

**FIRST SUPPLEMENTAL TRUST DEED**

**OF**

**ABL ISLAMIC CASH FUND**

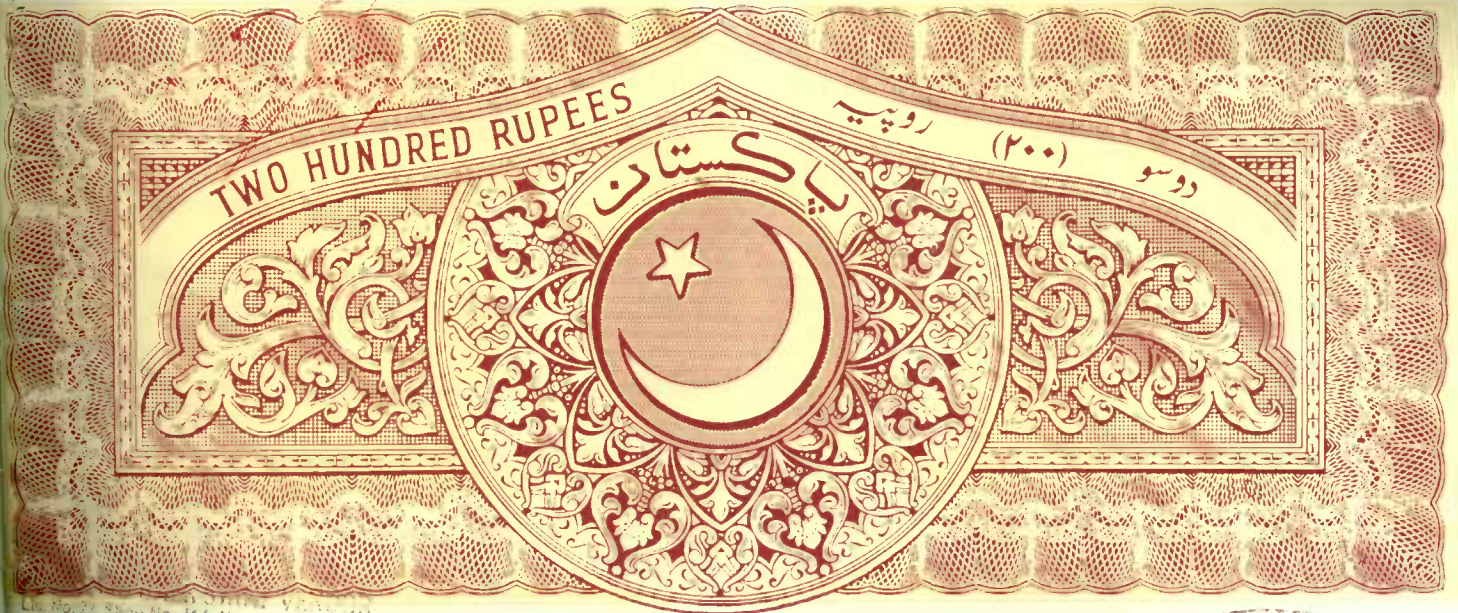
*Dated: July 29, 2011*

**BY AND BETWEEN**

**ABL ASSET MANAGEMENT COMPANY LIMITED**

**AND**

**CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED**



Lit. No. 22, Shop No. 114, New Ruby Centre  
Taipur Road, Doukon Market, Karachi

S.No. 19589 Date: 27 JUL 2011

Issued to with Address: ABL Asset Management

R. No. 328



Sub-Registrar  
Jamshed Town, Karachi

**FIRST SUPPLEMENTAL  
TRUST DEED OF ABL ISLAMIC CASH FUND**

THIS FIRST SUPPLEMENTAL TRUST DEED is made and entered into at Karachi, on this 29<sup>th</sup> day of July, 2011; by and between:

**I. ABL Asset Management Company Limited**, a non-banking finance company constituted pursuant to the provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (hereinafter referred to as the "Rules"), having its registered office at 11-B, Lalazar M. T. Khan Road, Karachi (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

**II. Central Depository Company of Pakistan Limited**, a company, incorporated under the Companies Ordinance, 1984 and registered as a central depository company under Rule 4 of the Central Depository Companies (Establishment & Regulation) Rules, 1996, having its registered office at CDC House, 99-B, Block B, SMCHS, Main Shakra-e-Faisal, Karachi (hereinafter called the "**Trustee**", which expression where the context so permits, shall include its successors in interest and assigns) of the Other Part

**WHEREAS:**

- (1) The Management Company and the Trustee executed a Trust Deed dated 23<sup>rd</sup> day of June, 2010 to constitute **ABL Islamic Cash Fund**, which Trust Deed was registered with the Sub-Registrar-I, Jamshed Town, Karachi, under Registered No.173 of Book No. IV dated 23-06-2010 and M.F. Roll No.U39956/6537 dated 02-07-2010 ("the Trust Deed").
- (2) The Management Company and the Trustee have agreed to amend certain Clauses of the Trust Deed in compliance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("Regulations") and the Notifications and Circulars issued by the Securities & Exchange Commission of Pakistan (the "Commission").
- (3) The Commission has approved the amendments to the Trust Deed, vide its letter No. NBFC/RS/JD-VS/ABLICF/338/2011 dated July 25, 2011, and the Shariah Advisor approved the amendments vide its letter dated July 17, 2011.

*[Handwritten signatures]*

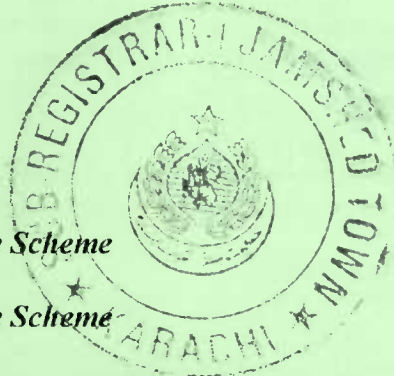
NOW THEREFORE THIS FIRST SUPPLEMENTAL TRUST DEED OF ABL ISLAMIC CASH FUND, WITNESSETH AS FOLLOWS:—

**Amendment in Clause No.1**

**Name of the Scheme**  
**ABL Islamic Income Fund**

**Shariah Compliant (Islamic) Income Scheme**

**Shariah Compliant (Islamic) Income Scheme**



R. No. 328  
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Jamshed Town, Karachi

In the entire Trust Deed, wherever the term "**ABL Islamic Cash Fund (ABL-ICF)**" appears, the same shall mean "**ABL Islamic Income Fund (ABL-IIF)**". In the same manner, wherever the term **CDC Trustee ABL Islamic Cash Fund** appears the same shall mean **CDC Trustee ABL Islamic Income Fund**

**Amendment in Clause No.8A-3**

"The Trustee shall also open additional Bank Account(s) titled "**CDC-Trustee ABL Islamic Income Fund**" at various branches of such other Islamic Banks or Islamic window of Conventional Banks as requested by the Management Company. Further, Management Company may open non-interest bearing accounts with any conventional banks. These accounts shall be temporary collection accounts where collections shall be held prior to their being transferred to the main Bank Account of the Trust on a daily basis".

**Amendment in Clause No.8A-10**

The amounts received from the Core Investors (seed capital) and other investors during the Pre-IPO shall be deposited in separate Bank Accounts having title **CDC-Trustee ABL Islamic Income Fund**. Separate bank accounts for Local and Offshore Pre-IPO investors will be opened with a Islamic Banks or Islamic Window of Conventional Banks. The Management Company may from time to time deposit such Pre-IPO amounts with Islamic Banks or Islamic window of Conventional Banks having a **minimum A+ rating**, rated by any credit rating agency listed/approved by the Commission and subsequently transfer such amounts to the main Bank Account of the Fund upon the close of the Initial Period of Offer. Any profit, etc. earned on such Pre-IPO bank deposits up to the close of the Initial Period, after deducting all expenses, shall be paid to the Core Investors and Pre IPO investors based on pro-rata basis of their Pre-IPO subscription amounts and shall not form part of Fund Property. Such payments shall be made either in the form of cash or additional units as the management may decide.

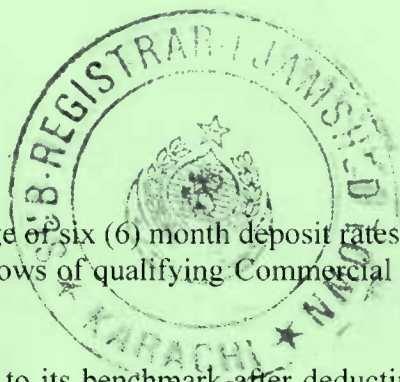
**Addition of New Clause No. 8A.13**

"The Trustee if requested by the Management Company shall also open separate Bank Account(s) titled "**CDC -Trustee ABLAMC Funds**" at various locations for collection of funds pursuant to any centralized funds collection system that may be introduced by the Management Company for all the unit trusts managed by the Management Company. These account(s) shall be a temporary allocation accounts, where collections received on account of subscription of Units by investors of various units trusts and Administrative Plans that are managed by the Management Company and under trusteeship of common Trustee shall be held prior to their being allocated and transferred to the Scheme on a daily basis by the Trustee. The Management Company may also require the Trustee to open separate accounts for temporary parking of redemption funds".

**Amendment in Clause No.10.1**

**Objective of the Scheme**

To provide investors with an opportunity to earn higher income over the medium to long-term by investing in a diversified portfolio consisting of different money market and debt instruments permissible under the Shariah principles.



### **Benchmark**

The benchmark for the Fund shall be average of six (6) month deposit rates of three (3), rated A+ and above, Islamic Banks (or Islamic windows of qualifying Commercial Banks) for the period of return.

The Fund's performance will be compared to its benchmark after deducting from the return all expenses which are charged to the Fund as per the Regulations.

### **Amendment in Clause No.10.2**

#### **Investment Policy**

##### **Clause No.10.2.1**

As per its objective, ABL-IIF will invest in Shariah compliant fixed income securities and money market instruments under the purview of its Authorized Investments providing steady Halal income to investors. It shall be investing in all Shariah Compliant Government Securities, sukuks issued by corporate, cash and near cash instruments which include cash in Shariah compliant bank accounts (excluding terms deposit receipts), Musharika Certificates (COM), Term Deposit Receipts (TDRs), Certificate of Islamic Investment (COIIs) and any other such investments as approved by the Commission from time to time. ABL-IIF shall utilize various research models and analysis techniques before making investments in order to yield higher risk adjusted returns. Allocation among various asset classes will be based on analysis of macro and micro variables. The Management Company shall from time to time diversify the Investments of the Fund in different categories of Authorized Investments based on the risk and return offered and the general economic conditions in the Country.

##### **Amendment in Clause No. 10.4.9.10**

The fund will not invest in any security of a company, if:

- (i) any director or officer of the Management Company owns more than five per cent (5%) of the total amount of securities issued by that company; or
- (ii) the directors and officers of the Management Company collectively own more than ten per cent (10%) of those securities;
- (iii) take Exposure in any other collective investment scheme, except in the case of foreign investment;
- (iv) Exposure to Spreads shall not exceed 40% of the Net Assets;
- (v) the rating of the security is lower than A- (A minus);

At no point shall the fund exceed the limit of four (4) years for the weighted average time to maturity of its Net Assets provided that this condition shall not apply to securities issued by the Federal Government;

##### **Clause No.10.4.9.16 number is changed to 10.4.9.11**

**No changes are made in text**

##### **Clause No.10.4.9.17 number is changed to 10.4.9.12**

**No changes are made in text**

##### **Clause No.10.4.9.18 number is changed to 10.4.9.13**

**No changes are made in text**

*18* *[Signature]* *[Signature]*



**Amendment in Clause No. 40.3**

“ABL Islamic Income Fund” or “ABL-IIF” or “Trust” or “Unit Trust” or “Fund” or “Scheme” means the Unit Trust constituted by this Trust Deed for continuous offers for sale of Units.

**Amendment in Clause No.40.6**

**“Authorised Investment”**

“Authorised Investments” means Shariah compliant (Islamic) investments of following types:

- deposits in licenced Islamic Banks and licenced Islamic banking windows of conventional Banks;
- Shariah compliant “Government Securities”
- Certificates of Musharaka (CoM), Certificates of Deposit (CoD); Placement of funds under, Musharaka, Mudarabah, Murabaha, Ijarah and Istisna arrangements with banks and DFIs; Shariah compliant debt securities issued by private sector entities(f) Certificates of Islamic Investment (COIIs)
- Any other Shariah compliant investment which maybe authorized by the Commission. Provided that all Authorized Investments specified above are subject to the Investment Restrictions specified in this Trust Deed.

**Amendment in Clause No.40.9**

“Bank Accounts” means those account(s) opened and maintained for the Trust by the Trustee at Islamic Banks or Islamic window of the Conventional banks, the beneficial ownerships in which shall vest in the Unit Holder(s). However, Collection Accounts can be opened in conventional banks as well.

**Amendment in Clause No.40.11**

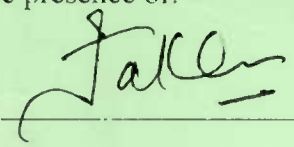
“Business Day” means a day on which Banks are open for business.

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

The Trustee and the Management Company hereby certify that the above amendments are being made in the Trust Deed to bring the Trust Deed in conformity with the Regulations and the directives issued by the Commission. The above amendments shall not prejudice the interests of the Unit Holders or any of them or operate to release the Trustee or the Management Company from any responsibility to the Unit Holders.

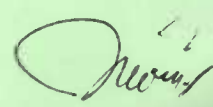
IN WITNESS WHEREOF, THIS FIRST SUPPLEMENTAL TRUST DEED OF **ABL Islamic Income Fund** has been executed on the date first mentioned above.

The Common Seal of **ABL Asset Management Company Limited** was hereunto fixed on 29th day of July, 2011 in the presence of:

Signature : 

Name : FARID AHMED KHAN (CEO)

CNIC No. : 42201-8134436-5



The Common Seal of **Central Depository Company of Pakistan Limited** was hereunto fixed on 29th day of July, 2011 in the presence of:

1. Signature: [Signature]

2. Signature: [Signature]

Name ABDUL SAMAD  
HEAD OF TRUSTEE-II

Name : Aliqur Rehman

CNIC No.: \_\_\_\_\_

CNIC No.: 42501-9252203-1

WITNESSES

1. Signature: [Signature]

2. Signature: [Signature]

Name : Syed Hassan Mead

Name : FARISAL NADEEM

CNIC No.: 42101-2338361-5

CNIC No.: 422020699108-9

