the income and expenditure of the Scheme, (iii) all transactions for the account of the Scheme, (iv) all amounts received by the Scheme in respect of the issuance of the Units, (v) all amounts paid out by the Scheme on redemption of Units and by way of distributions and (vi) pay out at the termination of the Scheme. Such accounts and records shall be maintained for a period of ten years or as prescribed under the provisions of the Rules, the Regulations or any other law for the time being in force. The Management Company shall inform the Commission and the Trustee where the accounts and records are kept.”

(ii) Sub-clause 5.7.11 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

“5.7.11 The Management Company shall prepare and transmit within four months of the closing of the Accounting Period of the Scheme to the Unit Holders, the Trustee, the Commission and the Stock Exchanges on which the Units are listed, an Annual Report as per the requirement set out in Schedule V of the Regulations, including (i) copy of the balance sheet and income statement, (ii) cash flow statement, (iii) statement of movement in the Unit Holders fund or the Net Assets or Reserves and (iv) the Auditor's report of the Scheme. Provided that the Commission, subject to any conditions, may allow the

Management Company to transmit the said accounts to the Unit Holders by placing them on the Management Company's website and the Management Company shall make the printed copy of the said accounts available to any Unit Holder, free of cost, as and when requested."

- (iii) Sub-clause 5.7.12 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

"5.7.12 The Management Company shall within one (1) month of the closing of the first quarter (3 months) and third quarter (9 months) and within two (2) months of the closing of the second quarter (6 months) prepare and transmit to the Unit Holders, the Trustee, the Commission and the Stock Exchanges on which the Units of the Scheme are listed (i) balance sheet as at the end of that quarter, (ii) income statement (iii) cash flow statement, (iv) statement of movement in Unit Holder's fund and (v) 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 value (at carrying and at market) and the percentage in relation to its own assets and the issued capital of person whose securities are owned for that quarter, whether audited or otherwise. Provided that the Commission, subject to any conditions, may allow the Management Company to transmit the said quarterly accounts to the Unit Holders by placing them on the Management Company's website and the Management Company shall make the printed copy of the said accounts available to any Unit Holder, free of cost, as and when requested."

- (iv) Sub-clause 5.7.14 of the Trust Deed is hereby deleted in its entirety.

- (v) Sub-clause 5.7.15 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

"5.7.14 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 the Commission from time to time who shall be a chartered accountant and independent of the auditor of the Management Company and of the Trustee and such Auditor shall not be appointed for more than five (5) consecutive years. The contents of the Auditors report shall be in accordance with the applicable provisions of Schedule V of the Regulations."

- (vi) Sub-clause 5.7.16 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

"5.7.15 The Management Company shall not:

- (a) acquire the management of another scheme, unless it has obtained the prior written approval of the Commission;*
- (b) pledge any of the securities held or beneficially owned by the Scheme except as allowed under the Regulations;*
- (c) accept deposits from the Scheme;*
- (d) make a loan or advance money to any person from the assets of the Scheme;*
- (e) participate in a joint account with others in any transaction on behalf of the Scheme, except for collection account of the Schemes managed by it;*
- (f) apply any part of the assets of the Scheme to real estate, commodities or commodity contracts;*
- (g) make any investment of the Scheme which will vest the management or control of the affairs of the investee company in the Management Company or its group;*
- (h) undertake brokerage services on stock exchanges or in the money market;*

- (i) *enter, on behalf of the Scheme, into underwriting or sub-underwriting contracts;*
- (j) *maintain its own equity portfolio except for investments made by the Management Company into the Scheme or pension funds managed by it or its subsidiary NBFCs as allowed under Rule 7(2)(h)."*

(vii) After the existing sub-clause 5.7.16 of the Trust Deed the following new sub-clauses are hereby added:

"5.7.16 The Management Company shall develop criteria in writing for appointing a diverse panel of Brokers and monitoring compliance thereof to avoid undue concentration of business with any single Broker.

5.7.17 Management Company is obliged to obtain a rating of the Scheme, once the Scheme becomes eligible for rating as per the rating criteria of the rating agency, and such rating shall be updated at least once every financial year and also published in the annual and quarterly reports of the Scheme.

5.7.18 The Management Company shall not apply for de-listing of the Scheme from Stock Exchange (if any), unless it has obtained prior approval of the Commission in writing to the scheme of de-listing.

5.7.19 The Management Company shall not open or close or arrange to open or close any account with a Bank, Broker or depository for the Scheme without the approval of its board of directors.

5.7.20 The Management Company shall forward details of all requests for dealing in Units, including the information of stamped time and date, to the Trustee within 24 hours of the receipt of such requests.

All the application received on the designated points for issuance, redemption, conversion etc of units of scheme will be date and time stamped to ensure timely acknowledgement of the said application."

5.7.21 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.

5.7.22 The Management Company may in consultation with the Trustee further appoint advisors and professionals in offshore countries for making investments in offshore countries and/or for issuing Units to the investors in the offshore countries to determine the legal and regulatory requirements to be fulfilled by the Fund, the Management Company and the Trustee and their respective obligations in relation thereto. The fees of such advisors and professionals shall not be charged to the Fund.

5.7.23 The management company may appoint advisors to assist in investing and managing the assets of the fund abroad at its own cost and discretion provided that the management company will be responsible for all acts of such investment advisers.

4.10 Amendment of Clause 6 under the heading of 'CHANGE OF MANAGEMENT COMPANY'

Clause 6 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

"6 Change of Management Company

- 6.1 *The Commission may either on its own or on the recommendation of the Trustee remove the Management Company by giving at least ninety (90) days notice in writing to the Management Company and cause the Trustee to appoint a new management company with the approval of the Commission on the happening of any of the following events:*
- (a) *the Management Company has contravened the provisions of this Trust Deed and/or the Regulations in any material respect and has failed to rectify the contravention within a reasonable period after the contravention has come to its notice;*
 - (b) *the Management Company goes into liquidation (other than voluntary liquidation on terms previously agreed to with the Trustee for purpose of reconstruction and amalgamation);*
 - (c) *a receiver is appointed over any of the assets of the Management Company.*
 - (d) *the Management Company has become ineligible to act as Management Company under the Rules and/or the Regulations.*
- 6.2 *The Management Company may voluntarily retire at any time with the prior written approval of the Commission and the intimation to Trustee after giving at least three months notice as per the Regulations. Provided that until the new management company is appointed, the Management Company shall continue to perform its function as the management company*
- 6.3 *If the Commission has cancelled the registration of the Management Company under the provisions of the Regulations, the Commission or the Trustee, (if authorized by the Commission) shall appoint another asset management company as the management company for the Scheme according to the provisions of this Deed and the Regulations.*
- 6.4 *Upon a new management company being appointed, the Management Company will take immediate steps to deliver all the documents and records pertaining to the Scheme to the new management company and shall pay all sums due to the Trustee.*
- 6.5 *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.*
- 6.6 *Furthermore, the Trustee may immediately in case of removal of Management Company 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.*
- 6.7 *The auditors so appointed shall be other than the existing auditors of the Scheme, the Management Company and the Trustee.*
- 6.8 *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 the Commission.*
- 6.9 *The report for the audit shall be submitted by the auditors to the Trustee not later than thirty Business Days from their appointment. A copy of the report shall also be provided to the Commission, outgoing Management Company and the new management company.*

- 6.10 *The costs of audit shall be shared equally by the outgoing Management Company, the new management company and the Scheme.*
- 6.11 *In case of change, the 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 omissions effectuated prior to and upto the effective date 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 Management Company shall indemnify the new management company in respect of any default, non performance or violations of the terms and conditions of this Trust Deed, Offering Document, the Rules and / or Regulations that may have taken place due to its negligence, 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."*

4.11 Amendment of Clause 7 under the heading of 'ROLE OF TRUSTEE'

- (i) In Clause 7 of the Trust Deed, the following is hereby added as Clause 7.1-A after the existing Clause 7.1:

"7.1A The Trustee shall stand possessed of the Trust Property that may from time to time hereafter be vested in the Trustee upon trust as a single common fund. The Trustee shall take into its custody or control the Trust Property and hold the same in accordance with the law and the provisions of the Constitutive Documents. The cash and the registerable assets shall be registered in the name, or to the order of, the Trustee. The Trustee shall invest the Trust Property from time to time at the direction of the Management Company strictly in terms of the provisions contained and the conditions stipulated in this Trust Deed, the Offering Document, the Rules and the Regulations and the conditions, if any, which may be imposed by the Commission from time to time."

- (ii) The existing Clause 7.10 of the Trust Deed is hereby deleted in its entirety and substituted by the following text:

"7.10. The Trustee shall issue a report to the Unit Holder(s) included in the annual and second quarter report of the Trust whether in its opinion, the Management Company has in all material respects managed the Trust Property in accordance with the provisions of the Regulations, the Offering Document and this Deed and if the Management Company has not done so, the respect in which it has not done so and the steps the Trustee has taken in respect thereof."

- (iii) After the existing Clause 7.15 of the Trust Deed the following new Clauses are hereby added:

"7.16 The Trustee shall ensure that (a) the sale, issue, repurchase, redemption, transfer and cancellation of Units are carried out in accordance with the provisions of this Deed, Offering Document and the Regulations: and (b) the methodology and procedures adopted by the Management Company in calculating the value of Units are adequate and the pricing and valuation for sale, issue, repurchase, redemption and cancellation of units are in accordance with the provisions of the Deed, the Offering Document and the Regulations. In order to get these comforts the Trustee shall have unhindered access to records and information maintained with the Management Company or its agents.

7.17 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 authorized are complied with.

- 7.18 *The Trustee shall ensure the Units of the Scheme have been issued after realization of subscription money.*
- 7.19 *The Trustee shall arrange for an annual system audit 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 of the trustee.*
- 7.20 *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 offering of the Scheme and shall also ensure that the Management Company has been diligent in appointing Brokers to avoid undue concentration with any single Broker.*
- 7.21 *The Trustee shall immediately inform the Commission if any action of the Management Company contravenes the Ordinance, the Rules, the Regulations, the Constitutive Documents, guidelines, codes, circulars, directives or any other applicable laws.*
- 7.22 *The Trustee shall comply with the directions of the Commission given in the interest of the Unit Holders.*
- 7.23 *The Trustee shall not invest in Units of the Scheme.”*
- 7.24 *The Trustee shall not be liable for any loss caused to the Scheme or to the value of the Trust Property due to any elements or circumstances of Force Majeure*

4.12 Amendment of Clause 8 under the heading of ‘CHANGE OF TRUSTEE’

Clause 8 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

“8. Change of Trustee

- 8.1 *The Trustee may, subject to prior approval of the Commission, retire from its office on appointment of a new trustee and 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 Scheme by the newly appointed trustee, whichever is later.*
- 8.2 *If the Trustee goes into liquidation (otherwise than for the purpose of amalgamation or reconstruction on terms previously agreed to with the Management Company 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 Scheme under the provisions of the Regulations, the Management Company shall, with the prior approval of the Commission, appoint another entity as trustee of the Scheme.*
- 8.3 *In circumstances where the Commission is of the opinion that the Trustee has been in violation of the Regulations or the provisions of this Trust Deed or is found guilty of misconduct or has failed to discharge its obligation under the Regulations, the Commission may remove the Trustee after giving opportunity of being heard.*
- 8.4 *The Management Company may apply to the Commission giving reasons for change of Trustee by simultaneously proposing the appointment of a new trustee. The Commission, if 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.*

- 8.5 *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 Trust Property and any amount held in any Distribution Account to the new trustee and make payments to the new trustee of all sum due from the Trustee.*
- 8.6 *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.*
- 8.7 *Notwithstanding the removal/resignation of the Trustee and its subsequent discharge from its duties under this Deed and the Regulations, the Trustee shall receive its remuneration until the new trustee is so appointed and shall remain entitled to the benefit of clauses 7.5, 7.6 and 7.13 without prejudice to the Trustee's responsibility or obligation to liquidate any liability for which the Trustee may have become liable under this Deed and/or the Regulations.*
- 8.8 *In case of change in trustee, the Trustee shall continue to be liable for any default in or non-performance of its duties as trustee or for any negligence on its part or on part of its officers or officials, nominees or agents and for any acts or omissions effectuated prior to and upto the effective time in accordance with the provisions of the Trust Deed, the Offering Document, the Rules and the Regulations, whereafter the new trustee shall be responsible for the same. Further the Trustee shall indemnify the Management Company and new trustee in respect of any default, non performance or violations of the terms and conditions of the Trust Deed, the Offering Document, the Rules and/or the Regulations by the Trustee, prior to and upto effective time and which may come to the notice of the Management Company or the new trustee or the Commission at any time after the effective time.*
- 8.9 *Furthermore the Management Company may immediately upon the issuance of notice of removal of Trustee appoint Auditors with the consent of Commission from amongst the panel of auditors designated as "A" category by State Bank of Pakistan for the audit of Financial Institutions.*
- 8.10 *The Auditors so appointed shall be other than the existing auditors of the Scheme, the Management Company and the Trustee.*
- 8.11 *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.*
- 8.12 *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.*
- 8.13 *The costs of audit shall be shared equally by the outgoing Trustee, the new trustee and the Scheme."*

4.13 Amendment of Clause 9 under the heading of "BANK ACCOUNTS'

Clauses 9.1, 9.2 and 9.3 of the Trust Deed are hereby deleted in their entirety and substituted with the following respectively:

- "9.1 *The Trustee, at the request of the Management Company, shall open Bank Accounts titled "CDC-Trustee IGI Aggressive Income Fund" for the Scheme at designated Bank(s) for collection, investment, redemption or any other use of the Scheme's funds.*

9.2 *The Trustee shall also open additional Bank Account(s) titled “CDC-Trustee IGI Aggressive Income Fund” at various branches of such other Bank(s) as may be requested by the Management Company. These accounts shall be temporary collection accounts where collections shall be held prior to their being transferred to the main Bank Account of the Scheme on a daily basis.*

9.3 *The Trustee shall also open additional Bank Accounts titled “CDC-Trustee IGI Funds” 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 reasonably required by the Management Company from time to time. These accounts shall be a temporary allocation account where collections may be held prior to their being allocated and transferred to the relevant Schemes’ account on a regular basis.”*

4.14 Amendment of Clause 10 under the heading of ‘INVESTMENT AND BORROWING RESTRICTIONS’

(i) In Clause 10 of the Trust Deed, following new Clauses be and are hereby added as Clauses 10.1A, 10.1B and 10.1C respectively before the existing Clause 10.1:

“10.1A Investment Objective:

The investment objective of the Scheme is to provide an investment medium whereby investors can participate in a portfolio that will seek to generate competitive income.

10.1B Investment Policy:

The Scheme shall construct a diversified portfolio of income securities from the Authorized Investments, comprising the following:-

- (a) Investment avenues – government securities, cash in bank accounts, money market placements, deposits, certificate of deposits (COD), certificate of musharakas (COM), term deposit receipts (TDRs), commercial papers, reverse repo, instruments of redeemable capital (including TFC, and Sukuk), CFS, spread transactions and any other instruments or transactions that may be allowed by the Commission for the purpose of aggressive income schemes;*
- (b) At least 10% of the net assets shall be invested in cash and/or near cash instruments which include cash in bank account (excluding TDRs), and treasury bills not exceeding 90 days maturity;*
- (c) Both rated and unrated securities shall be eligible for investment, below investment grade rated securities shall also be eligible for investment; and*
- (d) There shall be no restriction regarding time to maturity of any single security in the portfolio provided the Weighted average time to maturity of the net assets shall not exceed 5 years and this condition shall not apply to securities issued by the Federal Government.*

10.1C Benchmark:

The benchmark for the return on investments shall be 6 months KIBOR.”

(ii) Clause 10.2.2 through 10.2.7 of the Trust Deed are hereby deleted in their entirety and substituted with the following:

“10.2.2 The exposure of the Scheme to any single entity shall not exceed an amount equal to ten percent (10%) of the total Net Assets Value of the Scheme provided exposure to any debt issue of a company shall not exceed ten percent (10%) of that issue.

Provided that where exposure of the Scheme exceeds the limits so specified due to the market price increase or decrease in Net Assets, due to the redemptions, the excess exposure shall be regularized within three (3) months of the breach of limits unless the period of three months is extended by the Commission on an application by the Management Company.

10.2.3 The Scheme shall not invest more than twenty five per cent (25%) of its Net Assets in securities of any one sector as per classification of the Stock Exchange(s).

10.2.4 The Management Company shall not acquire twenty five percent (25%) or more of the voting rights or control of a company on behalf of its Collective Investment Schemes.

10.2.5 The Scheme shall not take exposure of more than thirty five percent (35%) of the Net Asset of the Scheme in any single group. For the purpose of this Clause, the terms "exposure" and "group" shall have the same meanings as assigned in Regulation 55(10) of the Regulations.

10.2.6 The Scheme shall not take exposure in excess of ten percent (10%) of Net Assets of the Scheme at the time of taking exposure in listed group companies of the Management Company and such exposure shall be made only through the secondary market.”

(iii) The following new sub-clauses 10.2.7 to 10.2.13 be and are hereby added after sub-clause 10.2.6 of the Trust Deed:

“10.2.7 The Trust Property shall not be invested in any security of a company, if any director or officer of the Management Company owns more than 5% of the total nominal value of the securities issued or collectively the directors and officers of the Management Company own 10% of those securities.

10.2.8 The Management Company on behalf of the Scheme shall not at any time roll over the investments, if in the opinion of the Trustee, the Scheme would not be able to issue payment instrument(s) for redemption money to the Unit Holder(s) within time period stipulated in the Regulations.

10.2.9 The Management Company shall not make any further investment or rollover of any investment of the Scheme in case borrowing limit has already been exhausted or redemption requests are pending for more than six (6) days.

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

10.2.11 The Trust shall not at any time:

- 10.2.11.1. Purchase or sell:*
- (i) Bearer securities*
 - (ii) Securities on margin*
 - (iii) Securities which result in assumption of unlimited liability (actual or contingent)*
 - (iv) Anything other than Authorized Investments as defined in this Trust Deed*
 - (v) Commodities and Commodities Contract*
 - (vi) Real estate*

- 10.2.11.2. *Participate in a joint account with others in any transaction;*
- 10.2.11.3. *Make short sales of any security or maintain a short position in securities.*
- 10.2.11.4. *Purchase any security in a forward contract;*
- 10.2.11.5. *Issue at any time a senior security without the prior approval of the Commission;*
- 10.2.11.6 *Invest in securities of the Management Company;*
- 10.2.11.7 *apply for delisting from any stock exchange unless it has obtained a prior approval of the Commission in writing to the Scheme of De-listing;*
- 10.2.11.8 *Lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any other person provided that such prohibition shall not apply to reverse repo transactions involving Government securities or other debt securities under an agreement and spread transaction through ready buy and future sale or Continuous Funding System (CFS) or replacement thereof which are protected by the clearing company and stock exchanges;*
- 10.2.11.9 *Borrow, except with the consent of the Trustee for meeting redemption request as permissible under the Regulations;*
- 10.2.12 *Investments of the Scheme shall follow the exposure limits expressed as percentage of Net Assets, prescribed by the Commission under its Circular No. 07 of 2009, as may be substituted or modified from time to time."*

4.15 Amendment of Clause 11.1 under the heading of 'Method of determining the value of the assets and liabilities of the Trust Property and the Net Assets Value'

Clause 11.1 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

"11.1 Valuation of the Trust Property

The method of determining the value of the assets and liabilities of the Trust Property and the Net Assets shall be in compliance with the Regulations and is stated herein below:

- (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) *a debt security, including traded, thinly traded and non-traded securities shall be valued as per the 'Methodology or Valuation of Debt Securities' contained in Annexure-1 of the Commission's Circular No. 01 of 2009 and shall be provisioned in accordance with the criteria specified in Annexure II of the said Circular and any other circular or directive issued by the Commission from time to time, in substitution or amendment thereof and otherwise as per the Regulations. The trade related information on debt securities shall be reported to Mutual Funds Association of Pakistan (MUFAP) and the Commission in accordance with the Commission's Circular No. 02 of 2009 or any substitutions or amendments thereof from time to time;*

- (c) *an Investment purchased and awaiting payment against delivery shall be included for valuation purposes;*
- (d) *an Investment sold but not delivered pending receipt of proceeds shall be valued at the net sale price;*
- (e) *profit, interest, income, mark-up, etc. accrued on any profit, interest, income, mark-up, etc. bearing security in the Trust Property shall be included as an asset of the Scheme;*
- (f) *the value of any dividends, bonus shares or rights which may have been declared on securities in the portfolio but not received by the 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;*
- (g) *any other income accrued upto the date on which computation was made shall also be included in the assets;*
- (h) *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;*
- (i) *a security not listed or quoted on a Stock Exchange, other than a government or debt security, shall be valued at investment price or its breakup value as per last audited accounts, whichever is lower;*
- (j) *a government security not listed on a Stock Exchange and traded in the interbank market shall be valued at the average rate quoted on a widely used electronic quotation system and such average rate shall be based on the remaining tenor of the security and;*
- (k) *any such method of valuation of assets and liabilities as may be specified or modified by the Commission from time to time shall be applied;*
- (l) *the Scheme shall adhere to the provisioning criteria for various non-performing categories of securities as per the circulars, directives and guidelines issued by the Commission from time to time. The provisioning policy of the Management Company duly approved by its Board shall be disclosed in the Offering Document of the Scheme and shall also be placed on the website of the Management Company.”*

4.16 Amendment of Clause 11.2 under the heading of ‘Determination of NAV and Offer Price (Purchase Price)’

Clause 11.2 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

“11.2 Determination of Offer Price

11.2.1 During the period of Initial Offer, the Units shall be offered at the Initial Price. The offer and issuance of Units during the Initial Offer shall be conducted during the period specified in the Offering Document. After the expiry of the Initial Offer, the Offer Price shall be calculated and announced by the Management Company on Subscription Days only and in accordance with the Regulations.

11.2.2 The Offer Price shall be equal to the sum of:

- (a) *the Net Asset Value as of the close of Business Day to be announced by the Management Company latest by 18.30 hours on that Business Day;*

- (b) any Front-end Load, as announced in the Offering Document, but not exceeding five per cent (5%) of the Net Asset Value;
- (c) such amount as the Management Company may consider being 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 upto four decimal places.

11.2.3 The Offer Price shall be calculated on each Subscription Day.

11.2.4 The Offer Price so determined shall subject to realization of the Funds in the Bank Account from the investor, apply to purchase requests complete in all respects made and received by the authorized personnel of the Authorized Transaction Location (ATL) or Management Company within the following cut off timings;

Day	Time
Monday to Friday	09:00 a.m. to 03:00 p.m.

- 11.2.5 The Management Company may offer different type of Units and different plans under different administrative arrangements with differing levels of Front-end Load as provided in the Offering Document or in the Supplementary Offering Document(s).
- 11.2.6 All forms received at the Authorized Transactions Locations (ALTs) within the cut off time mentioned in sub-clause 11.2.4 above, shall be acknowledged by appropriate date and time stamping mechanism. The Management Company shall forward all the purchase requests to the Trustee within twenty four hours of the receipt thereof.
- 11.2.7 In case after receiving the application, funds are not realized against cheque, bank draft, or other payment instrument delivered by the applicant, no Units shall be credited or issued to him and the applicant shall be liable to reimburse the Management Company the bank charges and other costs, applicable on return or dishonor of the cheque, bank draft or other payment instrument.
- 11.2.8 In the event that the amount paid as provision for payment of Duties and Charges pursuant to sub-clause 11.2.2(c) above 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, the excess shall be recovered from the Trust Property)
- 11.2.9 In the event that the amount paid as provision for payment of Duties and Charges pursuant to sub-clause 11.2.2(c) exceeds the relevant amount of Duties and Charges, the Registrar shall issue additional Units or fractions thereof to the Unit Holder(s) based on the price applicable to the Units issued against the relevant application.
- 11.2.10 The Offer Price determined by the Management Company shall be made available to the public at the official website and branches of the Management Company and ATLs and at the discretion of the Management Company may also be published in any number of daily newspapers, one in English and one in Urdu, widely circulated in Pakistan and may be available at its website.

11.2.11 *If the variation of the Net Asset Value at any time exceeds or fall short by five (5) percent of the Net Asset Value included in the current offer price, the management company may suspend any issuance of units and shall calculate for with a new offer price. The Management Company shall also inform the Commission and the Trustee of the suspension of issuance of Units along with announcement of the new Offer Price, and publish the same in newspaper in which the Unit’s prices are normally published.*

11.2.12 *NAV of the Scheme will be announced on its subscription day at Company’s as well as on MUFAP’s website latest by 6.30 pm or any other time as announced by the Commission.”*

4.17 Amendment of Clause 11.3 under the heading of ‘Determination of Redemption Price’

Clause 11.3 of the Trust Deed is hereby deleted in its entirety and substituted with the following text:

“11.3 Determination of Redemption Price

11.3.1 During the period of Initial Offer, the Units shall not be redeemed.

11.3.2 After the expiry of the period of Initial Offer, the Redemption Price shall be equal to the Net Asset Value as of the close of the Business Day, less:

(a) any Back-end Load, as announced in the Offering Document; and

(b) such amount as the Management Company may consider an appropriate provision for Duties and Charges; and

(c) such amount as the Management Company may consider an appropriate provision for Transaction Costs;

such amount shall be adjusted upto four decimal places.

The Redemption Price shall be calculated on each Subscription Day.

11.3.3 The Redemption Price so determined shall apply to redemption requests complete in all respects made and received by the authorized personnel of the Authorized Transaction Location (ATL) or Management Company within the following cut off timings:—

<i>Day</i>	<i>Time</i>
<i>Monday to Friday</i>	<i>09:00 a.m. to 03:00 p.m.</i>

11.3.4 All forms received at the Authorized Transactions Locations (ALTs) within the cut off time mentioned in sub-clause 11.3.3 above, shall be acknowledged by appropriate date and time stamping mechanism. The Management Company shall forward all the redemption requests to the Trustee within twenty four hours of the receipt thereof.

11.3.5 In the event that the amount paid as provision for payment of Duties and Charges pursuant to sub-clause 11.3.2(b) above 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 in which case the excess will be recovered from the Trust Property after the payment has been made).

11.3.6 In the event that the amount paid as provision for payment of Duties and Charges pursuant to sub-clause 11.3.2(b) above exceeds the relevant amount of Duties and

Charges, the Trustee shall refund such excess amount to the relevant Holders with the next income distribution or as instructed by the Management Company..

11.3.7 The Redemption Price determined by the Management Company shall be made available to the public at the official website and branches of the Management Company and ATLS and at the discretion of the Management Company may also be published in any number of daily newspapers widely circulated in Pakistan and make available at its website.

11.3.8 The Management Company shall not flip any redemption requests which will be met in turns in accordance with the dated and timed acknowledgements.

11.3.9 The Management Company shall ensure that all redemption requests are paid based on their ranking in a queue.

11.3.10 The Management Company shall not net off or permit adjustment of any asset against investments of Unit Holder(s) in the Scheme,

11.3.11 The Management Company shall ensure that no entry and exit to the Scheme (including redemption and re-issuance 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 request, unless permitted otherwise by the Commission under the Regulations.”

4.18 Amendment of Clause 11.4 under the heading of ‘Allocation of Sales Load (Front end Load)’

Clause 11.4 of the Trust Deed is hereby deleted and substituted with the following:

“11.4 Allocation of Front End Load

11.4.1 The remuneration of Distributors for the sale of Units with Front-end Load shall be paid exclusively from any Front-end Load received by the Trustee and paid to the Management Company after the Trustee pays the Front-end Load to the Management Company for onward distribution to the Distributors and no charge shall be made against the Trust Property or the Distribution Account in this respect. The Trustee shall pay the remainder of any Front-end Load after such disbursement to the Management Company as additional remuneration for their management services for the Scheme. If the Front-end Load received by the Trustee is insufficient to pay the remuneration of the Distributors, the Management Company shall pay the amount necessary to pay in full such remuneration.

11.4.2 Such payments may be made to the Management Company by the Trustee on the instruction of the Management Company on any frequency as mutually agreed.

4.19 Amendment of Clause 12.6 under the heading of ‘Suspension of fresh issue of Units’

Clause 12.6 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

“12.6 Suspension of Fresh Issue of Units

12.6.1 The Management Company may at any time, subject to the Regulations, as may be modified from time to time and upon occurrence of circumstances mentioned in clause 12.2 suspend issuance of fresh Units.

12.6.2 The issuance & redemption of units may be suspended with the approval of the board of directors of the Management Company during extra-ordinary circumstances.

12.6.3 *Such suspension may however not affect existing Unit Holders for the issue of bonus Units as a result of profit distribution or the option to receive dividends in the form of additional Units. The Management Company shall announce the details of exemptions at the time a suspension of fresh issue is announced.*

12.6.4 *The Management Company shall immediately notify the Commission and the Trustee if fresh issuance of Units is suspended and shall also have the same published, immediately following such decision, in the two newspapers, one in Urdu and one in English widely circulated in Pakistan.*

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

4.20 Amendment of Clause 13.1 under the heading of 'Remuneration of the Management Company and its Agents'

Sub-clause 13.1.3 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

"13.1.3 The remuneration due to the Management Company and the Trustee shall be paid within seven days after the close of each month in arrears."

4.21 Amendment of the Clause 13.4 under the heading of 'Other Costs and Expenses to be Charged to and Borne by the Trust'

Clause 13.4 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

"13.4. Other costs and expenses to be charged to and borne by the Trust

13.4.1 The following fees and charges shall be payable from the Scheme:-

(a) remuneration of the Management Company;

(b) remuneration of Trustee or Custodian;

(c) listing fee payable to the Stock Exchanges, including renewals;

(d) charges and levies of Stock Exchanges, National Clearing 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) Formation Cost of the Scheme not exceeding one per cent of the pre-initial public offering capital in case of the Scheme or five million rupees whichever is lower;

(i) brokerage and Transaction Costs related to investing and disinvesting of the assets of the Scheme;

- (j) *expenses incurred by Trustee in affecting registration of all registerable assets in the name of the Trustee;*
- (k) *legal and related costs incurred in protecting the interests of the Unit Holders of the Scheme;*
- (l) *bank charges, borrowing and financial costs;*
- (m) *hedging costs including forward cover, forward purchase or option purchase costs;*
- (n) *printing costs and related expenses for issuing the quarterly, half-yearly and annual reports, etcetera of the Scheme;*
- (o) *taxes, fees, duties and other charges applicable to the Scheme on its income or its properties, including taxes, fees, duties and other charges levied by a foreign jurisdiction on investments made overseas; and*
- (p) *any other expense or charge as may be allowed by the Commission.*

Provided however, any costs associated with sales marketing and advertisement of the Scheme shall not be charged to the Scheme."

4.22 Amendment of the Clause 14 under the heading 'TRANSACTIONS WITH CONNECTED PERSONS'

Clause 14 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

"14. Transactions with Connected Persons

14.1 The Trust Property shall not be invested in any security of a company if any director or officer of the Management Company individually owns more than five percent of the total nominal amount of the securities issued or collectively own more than ten percent of those securities, except as may otherwise be permissible under the Regulations.

14.2 For the purposes of sub-clause 10.1 of this Trust Deed above, the term director, officer or employee shall include spouse, lineal ascendants and descendants, brothers and sisters.

14.3 The Management Company on behalf of the Scheme shall not without the approval of its Board of Directors in writing and with the consent of trustee purchase from or sell any securities to any Connected Person or employee of the Management Company.

Provided that, the above shall not apply to the issue sale or redemption of units or shares or certificates issued by the Scheme.

14.4 Cash forming part of the Trust Property of the Scheme may be placed as deposits by the Trustee with an institution licensed to accept deposits. In case cash forming part of the Scheme's assets is deposited with an institution, which is a banking company or an NBFC, return shall be paid on the deposit 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.

14.5 All transaction carried out by or on behalf of the Scheme with Connected Person(s) shall be made as provided in the Constitutive Documents, and shall be disclosed in the Scheme's annual reports."

4.23 Amendment of the Clause 15 under the heading of 'DISTRIBUTION POLICY, DETERMINATION OF DISTRIBUTABLE INCOME AND DATE OF DISTRIBUTION'

Clause 15 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

“15. Distribution Policy, Determination of Distributable Income and Date of Distribution

- 15.1 The Management Company shall distribute by way of dividend to the Unit Holders of the Scheme not less than ninety percent (90%) of its income received or derived from sources other than unrealized capital gains, as reduced by such expenses as are chargeable to the Scheme under the Regulations.*
- 15.2 The Management Company shall decide as soon as possible but not later than forty-five days after the Accounting Date whether to distribute among Unit Holders, profits, either in form of bonus Units or cash dividend, if any, available for the distribution at the end of the Accounting Period or such other interim period as decided by the Management Company, and shall advise the Trustee of the amount of such distribution per Unit.*
- 15.3 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 Trust Property during such Accounting Period including all amounts in respect of dividend, mark-up, profit, interest and fee, etc.;*
 - b) Net realized appreciation as set out in sub-clause 15.3 (a) of this Trust Deed, from which shall be deducted expenses as set out in sub-clause 15.4 of this Trust Deed, adjustment as set out in sub-clause 15.5 of this Trust Deed and such other adjustment as the Management Company may determine in consultation with the Auditors, subject to the Regulations, the provisions of the Income Tax -Ordinance and the rules there under.*
- 15.4 The proceeds of all receipts deemed by the Management Company to be in the nature of capital accruing from Investments shall not be regarded as available for distribution but shall be retained as part of the Trust Property, provided that such amounts out of the sale proceeds of the Investments and out of the sale proceeds of the bonus shares and all other receipts as deemed by the Management Company to be in the nature of the net realized appreciation may be distributable to the Unit Holders and shall thereafter cease to form part of the Trust Property once transferred to the Distribution Account.*
- 15.5 The income qualifying for distribution in respect of the relevant period shall be ascertained by deducting all such expenses and costs as mentioned in clause 13 above.*
- 15.6 The income qualifying for distribution in respect of the relevant period shall be adjusted as under;*
- a) addition of a sum representing amounts included in the price of Units for income accrued up to the date of issue and deduction of a sum representing all participation in income distributed upon redemption of Units during the relevant period;*
 - b) adjustment if considered necessary by the Management Company to reflect the diminution in value of Trust Property in consultation with the Trustee.*
 - c) deduction of a sum by way of adjustment to allow for effect of purchase of shares or any of the investment /dividend, interest, profit or mark-up;*
- 15.7 In case of cash distribution, the Management Company shall instruct the Trustee to transfer such amount of cash as required to effect such distribution to the Distribution Account. The amount standing to the credit of the Distribution Account shall not for any purposes of this Deed be treated as part of the Trust Property but shall be held by the Trustee upon trust to distribute the same as herein provided.*

- 15.8 *After the fixation of the amount of cash distribution per Unit, distribution payments shall be made within a period of 45 Days 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 or by dispatch of any banking instrument in the name of Unit Holder at his / her address as provided. The receipt of funds by such designated bankers or dispatch of instrument shall be a good discharge thereof.*
- 15.9 *Before making any distribution payment (such as bonus Units, cash dividend, etc.) 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 Holders the Certificate in respect of such deduction in the prescribed form or in a form approved by the concerned authorities.*
- 15.10 *The Management Company may offer the Unit Holder the option to receive new Units under re-investment option instead of cash dividend. The Unit Holders shall be entitled to change such option.*
- 15.11 *New Units under re-investment option shall be issued at the Net Assets Value of the effective date of distribution after appropriation of the distribution but without any charge of the Front-end Load.*
- 15.12 *In case of distribution in the form of bonus Units, the Management Company shall determine the amount available for distribution as bonus Units and inform the Trustee of the same.*
- 15.13 *After the fixation of the rate of bonus entitlement per Unit, the Management Company shall instruct the Registrar to credit the respective Unit Holders' accounts with the designated number of Units calculated on the basis of rate of distribution determined above against the number of Units held by them on the date of the closure of the Register.*
- 15.14 *The Management Company may offer the Unit Holder the option to encash such Units as may be entitled against distribution in form of bonus Units. The Unit Holders shall be entitled to change such option.*
- 15.15 *In case of encashment, the bonus Units will be redeemed on the first subscription day after distribution at the Net Assets Value of the effective date of distribution after appropriation of the distribution but without any charge of any Back-end Load.*
- 15.16 *Details of change of options will be given in the Offering Document."*

4.24 Amendment of Clause 20.1 under the heading of 'TRUST PROPERTY'

Clause 20.1 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

"20.1 The aggregate proceeds of all Units issued from time to time after deducting Duties and Charges and after deducting there from or providing there against any applicable Front-end Load payable to the Management Company or to the Distribution Companies and/ or Investment Facilitators on account of the Management Company, shall constitute part of the Trust Property and the Distribution Company shall remit such proceeds, the Front-end Load and the Duties and Charges to the Trustee in accordance with the instructions given by the Management Company from time to time.

4.25 Amendment of Clause 22 under the heading of 'UNITS'

Sub-Clause 22.1 of Clause 22 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

“22.1 Units shall be of par value of Rs. 50/- (Rupees fifty only). The Management Company may issue Units with Front-end Load at its discretion.

Sub-Clause 22.2.1 of Clause 22 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

*“22.2.1 **Class “A”** (Restricted/ Core Units) Units issued to the Core Investors with no Front-end Load. These Units cannot be redeemed for a period of two (2) years from the date of closure of First Offer. However such Units are transferable on the condition that the transferee(s) shall also not redeem the same before the expiry of the period of two year stated above.*

4.26 Amendment of Clause 28.9 under the heading of ‘REGISTER OF HOLDERS’

Clause 28.9 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

“28.9 The Register of Unit Holders shall be closed for the purpose of declaration of dividend and other corporate actions. In no case, the time period for closure of Register shall exceed (i) six (6) working days at a time and (ii) for more than forty five (45) days in a year. During the period, the Register is closed, the sale and redemption of Units, including transfer applications, shall remain suspended.”

4.27 Amendment of Clause 32.1 under the heading of ‘AUDIT’

Clause 32.1 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

“32.1 The Management Company shall at the establishment of the Trust and upon any vacancy appoint an auditor, with the consent of the Trustee, from the approved list of auditors circulated by the Commission, who shall be a chartered accountant and independent of the auditor of the Asset Management Company and the Trustee and such auditor shall not be appointed for more than five consecutive years and contents of the auditor’s report shall be in accordance with Schedule V of the Regulations.

Further, the Management Company may, at any time, remove the Auditors and appoint, with the consent of the Trustee, another chartered accountant as Auditors in its place.”

4.27 Amendment of Clause 36 under the heading of ‘DEFINITIONS’

(i) Clause 36.4 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

*36.4 **“Auditor”** means the auditors of the Trust appointed by the Management Company as per the Rules and Regulations and with the consent of Trustee who shall be independent of the auditor of the Management Company and the auditor of the Trustee, as provided under the Rules and Regulations.*

(ii) Clause 36.6 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

- 36.6 **“Authorized Investments”** means investments transacted, issued, traded or listed inside and/or outside Pakistan as mentioned in clause 10.1B.
- (iii) After Clause 36.6 of the Trust Deed, a new sub-clause 36.6A be and is hereby added as follows:
- 36.6A **“Back end Load”** means charges, not exceeding five percent of the Net Assets Value, payable as specified under clause 11.3.2, deducted by the Management Company from the Net Asset Value in determining the Redemption Price. Back-end load shall form part of Trust Property.
- (iv) Clause 36.15 of the Trust Deed is hereby deleted in its entirety and substituted with the following:
- 36.15 **“Contingent Load or Deferred Sales Load”** means processing charges deductible from the Net Asset Value of the Unit to determine the Redemption Price in case of redemption of Units within a certain period of time or at a decreasing rate for every period the Units are held and shall be charged to unit holders in instances where no front-end load is charged. Such charges shall not exceed five percent (5%) of the Net Asset Value and shall be determined by the Management Company from time to time and disclosed in the Offering Document. Any such charges shall be payable to the Management Company and/or its Distributors, as the case may be.”
- (v) Clause 36.16 of the Trust Deed is hereby deleted in its entirety and substituted with the following:
- 36.16 **“Constitutive Documents”** means Trust Deed, Offering Document and other principal documents governing the formation of the Scheme, including all related material agreements.
- (vi) After Clause 36.19 of the Trust Deed, a new sub-clause 36.19A be and is hereby added as follows:
- 36.19A **“Cut off Timings”** mean the commencement and closure of business hours of the Management Company for the purpose of acceptance of applications for purchase and redemption of Units of the Scheme.
- (vii) After Clause 36.23 of the Trust Deed, a new Clause 36.23A be and is hereby added as follows:
- 36.23A **“Force Majeure”** means any occurrence or circumstance or element which delays or prevents performance of any of the terms and conditions of this Deed or any obligations of the Management Company or the Trustee and shall include but be no limited to any circumstance or element that cannot be reasonably controlled, predicted, avoided or overcome by any Party and which occurs after the execution of this Agreement and makes the performance of the Agreement in whole or in part impossible or impracticable or delays the performance, including but not limited to any situation where performance is impossible without unreasonable expenditure. Such circumstances include but are not limited to floods, fires, droughts, typhoons, earthquakes and other acts of God and other unavoidable or unpredictable elements beyond reasonable control, such as war (declared or undeclared), insurrection, civil war, acts of terrorism, accidents, strikes, riots, turmoil, civil commotion, any act or omission of a governmental authority, failure of communication system, hacking of computer system and transmissions by unscrupulous persons, closure of stock exchanges, banks or financial institutions, freezing of economic activities and other macro-economic factors, etc.

(viii) After Clause 36.43 of the Trust Deed, a new Clause 36.43A be and is hereby added as follows:

36.43A **"Regulations"** means *Non-Banking Finance Companies and Notified Entities Regulations, 2008, as amended or substituted from time to time*

(ix) Clause 36.47 of the Trust Deed is hereby deleted in its entirety.

(x) Clause 36.57 of the Trust Deed is hereby deleted in its entirety and substituted with the following:

36.57 **"Trust Property"** means *the aggregate proceeds of the sale of all Units during the Initial Period at par and subsequently at the Offer Price after deducting there from or providing there against any applicable front-end load and duties and charges and transaction costs and any other expenses chargeable to the Fund and adding thereto any applicable back-end load recovered in the Redemption Price; and includes the investment and all income, profit and other benefits arising there from and all cash, bank balances and other assets 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 Holders pursuant to this Deed and any back-end load payable but does not include any amount available for distribution in the Distribution Account."*

5. Miscellaneous

5.1 All other terms and conditions of the Trust Deed, not specifically amended in terms of this Second Supplemental Trust Deed shall remain unaffected and shall continue to bind the Parties hereto.

5.2 This Second Supplemental Trust Deed forms an integral part of the Trust Deed and therefore subject to the modifications contained in this Second Supplemental Trust Deed, the terms and conditions of the Trust Deed shall continue to subsist and be as effective as before the execution of these presents and shall bind all parties to this instrument as if the provisions of the Trust Deed were set forth in this Second Supplemental Trust Deed.

5.3 This Second Supplemental Trust Deed shall be governed by the laws of Pakistan.

IN WITNESS WHEREOF the parties hereto have executed this Second Supplemental Trust Deed on the day and year first above written.

FOR AND ON BEHALF OF
IGI FUNDS LIMITED

Signature:

Name: Maheen Rehman

CNIC: 42301-3079259-6

FOR AND ON BEHALF OF
PAK OMAN ASSET MANAGEMENT COMPANY LIMITED

Signature:

Name:

CNIC:

FOR AND ON BEHALF OF
CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

(1) Signature:

Name: Abdul Samad

CNIC: 42101-1818807-7

(2) Signature:

Name: Abdul Samad

CNIC: 42101-1818807-7

WITNESSES:

(1)

Name:

CNIC:

(2)

Name:

CNIC: