Securities and Exchange Commission of Pakistan
Specialized Companies Division
NBFC Department

No. SCD/NBFC-II/AKDITF/668/2010

August 23, 2010

Mr. Nadeem Naqvi,
Chief Executive Officer,
AKD Investment Management Limited,
216-217, Continental Trade Centre,
Block-8, Clifton,
Karachi – 74000

SUBJECT: THIRD SUPPLEMENTAL TRUST DEED OF AKD INDEX TRACKER FUND

Dear Sir,

Please refer to your letters dated July 30, 2010 and August 18, 2010 whereby you have submitted draft third supplemental trust deed of AKD Index Tracker Fund for approval of the Commission.

In this connection, I am directed to inform you that the Securities and Exchange Commission of Pakistan has no objection to the amendments made in the Trust Deed of AKD Index Tracker Fund and subsequent registration of third supplemental trust deed under Trust Act, 1882 subject to the following conditions: -

1. The changes shall be made effective after giving notice to unit holders in accordance with the provisions of the constitutive documents of AKDITF.

2. Copy of the notice sent to unit holders shall be submitted to this office within seven (7) days of issuance of such notice. and

3. Copy of the registered First, Second and Third Supplemental Trust Deed of AKDITF shall be submitted to the Commission for information and record.

Yours truly,

(Javed Akhter Malik)
Deputy Director

THIRD SUPPLEMENTAL TRUST DEED OF
AKD INDEX TRACKER FUND

THIS THIRD SUPPLEMENTAL TRUST DEED OF AKD Index Tracker Fund is made and entered into at Karachi, on this _______ day of April, 2011.

by and between

1. **AKD Investment Management Limited an unlisted public limited company incorporated**, under the Companies Ordinance, 1984 and licensed by the Securities & Exchange Commission of Pakistan for carrying on Investment Advisory and Asset Management Services, having its registered office at 2nd Floor, Continental Trade Centre, Block-8, Clifton, 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

2. **Central Depository Company of Pakistan Limited** (CDC), a company, incorporated under the Companies Ordinance, 1984 and registered with the Securities & Exchange Commission of Pakistan (SECP) as a central depository company with its registered office at CDC House, 99-B, Block "B", S.M.C.H.S, Main Shahra-e-Faisal, Karachi.(hereinafter called "the Trustee". which expression, where the context so permits, shall include its successors-in-interest and assigns) of Other Part.

WHEREAS:

(1) The Management Company and the Trustee executed a Trust Deed dated 03-01-2005 to constitute AKD Opportunity Fund, which Trust Deed was registered with the sub-Registrar-II, Saddar Town, Karachi, under Registered No. 04 of Book No. IV dated 03-01-2005 and M.F. Roll No. 1725/2260 dated 12-01-2005, ("the Trust Deed").

(2) Vide First Supplemental Trust Deed for Amendment of Trust Deed executed among the Management Company, and the Trustee, registered under Registered No. 317 of Book No. IV dated 02-05-2007, M.F. Roll No. 34866/4256 dated 05-05-2007, the Management Company and the Trustee agreed to and amended certain clauses of the Trust Deed.

(3) Vide Second Supplemental Trust Deed for Amendment of Trust Deed executed among the Management Company, and the Trustee, registered with Sub-Registrar II, Clifton Town, Karachi, under Registered No. 272 of Book No. IV dated 29-09-2008, M.F. Roll No. 82436/5459 dated 29-10-2008, the Management Company and the Trustee agreed to and amended certain clauses of the Trust Deed.

(4) The Securities & Exchange Commission of Pakistan (SECP) has approved the amendment to the Trust Deed, vide its letter No. SCD/NBFC-II/AKDITF/668/2010 dated August 23, 2010 annexed hereto as Annexure "A".

NOW THEREFORE THIS SUPPLEMENTAL TRUST DEED OF AKD INDEX TRACKER FUND, WITNESSETH AS FOLLOWS:

1. Addition of New Clause 2.G in the Trust Deed

Under the heading 'Witnesseth' the following paragraph is added as a new clause 2.G:

A new Clause 2.G of Trust Deed stands inserted as follows:

"The Management Company and the Trustee executed a Trust Deed dated 03-01-2005 to constitute AKD Index Tracker Fund, which Trust Deed was registered with the sub-Registrar-II, Saddar Town, Karachi, under Registered No.04 of Book No. IV dated 03-01-05 and M.F. Roll No.. 1725/2260 dated 12-01-2005 ("the Trust Deed")"

2. Addition of New Clause 2.H in the Trust Deed

Under the heading 'Witnesseth' the following paragraph is added as a new clause 2.H:

A new Clause 2.H of Trust Deed stands inserted as follows:

"The Management Company and the Trustee also executed First Supplemental Trust Deed of AKD Index Tracker Fund which was registered under the Registration No. 272 of Book No. IV dated 02-05-2007, and M.F. Roll No. 34866/4256 dated 05-05-2007 (the First Supplemental Trust Deed of Index Tracker Fund)"

1. Addition of new Clause 1.1 under the new heading "Category of the Fund"

"Category of the Fund

The Fund shall be an 'Index Tracker Scheme' as per criteria for categorization of open-end collective investment schemes specified in the Regulations or by SECP, as amended from time to time."

2. Addition of new Clause 1.2 under the new heading "Performance Benchmark"

After the Clause 1.2, the following new Clause 1.2, be and is hereby added:

"Performance Benchmark

The performance benchmark of the Fund shall be the KSE-100 Index."

3. Amendment in Existing Clause

The existing Clause 4.4.1 is hereby replaced by the following text:

"The Trustee shall issue a report to the Holders as required under the Regulations"

4. Amendment in Clause 7.2.1 of the Trust Deed:

In Clause 7.2.1 after the words 'framework of the', the word, 'Rules' shall be deleted and the word 'Regulation' shall be added:

For the sake of clarity, it is stated that after the said amendment, Clause 7.2.1 is read as under:

"The Management Company has the responsibility to make all investment decisions within the framework of the Regulations, this Deed and the Offering Document(s)."

5. Amendment in Existing Clause 7.3.11

In Clause 7.3.11 after the words 'shall not be appointed for more than' the word, 'three' shall be deleted and the word 'five' shall be added.

6. Addition of New Clause 7.3.14

The following new Clause 7.3.14 is hereby added:

"The Asset Management Company shall ensure that no entry and exit to the scheme (including redemption and reissuance 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."

7. Amendment in Existing Clause 7.5.1.14

In Clause 7.5.1.14 after the words 'All costs, charges and expenses' the words, '(including reasonable legal fees)' shall be deleted and the words '(including legal fees)' shall be added.

8. Deletion of existing Clause 7.5.1.15

The existing Clause 7.5.1.15, be and is hereby deleted in entirety

9. Deletion of existing Clause 7.5.1.16

The existing Clause 7.5.1.16, be and is hereby deleted in entirety

10. Addition of New Clause 7.5.1.23

The following new Clause 7.5.1.23 is hereby added:

"Trustee shall not invest in the Units of the Fund."

11. Amendment in Clause 8.3.2 of the Trust Deed:

In Clause 8.3.2 after the words ‘imposed by the’ the word ‘Rules’ shall be replaced by the word ‘Regulations’ and a new sentence is added at the end of the clause ‘However the said period of three months could be extended by SECP on an application by the Management Company’

For the sake of clarity, it is stated that after the said amendment, Clause 8.3.2 is read as under:

“If and as long as the value of the holding in a particular company or sector shall exceed the limit imposed by the Regulations or and any exemption thereof, the Management Company shall not cause the Trustee to purchase any further investments in such company or sector. However this restriction on purchase shall not apply to any offer of right shares or any other share offering, if the Management Company is satisfied that accepting such offer is in the interest of the Trust. However any excessive holding would always be adjusted by the Management Company within period of (3) months. However the said period of three months could be extended by SECP on an application by the Management Company”

12. Amendment in Clause 8.3.4 of the Trust Deed:

Clause 8.3.4 is amended and now reads as follows:

The Management Company on behalf of the Scheme shall not without the written approval the Board of Directors and the written consent of the Trustee in purchase from, or sell to, any Connected Person or employee of the Management Company.

13. Amendment in Clause 8.3.5.1 of the Trust Deed:

The following paragraph shall be appended to Clause 8.3.5.1:

Under no circumstances shall the Management Company buy or sell such options, without prior approval of SECP, on behalf of the Scheme in excess of 10% of the NAV (or as approved by the SECP from time to time) that result in an exposure beyond the number of underlying securities held in the portfolio of the Scheme.

14. Addition of New Clause 8.3.5.2

After the Clause 8.3.5.1 the following new Clause 8.3.5.2 is hereby added:

“The Asset Management Company on behalf of the Fund shall not at any time rollover the investments, if in the opinion of trustee, the Fund would not be able to issue payment instrument for the redemption money to the unit holder within time period stipulated in the Regulations.”

15. Addition of New Clause 8.3.5.3

After the Clause 8.3.5.3 the following new Clause 8.3.5.3 is hereby added:

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

16. Addition of New Clause 8.3.6

The following new Clause 8.3.6 is hereby added:

Under no circumstances AKD Index Tracker Fund shall invest less than 85% of its net assets in securities covered in KSE-100 Index during the year based on monthly average investment calculated on daily basis and the un-invested amount shall be kept in cash and/or near cash instruments where near cash instruments are cash in bank account (excluding TDRs) and Treasury bills not exceeding 90 days maturity

17. Deletion of Clause 8.4.1 in the Trust Deed

Clause 8.4.1 is hereby deleted in its entirety.

18. Amendment in existing Clause 8.5.5

Clause 8.5.5 is amended and now reads as follows:

Neither the Trustee nor the Management Company shall incur any liability, which may be subject to review by SECP, by reason of any loss to the Trust or any loss that Unit Holders may suffer by reason of any depletion in the Net Asset Value that may result from any borrowing arrangement made hereunder in good faith.

19. Amendments in Clause 9.1.1

Clause 9.1.1 be and is hereby replaced by the following text:

The old Clause 9.1.1 of the Trust Deed was;

“A security listed on a stock exchange shall be valued at its last sale price on such exchange on the date as of which it is valued or, if such exchange is not opened on such date, at its last sale price on the next preceding date on which such exchange was opened and, if no sale is reported for such date the security shall be valued at an amount not higher than the closing asked price nor lower than the closing bid price.”

The new clause 9.1.1 of Trust Deed stands inserted as follows:

“The valuation of asset of the Scheme shall be made in accordance with the Regulations as amended or substituted from time to time and SECP Directives.”

20. Amendments in Clause 9.1.2

Clause 9.1.2 be and is hereby replaced by the following text:

The old Clause 9.1.2 of the Trust Deed was;

“An investment purchased and awaiting payment against delivery shall be included for valuation purposes as security held and the account of the Fund shall be adjusted to reflect the purchase price, including brokers' commission and other expenses incurred in the purchase thereof but not disbursed as of the valuation date."

The new clause 9.1.2 of Trust Deed stands inserted as follows:

"The Management Company shall announce on a daily basis the NAV of the Fund on its web-site and also send such information to Mutual Funds Association of Pakistan (MUFAP) for hosting on MUFAP web-site. The timing of such announcement shall be mentioned in the Offering Document."

21. Amendments in Clause 9.1.10

Clause 9.1.10 be and is hereby replaced by the following text:

The old Clause 9.1.10 of the Trust Deed was;

"In the event that the Management Company offers any Investment Plans and if such Investment Plans require automatic purchase/conversion of Units as required under the terms of the Investment Plan(s) the Management Company under such circumstances would deem to have received an application to purchase/convert Units. The Trustee will thereafter service the Unit Holder at the instruction of Management Company as required by such Investment Plan(s). The prices at which such conversion, switching, purchasing and/or redeeming shall be at such prices described by the Management Company; provided that such prices shall be NAV based and rounded off as decided by the Management Company under intimation to the Unit Holder(s) and the Trustee. Any change in such prices shall only be made with the prior notification to the Unit Holder(s) and Trustee of the Scheme."

The new clause 9.1.10 of Trust Deed stands inserted as follows:

"In the event that the Management Company offers any Investment Plans after getting approval from the SECP through supplemental offering document and if such Investment Plans require automatic purchase/conversion of Units as required under the terms of the Investment Plan(s) the Management Company under such circumstances would deem to have received an application to purchase/convert Units. The Trustee will thereafter service the Unit Holder at the instruction of Management Company as required by such Investment Plan(s)."

22. Amendments in Clause 9.3.1

Clause 9.3.1 be and is hereby replaced by the following text:

The new clause 9.3.1 of Trust Deed stands inserted as follows:

"After the conversion, the Offer Price for the Unit Holder(s) shall be determined from time to time on each business day and announced latest by 6:30p.m. or as specified by the SECP from time to time through our corporate website www.akdinvestment.com and shall also be forwarded to the Mutual Funds Association of Pakistan "MUFAP".

The Purchase (Offer) Price shall be equal to the sum of:

a) The Net Asset Value as of the close of the Business Day on which the completely and correctly filled purchase of units form is received by the Management Company before the cut-off time of 5:00 pm from time to time; (Forward pricing)

b) Any Front-end Load;

c) Such amount as the Management Company may consider an appropriate provision for Duties, Charges, etc;

d) Such amount as the Management Company may consider an appropriate provision for Transaction Costs; The Purchase (Offer) Price so determined shall apply to purchase requests, complete in all respects, received by the Distributor or the Management Company during the business hours on the Business Day on which the completely and correctly filled purchase of units application form is received before the cut-off time of 5:00pm;

and sum to be adjusted upwards to the nearest Paisa. Provided that the Management Company may change at its discretion with the approval of the Trustee the number of decimal places and the extent of rounding off such prices (if any).

23. Amendments in Clause 9.4.1

Clause 9.4.1 be and is hereby amended and now reads as follows:

"The remuneration of Distributors shall be paid exclusively from any Front end Load received by the Trustee and/or may be paid by the Management Company when the Trustee pays the Front end Load to the Management Company or to distributors upon instructions of management company, and no charges shall be made against the Fund Property or the Distribution Account in this respect. The Management Company shall be directly responsible for payment of remuneration of Investment Facilitators. The remainder of any Front end Load after such disbursement shall be paid by the Trustee to the Management Company as distribution support and processing charges for the distribution services for the Trust. If the Front end Load received by the Trustee is insufficient to pay the remuneration of the Distributors and Investment Facilitators, the Management Company shall pay the amount necessary to pay in full such remuneration. The Back-end Load shall form part of Fund Property.

24. Amendments in Clause 9.4.2

Clause 9.4.2 be and is hereby amended and now reads as follows:

Such payments may be made to the Distributors and the Management Company by the Trustee or may be made by the Trustee on the instructions of the Management Company on a monthly basis in arrears within thirty days of the end of the calendar month or any other period specified by the Management Company from time to time. The Management Company shall be directly responsible for making payments to Investment Facilitators after receiving the same from the Trustee."

25. Amendments in Clause 9.4.3

Clause 9.4.3 be and is hereby amended and now reads as follows:

Distributor located outside Pakistan may if so authorized by the Management Company and the Trustee retain such portion of the Front end Load as is authorized by the Management Company and transfer the net amount to the Trustee, subject to the law for the time being in force.

26. Amendments in Clause 9.5.1

Clause 9.5.1 be and is hereby amended and now reads as follows:

After the First Offer the Redemption (Repurchase) Price shall be equal to the Net Asset Value as of the close of the Business Day on which a correctly and properly filled redemption of units form is received before the cut-off time of 5:00pm, 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, Charges, etc;

d) Such amount as the Management Company may consider an appropriate provision for Transaction Costs;

and sum to be adjusted downwards to the nearest Paisa. Provided that the Management Company may change at its discretion with the approval of the Trustee the number of decimal places and the extent of rounding off such prices (if any).

The Redemption (Repurchase) Price so determined shall apply to redemption requests, complete in all respects, received by the Distributor or the Management Company during the business hours (as announced by the Management Company from time to time) and before the cut-off time of 5:00pm on the Business Day on which a correctly and properly filled redemption application is received or any other form that is acceptable by the Management Company.

27. Amendments in Clause 9.6.2

Clause 9.6.2 be and is hereby amended and now reads as follows:

"An application for redemption of Units shall be made by completing the prescribed Redemption of Units Form and submitting it at the authorized branch or office of the Distributor within the business day during the business hours as may be announced by the Management Company from time to time. The Distributor may retain Redemption of Units Form and a copy may be supplied to the Registrar, if so required by the Management

Company. No person shall be entitled to redeem only part of the Units comprised in a Certificate; provided however in case where a Certificate is not issued any number of Units may be redeemed by the Unit Holders thereof. The relevant Certificate shall accompany the application for Redemption of Units, if issued. In case of application for redemption by Joint Unit Holders such application should be signed by signatories as mentioned and required at the time of opening of the account within the Unit Holder Register through the Investor Account Opening Form."

28. Amendments in Clause 9.6.11

Clause 9.6.11 be and is hereby replaced by the following text:

The old Clause 9.6.11 of the Trust Deed was;

"The maximum interval between the receipt of a properly documented request of Redemption of Units and payment of Redemption (Repurchase) Price to such Unit Holders(s) shall be six working days."

The new clause 9.6.11 of Trust Deed stands inserted as follows:

"The maximum interval between the receipt of a properly documented request of Redemption of Units and the issue of payment instrument for the redemption money to the holder shall not exceed six working days unless redemption has been suspended. The amount payable on Redemption in Pakistan shall be paid to the Unit Holder by transfer to the Unit Holders designated bank or registered address. At the request of the Unit Holder the Management Company may decide to pay redemption proceeds through some other mode of payment. The Management Company will make arrangement for redemption proceeds to Unit Holders outside Pakistan and will disclose such arrangements through its agent and Distributors and any other mode decided by the Management Company. In all cases the amount payable on Redemption shall be considered paid once the Trustee has either:

(i) Has dispatched a cheque, pay order, or draft for the full amount; or

(ii) Has deposited the full amount with a bank or other transfer agent for conversion; and/or onward payment to the Unit Holder."

29. Addition of New Clause 9.6.13

The following paragraph is added as a new clause 9.6.13:

"The Management Company shall ensure all valid redemption request are paid based on ranking of the request in a queue."

30. Addition of New Clause 9.7 'Dealing in Units' in the Trust Deed

Under the heading 'Valuation of Property' the following paragraph is added as a new clause 9.7:

A new Clause 9.7 of Trust Deed stands inserted as follows:

"The Management Company shall designate and disclose the location of its official points for acceptance of application for issuance, redemption, conversion and transfer of Units, in the Offering Document of the Fund, as well as on its web-site as updated from time to time. All applications shall be acknowledged noting the date and time of such application. The cut-off timing for acceptance of applications at the designated points for issuance, redemption, conversion and transfer of Units is 5:00pm."

31. Addition of New Clause 9.7.1

The following paragraph is added as a new clause 9.7.1:

"The Management Company shall formally forward all the requests for dealing in Units, duly time and date stamped, to the Trustee within 24 hours of the receipt of such requests."

32. Amendments in Clause 10.2

Clause 10.2 be and is hereby replaced by the following text:

The old Clause 10.2 of the Trust Deed was;

"The Redemption of Units may be suspended during extraordinary circumstances including closure of one or more Stock Exchanges on which any of the Securities invested in by the Scheme are listed, the existence of a state of affairs, which in the opinion of the Management Company, constitutes an emergency as a result of which disposal of any investment would not be reasonably practicable or might seriously prejudice the interest of the Scheme or of the Unit Holders, or a break down in the means of communication normally employed in determining the price of any investment, or when remittance of money can not be carried out in reasonable time and if the Management Company is of the view that it would be detrimental to the remaining Unit Holders to redeem Units at a price so determined in accordance with the Net Asset Value (NAV). The Management Company may announce a suspension or deferral of redemption and such a measure shall be taken to protect the interest of the Unit Holders in the event of extraordinary circumstances or in the event redemption requests accumulate in excess of ten percent of the Units in issue or 10% of Fund NAV. In the event of a large number of redemption requests accumulating, the requests may be processed in a Queue System and under extreme circumstances the Management Company may decide to wind up the Fund."

The new clause 10.2 of Trust Deed stands inserted as follows:

"The redemption of Units may be suspended during extraordinary circumstances including closure of one or more Stock Exchanges on which any of the securities invested in by the Fund are listed, the existence of a state of affairs, which in the opinion of the Management Company, constitutes an emergency as a result of which disposal of any investment would not be reasonably practicable or might seriously prejudice the interest of Fund or of the Unit Holders, or a break down in the means of communication normally employed in determining the price of any investment, or when remittance of money can not be carried out in reasonable time and if the Management Company is of the view that it would be detrimental to the remaining Unit Holders to redeem Units at a price determined in accordance with the Net Asset Value. The Management Company may announce a suspension or deferral of redemption. Such a measure shall be taken to protect the interest of the Holders in the event of extraordinary circumstances or in the event redemption requests accumulate in excess of ten percent of the Units in issue. Under such circumstances, the Management Company shall also suspend the issuance of new units till such time the redemption of units is resumed If the redemption requests on any one dealing day exceed 10% of the total number of units in issue, the requests may be processed in a Queue System and under extreme circumstances the Management Company may decide to wind up the Fund. Details of the procedure are given in clause 8.2.2 here in below."

Circumstances of Suspension of Redemption In the event of extra-ordinary circumstances, the Management Company may suspend or defer Redemption of Units under intimation to the Trustee and the Commission. The circumstances under which the Management Company may suspend redemption shall be the event of war (declared or otherwise), natural disasters, a major break down in law and order, breakdown of the communication system, closure of the capital markets and /or the banking system or strikes or other events that render the Management Company or the Distributors unable to function. The Management Company shall immediately notify the SECP and the Trustee of such suspension. In case of suspension of redemption of units due to extraordinary circumstances, the issuance of fresh units shall also be kept suspended until such time redemption of units is resumed.

<u>33. Addition of New Paragraph in Clause 10.3 in the Trust Deed</u>

<u>Under the heading 'Suspension of redemption of units' the following paragraph is added at the end of clause 10.3:</u>

The new Para in clause 10.3 of Trust Deed stands inserted as follows:

'In case of suspension of redemption of units due to extraordinary circumstances, the issuance of fresh units shall also be kept suspended until such time redemption of units is resumed.'

For the sake of clarity, it is stated that after the said addition, Clause 10.3 is read as under:

"In the event of extra ordinary circumstances, the Management Company may suspend or defer Redemption of Units. The circumstances under which the Management Company may suspend redemption shall be the event of war (declared or otherwise), natural disasters, a major break down in law and order, breakdown of the communication system, closure of the capital markets and/or the banking system or strikes or other events that render the management Company or the Distributors unable to function.

Such suspension or queue system shall end on the day following the first Business Day on which the conditions giving rise to the suspension or queue system shall in the opinion of the Management Company have ceased to exist and no other condition under which suspension or queue system is authorized under the Deed exists. In case of suspension and queue system the Management Company shall immediately notify the SECP and publish the same in newspapers in which the Fund's prices are normally published.

In case of suspension of redemption of units due to extraordinary circumstances, the issuance of fresh units shall also be kept suspended until such time redemption of units is resumed."

34. Amendment of existing Clause 11.2.2

The existing Clause 11.2.2 is hereby amended:

"The Management Company shall be entitled to an accrued remuneration equal to an amount not exceeding three per cent (3%) of the average annual Net Assets of the Scheme that has been verified by the Trustee and is paid in arrears on a monthly basis in accordance with the Rules and Regulations during the first five (5) years and two per cent (2%) of the average annual Net Assets of the Scheme for the rest of the Scheme's existence.

35. Amendments in Clause 11.4.6

Clause 11.4.6 be and is hereby replaced by the following text:

The old Clause 11.4.6 of the Trust Deed was;

"Annual fee payable to the SECP in accordance with Rule 54 of the NBFC Rules."

The new clause 9.4.6 of Trust Deed stands inserted as follows:

"Fees payable to the Commission."

36. Deletion of Old Clause 11.4.8 and Addition of New Clause 11.4.8 in the Trust Deed

Under the heading 'Other Fees and Charges' clause 11.4.8 shall be replaced by a new clause:

The old Clause 11.4.8 of the Trust Deed was;

'Formation costs amortized over a period not exceeding five years"

The new clause 11.4.8 of Trust Deed stands inserted as follows:

"Formation Cost shall be amortized over a period of not less than five years of the fund or any other time period as may be specified by the SECP."

37. Amendments in Clause 11.4.8

Under the heading 'Other Fees and Charges" Clause 11.4.8 be and is hereby replaced by the following text:

The old Clause 11.4.8 of the Trust Deed was;

"Formation cost will be amortized over a period not exceeding five years"

The new clause 11.4.8 of Trust Deed stands inserted as follows:

"All expenses incurred in connection with the incorporation, establishment and registration of the Fund (formation cost) as per Regulations, shall be reimbursable by the Fund to the Management Company subject to audit of expenses up to the lower of one percent of Pre-IPO capital or five million rupees. The said formation cost will be amortized by the Fund over a period of not less than five years.

38. Amendment in Clause 11.4.10 of the Trust Deed:

In Clause 11.4.10 after the words 'under the' the word 'Rules' shall be replaced by the word 'Regulations'

For the sake of clarity, it is stated that after the said amendment, Clause 11.4.10 is read as under:

"Fees/Charges payable to the SECP under the Regulations."

39. Deletion of Clause 11.4.11 in the Trust Deed

Under the heading 'Other Fees and Charges' the following Clause is deleted:

"Marketing expenses specifically related to the Fund"

40. Addition of New Clause 11.4.12

The following new Clause 11.4.12 is hereby added:

"Any cost associated with sales, marketing and advertisement of collective investments schemes shall not be charged to the collective investment schemes."

41. Amendments in Clause 13.1(ii)

Clause 13.1(ii) be and is hereby replaced by the following text:

The new clause 13.1(ii) of Trust Deed stands inserted as follows:

The Management Company on behalf of the Scheme shall not without the written approval the Board of Directors and the written consent of the Trustee in purchase from, or sell to, any Connected Person or employee of the Management Company.

42. Amendments in Clause 15.6

Clause 15.6 be and is hereby replaced by the following text:

The new clause 15.6 of Trust Deed stands inserted as follows:

"In case of cash dividend, the Management Company shall instruct the Trustee to transfer such amount of cash as required to effect such distribution to the Distribution Account; provided that the Management Company may instruct the Trustee to issue cash dividend payment instruments from Bank Accounts of the Scheme to the Unit Holder(s) if deemed practical and economical by the Management Company and the Trustee and if so required by the unit holder. The amount standing to the credit of the Distribution Account shall not for any purposes be treated as part of the Fund Property but shall be held by the Trustee upon trust to distribute the same as herein provided."

43. Amendments in Clause 17.4.1

Clause 17.4.1 be and is hereby replaced by the following text:

The old Clause 17.4.1 of the Trust Deed was;

"All rights of voting attached to any Fund Property shall be exercisable by the Management Company on behalf of the Scheme and it shall be entitled to exercise the said rights in what it may consider to be the best interests of the Unit Holders and may refrain at its own discretion from the exercise of any voting rights and the Trustee or the Unit Holders shall not have any right to interfere or complaint. The Management Company shall maintain records for all the Votes exercised."

The new clause 17.4.1 of Trust Deed stands inserted as follows:

"All rights of voting attached to any Fund Property shall be exercisable by the Management Company on behalf of the Trustee and it shall be entitled to exercise the said rights in what it may consider to be the best interests of the Unit Holders and may refrain at its own discretion from the exercise of any voting rights and the Trustee or the Unit Holders shall not have any right to interfere."

44. Amendments in Clause 17.7.6

The existing Clause 17.7.6 is amended and now reads as follows:

"The Trustee shall pay to the Management Company's order such sums out of the sale proceeds of Units or the sums retained out of the redemption amounts as are representative of Front-end Load or charges or other recoveries that are specified in the Trust Deed or Offering Document, as being payable out of the Issue or Redemption Prices.

45. Amendments in Clause 17.7.7

Clause 17.7.7 be and is hereby replaced by the following text:

The old Clause 17.7.7 of the Trust Deed was;

"In case the Unit Holder already holding units in an open-end scheme under the management of the Management Company wants to convert from one open-end scheme/Investment Plan to another open-end scheme/Investment Plan under the management of the Management Company, the Unit Holder will be required to complete the Conversion Form as prescribed by the Management Company. The Conversion Form will be applicable for both converting out from or in to the AKD Index Tracker Fund from or in to any other open-end scheme under the management of the Management Company. The Management Company may redeem from one fund and issue units at prices as announced by the Management Company. Provided that such prices shall be NAV based and rounded off (if applicable) as deemed necessary and practical by the Management Company under intimation to the Unit Holder(s) and the Trustee. Any change in such prices shall only be made with the notification to the Unit Holder(s) and Trustee of the Scheme."

The new clause 17.7.7 of Trust Deed stands inserted as follows:

"In case the Unit Holder already holding units in an open-end scheme under the management of the Management Company wants to convert from one open-end scheme/Investment Plan to another open-end scheme/Investment Plan under the management of the Management Company, the Unit Holder will be required to complete the Conversion Form as prescribed by the Management Company. The Conversion Form will be applicable for both converting out from or in to the AKD Index Tracker Fund from or in to any other open-end scheme under the management of the Management Company."

46. Amendments in Clause 17.7.8

The existing Clause 17.7.8 is amended and now reads as follows:

"The Management Company may make arrangements through branches of banks, to facilitate issuance and Redemption of Units of the Unit Trust/Investment Plans or may appoint Investment Facilitators for this purpose. A request for purchase of Units/Investment Plans, redemption of Units/Investment Plans and conversion of Units/Investment Plans from one open-end scheme/Investment Plans to another open-end scheme/Investment Plans under the management of the Management Company, may also be made through the use of electronic means such as Internet (including the Management Company's website) or ATM facilities or Credit Card facilities upon satisfaction of the Trustee. This will include completion of forms, receipt of proceeds against purchases and disbursements of proceeds against redemptions on-line.

47. Amendments in Clause 20.3.1

The existing Clause 20.3.1 is amended and now reads as follows:

Subject to exchange control, approval of SECP and the State Bank of Pakistan and other applicable laws, rules and regulations, the Management Company may make arrangements for the purchase (offer) of Units to person(s) not resident in Pakistan or for delivery in any country outside Pakistan, the price at which such Units may be issued may, at the discretion of the Management Company, include in addition to the Purchase (Offer) price as hereinbefore provided a further amount sufficient to cover any exchange risk insurance, any additional stamp duty or taxation whether national, local or otherwise leviable in that country in respect of such issue or of the delivery or issue of Units, or any additional costs relating to the delivery of Certificates or the remittance of money to Pakistan or any other cost in general incurred in providing this facility.

48. Amendment in Clause 20.4.8 of the Trust Deed:

In clause 20.4.8 after the words 'provided that' the words 'it is not closed for' shall be deleted and the words 'the time period for closure of register shall not exceed six (6) working days at a time and not' shall be added;

For the sake of clarity, it is stated that after the said amendment, Clause 11.4.10 is read as under:

"The Register may be closed in consultation with the Trustee for such period as the Management Company may from time to time determine and after giving at least seven days notice to Unit Holders, provided that the time period for closure of register shall not exceed six (6) working days at a time and not more than forty-five days in any calendar year"

49. Amendments in Clause 21.1

Clause 21.1 be and is hereby replaced by the following text:

The new clause 21.1 of Trust Deed stands inserted as follows:

"The Management Company shall at the establishment of the Scheme and with the consent of the Trustee, appoint as auditor, a firm of chartered accountants who shall be independent of the auditor of the Management Company and the Trustee and such auditor shall not be appointed for more than five consecutive years. The Management Company may at any time, with the concurrence of the Trustee, remove the Auditors and appoint another Auditor in its place."

50. Amendment in Clause 25.3.1 of the Trust Deed:

The existing Clause 25.3.1 is amended and now reads as follows:

Equity securities listed on the Karachi Stock Exchange that are also the constituent members of KSE-100 Index.

51. Amendment in Clause 25.3.2 of the Trust Deed:

In clause 25.3.2, the words 'not exceeding 90 days maturity' are added at the end of the clause;

For the sake of clarity, it is stated that after the said amendment, Clause 25.3.2 is read as under:

"Treasury bills not exceeding 90 days maturity"

52. Amendment in Clause 25.3.3 of the Trust Deed:

The existing Clause 25.3.3 is amended and now reads as follows:

Cash and/or near cash instruments where the near cash instruments include cash in bank account (excluding TDRs), and treasury bills not exceeding ninety days maturity

53. Deletion of Clause 25.3.4 of the Trust Deed:

Clause 25.3.4 is hereby deleted in its entirety.

54. Deletion of Clause 25.3.5 of the Trust Deed:

Under the heading 'Definitions' the following Clause is deleted:

"Units or Certificates in any other unit trust schemes"

55. Amendment in Clause 25.3.6 of the Trust Deed:

In clause 25.3.6 after the words 'Reverse REPOs' the words 'including Continuous Funding System (CFS). Purchase or sale of a security for ready settlement and the reverse thereof (sale or purchase, as the case may be) for future settlement. Continuous Funding System is a form of financing transacted through the Stock Exchange. It consists of two simultaneous transactions, the first for purchase of an underlying security (shares) on the settlement date scheduled for the security and the second for selling back the security at a higher price for a subsequent settlement date; and' shall be deleted;

For the sake of clarity, it is stated that after the said amendment, Clause 25.3.6 is read as under:

"Reverse REPOs"

56. Deletion of Clause 25.3.6 of the Trust Deed:

Clause 25.3.6 is hereby deleted in its entirety.

57. Deletion of Clause 25.3.7 of the Trust Deed:

Clause 25.3.7 is hereby deleted in its entirety.

58. Deletion of Clause 25.3.8 of the Trust Deed:

Clause 25.3.8 is hereby deleted in its entirety.

59. Deletion of Clause 25.3.9 of the Trust Deed:

Clause 25.3.9 is hereby deleted in its entirety.

60. Deletion of Clause 25.3.10 of the Trust Deed:

Clause 25.3.10 is hereby deleted in its entirety.

61. Amendments in Clause 25.4

Clause 25.4 be and is hereby replaced by the following text:

The new clause 25.4 of Trust Deed stands inserted as follows:

""Back-end Load" means the charge or commission (excluding Duties and Charge) not exceeding five per cent (5%) of the Net Asset Value deducted from the Net Asset Value in determining the Redemption Price; provided however that different levels of Back-end Load may be applied to different classes of units, as may be determined by the Management Company. Back-end Load shall form part of Trust Property. The Management Company would charge upto a total of 5% of the Front-end and Back-end load in combination.

62. Amendments in Clause 25.11

Clause 25.11 be and is hereby replaced by the following text:

The new clause 25.11 of Trust Deed stands inserted as follows:

"Constitutive Document(s)" means this Trust Deed, Offering Document and other principal documents governing the formation of the Scheme, including all related material agreements."

63. Amendments in Clause 25.23

Clause 25.23 be and is hereby replaced by the following text:

The old Clause 25.23 of the Trust Deed was;

""Front-end Load" means the sales and processing charges, also described as Sales Load, payable to the Management Company, which are included in the Offer Price of Units."

The new clause 25.23 of Trust Deed stands inserted as follows:

"Front-end Load" means the sales and processing charge or commission (excluding Duties and Charges) not exceeding five per cent (5%) of the Net Asset Value which may be included in the Offer Price of the Units; provided however that different levels of Front-end Load may be applied to different Class of Units, as determined by the Management Company. The Management Company would charge upto a total of 5% of the Front-end and Back-end load in combination.

64. Amendments in Clause 25.21

Clause 25.21 is amended and now reads as follows:

"Fund Property" means the aggregate proceeds of the sale of all Units at Purchase (Offer) Price and any Transaction Costs recovered in the Purchase (Offer) or Redemption (Repurchase) price after deducting there from or providing there against the value of Redemption, Front end

Load, Duties and Charges (if included in the Purchase <Offer> Price or Redemption <Repurchase>Price) applicable to the Purchase or Redemption of Units and any expenses chargeable to the Fund; and includes the Back-end Load, Investment and all income, profits, shares, securities, deposits, right and bonus shares, cash, bank balances, dividends, fees, commissions, receivables, claims, contracts, licenses, privileges and other benefits arising there from and all cash and other movable assets and properties of every description, whether accrued or accruing, for the time being held or deemed to be held upon trust by the Trustee for the benefit of the Unit Holders pursuant to the Trust Deed and shall include the income, profit, interest, etc earned on the amount credited to the Distribution Account.

65. Amendments in Clause 25.26

Clause 25.26 is amended and now reads as follows:

Investment Facilitator" (Facilitator) means an Individual, Firm, Corporate or other Entity appointed by the Management Company, at its sole responsibility, to identify and assist Investors in investing in the Scheme. The Management Company shall compensate the Facilitators out of the Front end Load collected by it in the Offer Price.

66. Amendments in Clause 25.29

The existing Clause 25.29 is amended and now reads as follows:

"Offering Document" means the prospectus, advertisements or other documents (approved by the SECP), which contain the investment and distribution policy, Unit structure(s) and all other information in respect of the Scheme, as required by the Rules and Regulations and is circulated to invite offers by the public to invest in the Scheme.

67. Delete Clause 25.38

Clause 25.38 be and is hereby deleted in its entirety.

The word Sales Load is now replaced as Front-end load.

68. Amendment in Clause 25.52 in the Trust Deed

In Clause 25.52 after the words 'Notified Entities Regulations,' '2007' shall be replaced by '2008';

For the sake of clarity, it is stated that after the said amendment, Clause 25.52 is read as under:

"NBFC Regulations means Non-Banking Finance Companies and Notified Entities Regulations, 2008, as amended from time to time."

IN WITNESS WHEREOF, THIS THIRD SUPPLEMENTAL TRUST DEED OF **AKD INDEX TRACKER FUND** has been executed on the date first mentioned above.

The Common Seal of AKD Investment Management Limited was hereunto fixed on, _______________ 2009 in the presence of:

Seal: (1) __________________

(2) __________________

The Common Seal of Central Depository Company of Pakistan Limited was hereunto fixed on _________________, 2009 in the presence of:

Seal: (1) __________________

(2) __________________

WITNESSES

1. ____________________ 2. _____________________