

SECOND SUPPLEMENTAL TRUST DEED

This Second Supplemental Trust Deed is made and entered into at Karachi, on this ____ day of _____, 2006 by and between:

Atlas Asset Management Limited, a company incorporated under the Companies Ordinance, 1984 with its Registered Office at Ground Floor, Federation House, Shabrae Firdousi, 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, a company incorporated under the Companies Ordinance, 1984 and registered with the Securities and Exchange Commission of Pakistan (SECP) as a central depository company, with its registered office and place of business 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 Other Part.

Whereas, the "Management Company" and the "Trustee" have entered into an agreement vide Trust Deed dated May 29, 2004 to constitute Atlas Stock Market Fund.

The "Management Company" and the "Trustee" executed a Trust Deed dated May 29, 2004 to constitute Atlas Stock Market Fund, which Trust Deed was registered with the Sub-Registrar "T" Division I-B Karachi, under Registered No. 354 of Book No. XV, M.F. Roll No. U 39150/1880 dated 21/06/2004 of Photo Registrar, Karachi.

Whereas the Trust Deed dated May 29, 2004 was amended by mutual consent of both the Management Company and the Trustee vide First Supplemental Trust Deed dated June 21, 2005, which was registered with the Sub-Registrar "T" Division I- F, Karachi, under Registered No. 301 of Book No. IV, MF Roll No. U – 60326/2665 dated June 21, 2005.

And whereas the Securities and Exchange Commission of Pakistan (SECP) had approved the amendments contained in the First Supplemental Trust Deed vide letter numbers NBFC-II/JD (R) /Atlas – ASMF/698/2004 dated August 12, 2004, and NBFC-II/JD/ASMF/398 dated May 27, 2005.

The Management Company and the Trustee have agreed to amend certain clauses of the Trust Deed as authorized under Clause 32 (i) of the Trust Deed dated May 29, 2004.

The Securities and Exchange Commission of Pakistan (SECP) has approved the amendments to the Trust Deed vide letter no. NBFC – II/JD – II/ASMF/449/2006 dated July 5, 2006, in response to the application made by the Management Company through letter no. AAML/05-06/Co.Sec./183/4892 dated May 31, 2006, appended hereto as Annexures "A1" and "A2" respectively.

Now this Second Supplemental Trust Deed witnesseth as under:

(1) Amendment of Definition 3(vii) – Authorized Investments:

In definition 3(vii) relating to Authorized Investments, the following paragraph is added as a new sub-clause 3(vii)(i):

“Investments outside Pakistan, including international listed equities, international profit bearing securities, international money markets, foreign currency bank deposits and certificates of investments, and mutual funds, subject to such conditions imposed by SECP, State Bank of Pakistan and Government of Pakistan.”

(2) Addition of Clause 9A:

After Clause 9 - Investment of Deposited Property, the following paragraphs are added as a new clause 9A:

1. Subject to the approval of the State Bank of Pakistan and endorsement thereof by the Securities and Exchange Commission of Pakistan to be notified to the Unit holders and the general public separately, Investments outside Pakistan (Foreign Investment) may be made by ASMF, to avail opportunities for higher returns in undervalued markets, as well as to diversify risk. Such foreign investment will be subjected to the limits imposed by the SBP and SECP from time to time, which presently are as follows:
 - a) 30% of the Net Assets of the Fund
 - b) The above percentage is subject to a cap of US\$ 15 million.
2. The above investment limits will be applicable at the time the Investment is made, and appreciation or depreciation of the investment at any time, merely due to foreign exchange parities, will not make it necessary for the Trustee to sell any Investment.
3. In case, due to the relative movement of the value of foreign investment and/or the change in the limit, the value of Foreign Investment exceeds the above limit, the Management Company will have a time frame of three months to bring the ASMF into compliance.
4. Fund Property can be invested in Foreign Investments including the following:
 - a) International listed equities;
 - b) International profit-bearing securities;
 - c) International money markets;
 - d) Foreign currency bank deposits and certificates of investments; and
 - e) Mutual funds.
5. While investing outside Pakistan, the Management Company shall acquire the assistance and services of its technical partner for direct investments in securities in countries where the technical partner has direct exposure, for selecting Investments and executing the purchase/sell transactions until the time it has built in-house capacity to manage international investments and provided evidence of the same to the Trustee. The Management Company may also acquire the services of other reputable international fund manager(s) through a technical assistance or a technical service agreement for performing the same functions if the Management Company feels that they offer better services for the Fund. The countries for investment shall initially be selected through the technical partner's assistance and expertise, with focus on those countries where technical partner's presence is well established.
6. The Management Company may build up its capacity, with the technical partner's assistance and support to manage investments in a limited number of countries/markets and may start to manage investments directly in those countries / markets after providing evidence of the capacity to the Trustee, whilst using the above means to manage investments in other countries/markets. The fees directly charged by the international fund manager(s) on investments outside Pakistan will be the responsibility of the Management Company and any fees paid out of Deposited Property of the Fund will be netted-off from the fees paid to the Management Company.
7. While investing internationally, the Deposited Property will not be placed in any investment that has the effect of leveraging the Fund and if any such instrument/security is used, it must be supported by investment in spot or money market such that the effect of leverage is cancelled out.
8. Associated companies and companies in parent-subsidary relationship shall be treated as group companies, even if registered/listed in different countries and any prescribed limit on group exposure shall apply to such companies.
9. Direct investments of the Fund in debt securities will only take place in 'investment grade' securities and 'sovereign risk' securities. Only up to 50% of the allowed limit of international investments shall

be placed in sovereign risk securities of countries outside Pakistan and only up to 20% of the allowed limit of international investments in sovereign risk securities of any one country with the sovereign risk portion, if fully invested, divided among five different countries. The above limit will be applicable only to direct investments by the Fund.

10. Not more than 50% of the allowable limit of international investment will be placed in any one country.
11. The valuation of Investments Outside Pakistan shall be carried-out one hour before the close of the Business Day in Pakistan according to the price of securities at or around that time or, if the price is not available, at the latest closing price of securities at the end of the last business day in the country in which the securities are quoted.
12. All amounts in foreign currencies will be converted into Pakistani Rupees based on the quotations by the National Bank of Pakistan or the Authorized Dealer(s). The conversion will take place at the buy rates.

(3) Amendment of Clause 16 (ii):

Under Clause 16(ii)(a), after the words “the close of the”, the word “preceding” shall stand deleted.

For the sake of clarity, it is stated that after the said amendment, Clause 16 (ii) is read as under:

Amended Clause 16(ii):

“The Offer Price shall be equal to the sum of and adjusted upwards to the nearest Paisa.

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

(4) Amendment of Clause 16(iii):

The words “following day” appearing at the end of the clause shall be substituted by the words “that date.”

For the sake of clarity, it is stated that after the said amendment, Clause 16 (iii) shall read as under:

“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.”

(5) Deletion of Clause 16(iv):

As a consequence of the amendments made in Clause 16(ii) and 16(iii), clause 16(iv) is redundant and stands deleted.

(6) Amendment of Clause 19(ii):

Under Clause 19(ii), after the words “...close of the”, the word “preceding” shall be deleted.

For the sake of clarity, the revised Clause 19(ii) shall read as follows:

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

- a) Any Back-end Load;
- b) Any taxes imposed by the Government;
- c) Such amount as the Management Company may consider an appropriate provision for Duties and Charges;
- d) Such amount as the Management Company may consider an appropriate provision for Transaction Costs;
- e) Such sum shall be adjusted downwards to the nearest Paisa.”

