

## **SECOND SUPPLEMENTAL TRUST DEED**

This Second Supplemental Trust Deed is made at Karachi, this \_\_\_\_\_ day of October 2007.

Among

Atlas Asset Management Limited, a company incorporated under the Companies Ordinance, 1984, with its Registered office at Ground Floor, Federation House, Shabrae Firdousi, Clifton, Karachi 75600, (hereinafter called "the Management Company", which expression, where the context so permits shall include its successors-in-interest and assigns) of the one part;

And

Central Depository Company of Pakistan Limited (CDC), an unlisted public 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 and registered to act as central depository company under Rule 4(3) of the Central Depository Companies (Establishment & Regulation) Rules, 1996, (hereinafter called "CDC", which expression where the context so permits, shall include its successors in interest and assigns) of the other part.

Whereas, the "Management Company" and Muslim Commercial Financial Services (Pvt.) Limited (MCFSL) (in its capacity as the Trustee) executed a Trust Deed dated February 20, 2003 to constitute Atlas Income Fund, which Trust Deed was registered with the Sub-Registrar "T" Division II-B Karachi, under Registered No.84 of Book No. IV, M.F Roll No. U 10009/1101 dated 25/02/2003 of Photo Registrar, Karachi.

MCFSL decided to voluntary resign as Trustee and CDC consented to be appointed as Trustee to Atlas Income Fund, and the retirement of MCFSL and appointment of CDC was executed vide the Deed of Change of Trustee and First Supplemental Trust Deed dated June 11, 2005, which was registered with the Sub-Registrar "T" Division I- F, Karachi, under Registered No. 302 of Book No. IV MF Roll No. U 60327/2605 dated 21/6/05 of Photo Registrar, Karachi.

And whereas the Securities and Exchange Commission of Pakistan (SECP) had approved retirement of MCFSL and appointment of CDC as trustee of Unit Trust vide its letters No. NBFC-II/JD-II/AIF/308 dated April 20, 2005 and No. NBFC-II/JD-II/MCFSL/348 dated

May 5, 2005 and the amendments contained in the First Supplemental Trust Deed vide letter nos. NBFC-II/JD (R) /Atlas–AIF/697/2004 dated August 12, 2004, NBFC-II/JD(R)/Atlas-AIF/864/2004 dated October 15, 2004, NBFC- II/JD(R)/Atlas/233 dated March 22, 2004 and NBFC-II/JD/AIF/397 dated May 27, 2005.

The Management Company and the Trustee have agreed to amend certain clauses of the Trust Deed as authorized under Clause 33.3 of the Trust Deed dated February 20, 2003.

The Securities and Exchange Commission of Pakistan (SECP) has approved the amendments to the Trust Deed vide letter No. NBFC-II/AD/AIF/712/2007 dated September 27, 2007.

Now this Second Supplemental Trust Deed witnesseth as under:

**(1) Addition of Definition 1.16A:**

A new definition of “Collection Account” is included after the definition of “Certificate”.

For the sake of clarity, it is stated that after the proposed addition, Definitions would include 1.16A as:

“Collection Account(s)” means such temporary bank account(s), being maintained by the Trustee, where the amount received for investment through Administrative Plans are deposited prior to the amount being transferred to the respective Funds accounts in proportion to the Units being allocated in both and the accounts where the redemption proceeds from the funds are transferred prior to the payment of the redemption proceeds to the Unit Holders.

**(2) Addition of Clause 13.2(A):**

A new Clause of Units is added as 13.2 (A).

For the sake of clarity, it is stated that after the proposed addition, 13- Units would include Clause 13.2 (A) as under:

“The Management Company may issue any of the following classes of Units:

(1) Class “A” Units that shall be charged with No Sales Load and shall include any Units issued as a result of re-investment of distributable income or any Units issued as Bonus Units pursuant to this Deed and the Offering Document and shall also include the Units that have been subscribed by the Core Investors, subject to the condition that these cannot be redeemed before the lapse of two years from the date of issue.”

(2) Class “B” Units that shall be charged with Front-end Load as mentioned in the Offering Document but not exceeding the maximum amount mentioned in the Rules and can be redeemed any time as provided in the Trust Deed and Offering Document. No Back-end Load is applicable on these Units.

(3) Class “C” Units that shall be issued for specific allocation schemes/ investment plans which have a defined time frame/period and these Units shall have a Front-end Load and a Back-end Load if redeemed before the period of maturity, as mentioned in the Offering Document but not exceeding the maximum amount mentioned in the Rules. No Back-end Load will be applicable after maturity.

(4) Class “D” Units that shall be issued to such investors as mentioned in the Offering Document wherein the investors shall have the option to receive distribution income in the form of cash or stock dividend. Other than this option, these Units shall have the same structure as Class “B” Units.

**(3) Amendment of Clause 14.3:**

In Clause 14.3, after the words “A/c Payee only”, the following text may be added:

“or through payments via credit cards, debit cards, auto debit instructions (as and when introduced by the Management Company, with proper notification to the Unit Holders)”

After the words, “payment in cash will not be accepted”, the following text may be added:

“No person other than the Authorized Branches of the Management Company or officers of any Distribution Company is authorized to accept the application for issuance of Units”.

After the word “The” the following text may be added:

“Authorized Branches of the Management Company or the”

After the word “Distribution Company” the following text may be added:

“as the case may be”

After the word “for issue of Units is” the following text may be deleted:

“verified by a banker or Broker or other responsible person or otherwise”

For the sake of clarity, it is stated that after the said amendment, Clause 14.3 is read as under:

#### Amended Clause 14.3

“Application for issuance of Units shall be made by completing the prescribed application form and submitting it with the payment by cheque or pay order or bank draft, crossed “A/C Payee only” or through payments via credit cards, debit cards, auto debit instructions (as and when introduced by the Management Company, with proper notification to the Unit Holders), or in such form (other than through cash or any bearer instruments) as is prescribed by the Management Company, in favour of the Trustee at the Authorized Branch or office of any Distribution Company on any Subscription Day. Payment in cash will not be accepted. No person other than the Authorized Branches of the Management Company or offices of any Distribution Company is authorized to accept the application for issuance of Units. The Authorized Branches of the Management Company or the Distribution Company as the case may be shall verify the particulars given in the application for issue of Units and the documents submitted therewith and ensure that signature of any Holder or joint Holder to any document required to be signed by him under or in connection with the application for issue of Units is authenticated to its or their reasonable satisfaction”.

#### **(4) Addition of Clause 14.4(a):**

In Clause 14.4, the following text may be added as a new clause 14.4 (a):

“The Management Company may market the Fund/ any Administrative Plan in conjunction with group life or other insurance schemes or any other scheme subject to approval of the Commission. These supplementary schemes would not be compulsory for all the Unit Holders to join and the Trustee would be authorized to deduct the premiums only from the payment amounts of those Unit Holders who have opted to join such schemes. The details of such arrangements shall be provided through a Supplementary Offering Document. The Front-end Load shall be deducted from the amount received after the deduction of the premium amount and only then the Units shall be issued. The Trustee would, on the instructions of the Management Company, directly deposit the deducted premium with the relevant company. Only the net amount received for issuance of Units after deduction of the premium and Sales Load would form part of the Deposited Property. The Holder may also provide the premium amount in addition to the payment through a separate cheque in favour of the life insurance or other insurance company.”

For the sake of clarity, it is stated that after the said amendment, Clause 14.4 (a) is read as under:

The Management Company may market the Fund/ any Administrative Plan in conjunction with group life or other insurance schemes or any other scheme subject to approval of the Commission. These supplementary schemes would not be compulsory for all the Unit

Holders to join and the Trustee would be authorized to deduct the premiums only from the payment amounts of those Unit Holders who have opted to join such schemes. The Front-end Load shall be deducted from the amount received after the deduction of the premium amount and only then the Units shall be issued. The Trustee would, on the instructions of the Management Company, directly deposit the deducted premium with the relevant company. Only the net amount received for issuance of Units after deduction of the premium and Sales Load would form part of the Deposited Property. The Holder may also provide the premium amount in addition to the payment through a separate cheque in favour of the life insurance or other insurance company.

**(5) Amendment of Clause 14.6:**

In Clause 14.6, after the word “electronic”, the following text may be added:

“IVR (Interactive Voice Response)”

In Clause 14.6, after the words “or other means”, the following text may be added:

“which shall be notified to the Unit Holders as and when introduced by the Management Company.”

For the sake of clarity, it is stated that after the said amendment, Clause 14.6 is read as under:

“The Management Company may make arrangements to accept issue requests through electronic, IVR (Interactive Voice Response) or other means which shall be notified to the Unit Holders as and when introduced by the Management Company.”

**(6) Addition of Clause 14.7:**

A new clause of Issue of Units is added as 14.7.

For the sake of clarity, it is stated that after the proposed addition, 14-Issue of Units would include Clause 14.7 as under:

“The Transfer Agent shall process sale and redemption applications as well as conversion/switching and transfer applications in accordance with the relevant Offering Documents or Supplementary Offering Documents. In addition, the Transfer Agent shall also process the automated conversion/switching between Funds as per the terms of the relevant Supplementary Documents. Based on the prices applicable to the relevant sale or redemption, the Transfer Agent shall determine the number of Units to be issued. The payments for such conversion/switching issuance requests shall be directly receivable by the Trustee of the Fund from the trustee of another fund being managed by the Management Company against redemption of that fund’s units”.

**(7) Addition of Clause 14.8:**

A new clause of Issue of Units is added as 14.8.

For the sake of clarity, it is stated that after the proposed addition, 14- Issue of Units would include Clause 14.8 as under:

“The Management Company may also request the Trustee to open bank accounts at different branches of banks to facilitate the issue of Units. A request for issue of Units may be accepted through the ATM facility only when the relevant bank branches have been authorized to accept Unit Holders’ request to purchase the Units of the Trust”.

**(8) Amendment of Clause 15.2:**

In clause 15.2, after the words “as of the close of the”, the words “immediate preceding” shall be deleted.

After the words “during the business hours on”, the words “the following day/week” shall be deleted and be replaced by the following text:

“that date”

For the sake of clarity, it is stated that after the said amendment, Clause 15.2 is read as under:

**Amended Clause 15.2:**

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

- (a) The Net Asset Value as of the close of the Business Day;
- (b) Any Front-end Load; and
- (c) Such amount as the Management Company may consider an appropriate provision for Duties and Charges;

The Offer Price so determined shall apply to purchase requests, complete in all respects, received by the Distributor during the business hours on that date.

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 and as provided in the Offering Document or the Supplementary Offering Document. Consequently, the Offer Price may differ for Units issued under differing administrative arrangements and for different investors.

Such sums shall be adjusted upwards to the nearest two decimal places.

**(9) Deletion of Clause 15.6:**

As a consequence of amendments made in Clause 15.2, the Clause 15.6 is redundant and therefore stands deleted.

**(10) Amendment of Clause 17.2:**

In Clause 17.2, after the word “electronic”, the following text may be added:

“IVR (Interactive Voice Response)”

In Clause 17.2, after the words “or other means”, the following text may be added:

“which shall be notified to the Unit Holders as and when introduced by the Management Company.”

In Clause 17.2, after the words “however a Certificate may be”, the text “split” may be deleted and replaced with “surrendered and a new certificate will be issued with revised number of Units”:

For the sake of clarity, it is stated that after the said amendment, Clause 17.2 is read as under:

“Application for redemption of Units shall be made by completing the prescribed redemption form and submitting it at the Authorized Branch or Office of the Distribution Company or Transfer Agent together with the Unit Certificate, if issued, during any Subscription Day. The Management Company may make arrangements to accept redemption requests through electronic, IVR (Interactive Voice Response) or other means which shall be notified to the Unit Holders as and when introduced by the Management Company. No person shall be entitled to redeem only part of the Units comprised in a Certificate, however a Certificate may be surrendered and a new certificate will be issued with revised number of Units for this purpose and in case where Certificate is not issued

any number of Units may be redeemed by the Holder thereof. In case of Joint Applicants, any Holder may sign the redemption form if so authorized by all Joint Holders”.

**(11) Amendment of Clause 17.5:**

In clause 17.5, after the words “redemption form”, the following text may be added:

“in electronic or otherwise means as may be acceptable to the Management Company”.

After the words “Transfer Agent”, the following text may be added:

“The Management Company may make arrangements for making redemption payments by transferring the redemption proceeds to the Holder’s designated bankers or as otherwise requested by the Holder for other mode of payments. The details of such arrangements shall be notified to the Unit Holders by the Management Company from time to time on its website.”

For the sake of clarity, it is stated that after the said amendment, Clause 17.5 is read as under:

**Amended Clause 17.5:**

“The amount payable on redemption shall be paid to the Holder or first named joint Holder, by transfer to the Holder’s designated bankers or a crossed cheque for the amount will be dispatched to the registered address of the Holder, within six Business Days from the date of presentation of the duly completed application for redemption form, in electronic or otherwise means as may be acceptable to the Management Company, at the Authorized Branch or office of the Distribution Company or Transfer Agent. The Management Company may make arrangements for making redemption payments by transferring the redemption proceeds to the Holder’s designated bankers or as otherwise requested by the Holder for other mode of payments. The details of such arrangements shall be notified to the Unit Holders by the Management Company from time to time on its website.”

**(12) Amendment of Clause 17.8:**

In clause 17.8, after the words “application for redemption of Units may be”, the following text may be added:

“if required”

and the following text may be deleted:

“by a banker or broker or other responsible person or”

In clause 17.8, after the words “reasonable satisfaction”, the following text may be added:

“in case of submission of electronic online redemptions or redemptions through ATMs or debit cards, the Holder’s user ID and password will authenticate the Holder’s identity”.

For the sake of clarity, it is stated that after the said amendment, Clause 17.8 is read as under:

**Amended Clause 17.8:**

“The Distribution Company or Transfer Agent shall verify the particulars given in the application for redemption of Units and documents submitted therewith. The signature of any Holder or joint Holder to any document required to be signed by him under or in connection with the application for redemption of Units may be if required otherwise authenticated to their reasonable satisfaction. In case of submission of electronic online redemptions or redemptions through ATMs or debit cards, the Holder’s user ID and password will authenticate the Holder’s identity”.

**(13) Addition of Clause 17.11:**

A new clause of Redemption of Units is added as 17.11.

For the sake of clarity, it is stated that after the proposed addition, 17-Redemption of Units would include Clause 17.11 as under:

“The Management Company may also request the Trustee to open bank accounts at different branches of banks to facilitate the redemption of Units. A request for redemption of Units may be accepted through the ATM facility only when the relevant bank branches have been authorized to accept Unit Holder’s request to redeem the Units of the Trust”.

**(14) Addition of Clause 17.12:**

A new clause of Redemption of Units is added as 17.12.

For the sake of clarity, it is stated that after the proposed addition, 17-Redemption of Units would include Clause 17.12 as under:

“The Transfer Agent shall process sale and redemption applications as well as conversion/switching and transfer applications in accordance with the relevant Offering Documents. In addition, the Transfer Agent shall also process the automated conversion/switching between Funds as per the terms of the relevant Supplementary Documents. Based on the prices applicable to the relevant sale or redemption, the Transfer Agent shall determine the number of Units to be redeemed. The payments for such conversion/switching redemption requests shall be directly payable by the Trustee of the Fund to the trustee of another fund being managed by the Management Company”.

**(15) Amendment of Clause 18.2:**

In Clause 18.2, after the words “during the business hours on”, the words “the following day/week” shall be deleted and be replaced by the words “that date”.

For the sake of clarity, it is stated that after the said amendment, Clause 18.2 is read as under:

**Amended Clause 18.2:**

“After the Initial Period 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;
- (b) Any Zakat/taxes imposed by the Government ; and
- (c) Such amount as the Management Company may consider an appropriate provision for Duties and Charges;

Such sum shall be adjusted downwards to the nearest two decimal places.

The Redemption Price so determined shall apply to redemption requests, complete in all respects, received by the Distributor during the business hours on that date.

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

**(16) Deletion of Clause 18.6:**

As a consequence of amendments made in Clause 18.2, the Clause 18.6 is redundant and therefore stands deleted.

**(17) Addition of Part 23 A:**

A new part of Conversion of Units should be added as Part 23 A.

For the sake of clarity, it is stated that after the said amendment, Part 23 A would include as follows:

- (i) A Unit Holder may convert the Units held by him in the Fund into the units of any other schemes being offered by the Management Company and vice versa, subject to such terms and conditions as set forth by the Management Company.
- (ii) In such an event, the Unit Holder shall submit the relevant conversion of units form for the redemption of the Units from the Fund and purchasing of units in another fund or vice versa. Such conversions shall be at the NAV of the respective Fund(s)/ Unit Trust Scheme(s) plus a processing charge not exceeding one half of one percent. The Management Company at its discretion charge reduced or no processing charge for such conversions.
- (iii) On receiving such form, the Management Company shall advise the Trustee of the conversion of Units between respective unit trusts. On receiving such instructions from the Management Company, the Trustee shall transfer the appropriate amounts from one Unit Trust to the other Unit Trust under the same Trustee or the trustee of the other unit trust as the case may be. Such transfers may be in the form of exchange of the payment cheques, or such amounts would be directly debited from the bank account of the Fund and credited to the bank account of the other fund or vice versa.

**(18) Addition of Clause 30.7:**

A new clause of Part 30 - Distribution of Income is added as 30.7

For the sake of clarity, it is stated that after the said amendment, 30- Distribution of Income would include Clause 30.7 as follows:

“The Management Company may offer the Holder(s) of Class D Units the option to receive distributable income in the form of cash or stock dividend.”

**(19) Addition of Part 30 A as Administration Plans:**

A new section of Administration Plans is added as Part 30 A.

For the sake of clarity, it is stated that after the proposed addition, Part 30 A- Administration Plans shall be as under:

- i. In addition to this Unit Trust, the Management Company has also established another unit trust scheme and may in future establish other schemes with different investment objectives. These schemes shall have the same Trustee.
- ii. The Management Company may offer different Administration Plans, where such Plans allow investors a focused investment strategy in any one or a combination of unit trust schemes, managed by the Management Company.
- iii. To facilitate investment in each of the Administration Plan, the Trustee shall open a Bank Account titled-“CDC-Trustees Atlas Funds” at its main bank and may open additional accounts at such branches of banks and at such locations (including outside Pakistan, subject to applicable regulations and after obtaining all necessary approvals from the relevant regulatory authority in Pakistan) as is required by the Management Company from time to time. The main account and the branch accounts, hereinafter referred to as Collection Accounts shall be used as temporary allocation accounts where collections (i.e. investments in the Administrative Plans) shall be held prior to their being allocated and being transferred in the respective units trusts and as temporary



disbursement accounts for receiving the redemption proceeds from the respective unit trusts for onward payment to investors at redemptions.

- iv. The Management Company shall advise the Trustee of the allocation of the funds between the respective unit trusts on a daily basis. On its instructions, the Trustee shall transfer the amount to the respective bank accounts of the unit trust schemes on a daily basis.
- v. The Management Company may also require the Trustee to open separate accounts for temporary parking of redemption funds. On receiving the requests for redemption from investors of various Administration Plans or on maturity of these Plans, as the case may be, the Management Company will require each unit trust schemes to pay to these accounts, the amount representing their liability for redemption. The Trustee on the instructions of the Management Company will pay to the investors of the Administration Plan from these accounts.
- vi. Notwithstanding any thing in this Deed the beneficial ownership of the balances in the Accounts vests in respective unit trusts.
- vii. The Banking and other arrangement for each Administration Plan will be subject to an agreement among the Management Company and trustee of all unit trust schemes covered under the plan.

The rest of the contents of the Trust Deed remain unchanged and the Trust Deed shall continue to remain in full force and effect, amended as above.

In witness whereof, this Second Supplemental Trust Deed has been executed on the day and year first above written.

The Common Seal of Atlas Asset Management Limited was hereunto affixed in the presence of:

Seal	Name Designation	Name Designation
------	---------------------	---------------------

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

Seal	Name Designation	Name Designation
------	---------------------	---------------------

Witnesses:	Name CNIC	Name CNIC
------------	--------------	--------------