

TRUST DEED

Constituting

**UTP-GROWTH FUND**

Investment Adviser

**ABAMCO Limited**

Trustee

**Central Depository Company (CDC)**

## **TRUST DEED**

### **UTP-GROWTH FUND**

This Trust Deed is made and entered into at Karachi, on this 4th day of May, 2006 by and between;

- 1) **ABAMCO LIMITED**, a public company incorporated in Pakistan under the Companies Ordinance 1984, with its registered office at 7th Floor, The Forum, Block-9, G-20, Khayaban-e-Jami, Clifton, Karachi (hereinafter called the “**Investment Adviser**” 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**, a public limited company incorporated in Pakistan, under the Companies Ordinance, 1984 , having its registered office at CDC House, 99-B, Block B, S.M.C.H.S. Main Shakra-e-Faisal, Karachi – 74400 and registered to act as central depository company under Rule 4(3) of the Central Depository Companies (Establishment & Regulations) Rules, 1996 (hereinafter called the “**Trustee**” which expression where the context so permits shall include its successors in interest and assigns) of the other part.

#### **WHEREAS:**

- A. The Investment Adviser is engaged in the business of providing investment advisory and asset management services and has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to act as an investment adviser under the repealed Investment Companies and Investment Advisers Rules, 1971, and as an asset management company under the repealed Asset Management Companies Rules, 1995. SECP has renewed licence (No. NBFC – 11/19 Abamco/AMC & IA/02/, dated June 10, 2005) to ABAMCO Limited under Rule 5(2) of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 to undertake investment advisory and asset management services.
- B. Investment Corporation of Pakistan, a body corporate established pursuant to section 3 of Investment Corporation of Pakistan Ordinance, 1966 (ICP Ordinance), which has constituted and issued for public subscription, through separate prospectuses, twenty six closed-end mutual funds, (collectively referred to as ICP Mutual Funds) under the ICP Ordinance.
- C. ICP resolved to transfer the management rights of the ICP Mutual Funds pursuant to which, the Privatization Commission, a body corporate established pursuant to the Privatisation Commission Ordinance, 2000, having its principal office located at Islamabad (hereinafter

called the “Commission”), on behalf of ICP initiated a process for the transfer of the management rights of ICP Mutual Funds - Lot A.

- D. The Investment Adviser submitted the bid for the acquisition of the management rights of ICP Mutual Funds – Lot “A”, which ICP accepted and the Commission issued a Letter of Acceptance (LOA), dated October 5, 2002 in favor of the Investment Adviser and ICP, the Investment Adviser and the Commission executed among them a Management Right Transfer Agreement (MRTA), dated October 11, 2002.
- E. ABAMCO Limited established ABAMCO Capital Fund (ACF), ABAMCO Growth Fund (AGF) and ABAMCO Stock Market Fund (ASMF) by amalgamating the ICP Mutual Funds Lot “A” (comprising of 1<sup>st</sup>, 3<sup>rd</sup>, 4<sup>th</sup>, 8<sup>th</sup>, 11<sup>th</sup>, 12<sup>th</sup>, 15<sup>th</sup>, 19<sup>th</sup>, 20<sup>th</sup>, 21<sup>st</sup>, 23<sup>rd</sup> and 25<sup>th</sup> ICP Mutual Funds) into three separate schemes after acquiring the management rights of Lot “A” from the Investment Corporation of Pakistan (ICP) in October 2002. These funds have been set up as closed-end mutual fund schemes and are governed by the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules, 2003). Through the amalgamation scheme the 1<sup>st</sup>, 3<sup>rd</sup>, 8<sup>th</sup>, 11<sup>th</sup>, 12<sup>th</sup>, 15<sup>th</sup>, 19<sup>th</sup> and 20<sup>th</sup> ICP Mutual Funds were merged into ACF, while the 21<sup>st</sup>, 23<sup>rd</sup> and 25<sup>th</sup> ICP Mutual Funds were combined to form ASMF. 4<sup>th</sup> ICP Mutual Fund was reorganized as a separate closed-end trust that was later renamed ABAMCO Growth Fund.
- F. As per clause 24, 27 and 27 of ABAMCO Stock Market Fund, ABAMCO Capital Fund and ABAMCO Growth Fund Trust Deeds respectively, merger with other closed end funds is allowed subject to the certificate holders’ approval by Resolution. Further, the said merger shall strictly be on the basis of Net Asset Value which is approved by SECP. In the light of the said clauses and the management’s decision for the merger of ABAMCO Stock Market Fund, ABAMCO Capital Fund and ABAMCO Growth Fund, separate extraordinary general meetings (EOGM) of the certificate holders were held on February 2, 2006. Certificate holders of ABAMCO Stock Market Fund and ABAMCO Capital Fund approved the merger unanimously. However, the certificate holders of ABAMCO Growth Fund approved the merger through balloting, where a majority of more than 3/4<sup>th</sup> (three fourth) of the total votes were in favour.

As a result of approval by the certificate holders of ABAMCO Stock Market Fund, ABAMCO Capital Fund and ABAMCO Growth Fund, these funds will be merged into UTP-Growth Fund on the basis of Net Asset Value of these funds as on December 31, 2005. The entitlement to the number of certificate in UTP Growth Fund is determined on the basis of swap ratio calculated as per the audited Net Assets Value per certificate of the merging funds as at December 31, 2005. The swap ratios are as follows:

Name of Existing Fund	Certificate of UTP-Growth Fund to issued for 1,000 existing certificates on the basis of NAV as on December 31, 2005
ABAMCO Capital Fund	898.072
ABAMCO Stock Market Fund	970.229
ABAMCO Growth Fund	1,845.001

- G. The Investment Adviser has been authorized by the SECP vide its letter No. SEC/NBFC-JD/196/2006 dated April 05, 2006 and letter no. NBFC-II/JD(R)/Abamco-UTP-Growth/265 annexed hereto as Annexure "A" to constitute a Trust under the name and title of UTP-Growth Fund (hereinafter referred to as the “Closed-end Trust”, “Closed-end Scheme”, “Trust” or the “Fund”) and to register this Trust Deed, pending authorization for the establishment and operation of the Scheme, in accordance with the provisions of the Rules and this Deed. UTP-Growth Fund shall take over the assets and liabilities of Funds, as stated in (F) above by transfer to and vesting in UTP-Growth Fund, the whole undertaking of the Funds, which shall stand transferred to and vesting in UTP-Growth Fund from the Effective Date.

- H. The Investment Adviser has nominated and appointed Central Depository Company of Pakistan Limited, as trustee of the Trust and the Trustee has accepted such appointment upon the terms and conditions herein contained, vide its letter number CDC/CS/LC-MK/087/06 dated April 08, 2006;
- I. The SECP has approved the appointment of the Trustee, vide letter No. NBFC-II/JD(R)/Abamco/TUP-GF/218 dated April 13, 2006, annexed hereto as Annexure "B".

**NOW, THEREFORE, THIS DEED WITNESSETH AS FOLLOWS:**

**1. GOVERNING LAW**

This Deed shall be subject to and be governed by the Ordinance, the Rules, and all applicable laws and regulations and it shall be deemed for all purposes whatsoever that all the provisions required to be contained in a trust deed by the Rules are incorporated in this Deed as a part and parcel thereof and in the event of any conflict between this Deed and the provisions required to be contained in a trust deed by the Rules, the latter shall supercede and prevail over the provisions contained in this Deed.

**2. DECLARATION OF TRUST**

- 2.1 It is hereby declared unequivocally, that a closed-end trust in the name and title of UTP-GF is hereby created and the Investment Adviser is hereby appointed to establish, manage, operate and administer the said Closed-end Trust and the Trustee is hereby nominated, constituted and appointed as the trustee of the Closed-end Trust. The Investment Adviser and the Trustee hereby agree to such appointment and further declare that:
  - (a) The terms and conditions of this Deed and any deed supplemental hereto shall be binding on each Holder as if he has been a party to it and so to be bound by its provisions and each Holder authorizes and requires the Trustee and the Investment Adviser to do as required of them by the terms of this Deed;
  - (b) The Certificate Holder will not be liable to make any payment after he has paid the purchase price of his Certificate(s) and that no further liability can be imposed on him in respect of Certificate(s) which he holds;
  - (c) The Trustee shall hold and stand possessed of the Deposited Property that may from time to time hereafter be vested in the Trustee upon trust as a single common fund for the benefit of the Holders ranking *pari passu* inter se according to the number of Certificates held by each Holder;
  - (d) The Investment Adviser shall establish, manage, operate and administer the Trust; and
  - (e) The Trustee shall issue a report to the Holders, included in the annual report, in accordance with the Rules;
  - (f) The Trustee shall retire in the manner stated in clause 11 of this Deed; and
  - (g) The Deposited Property shall be invested or disinvested from time to time by the Trustee at the sole discretion of the Investment Adviser strictly in terms of the provisions contained and stipulated in this Deed, the Prospectus, the Rules and the conditions (if any), which may be imposed by the SECP from time to time.

**NOW, THEREFORE, THIS DEED WITNESSETH AS FOLLOWS:**

**3. DEFINITIONS**

Unless the context requires otherwise the following words or expressions shall have the meanings respectively assigned to them viz.:

- 3.1 “**Accounting Date**” means the thirtieth day of June in each year and any interim date(s) at which the financial statements of the Trust are drawn up. Provided however, the Investment Adviser, with the approval of the Trustee and after intimation to the SECP, change such date to any other date.
- 3.2 “**Accounting Period**” means a period ending on and including an Accounting Date and commencing (in case of the first such period) from the Effective Date and (in any other case) from the end of the preceding Accounting Period.
- 3.3 “**Annual Fee**” means any fee payable to SECP under the Rules.
- 3.4 “**Auditor**” means the Auditor of the Trust appointed by the Investment Adviser.
- 3.5 “**Authorized Investment**” means any Pakistan Origin investments transacted, issued, traded and listed inside or outside Pakistan and includes any of the following:
- a. Securities, shares, stock, warrant options, participation term certificates, modaraba certificates, musharika certificates, term finance certificates, preference shares, convertible preference shares, Global Deposit Receipts (GDR) and other asset backed or mortgage backed securities. Such investments shall include those for ready as well as those for future settlements;
  - b. investment in closed-end funds, if permitted by SECP and the Rules;
  - c. deposits in banks on profit and loss (PLS) basis.
  - d. Units in any unit trust schemes;
  - e. Any other equity security in respect-of which permission to deal on a Stock Exchange is effective;
  - f. Investment in any other listed equity security or a security for the listing of which an application has been made on the Stock Exchange.
  - g. Any other Investment(s), which is/ are in line with the basic investment objectives of the Fund, with the approval of SECP.
- 3.6 “**Bank**” means a banking company licensed under the Banking Companies Ordinance, 1962 or any other regulation for the time being in force or an institution providing banking services under the banking law of Pakistan or if operating outside Pakistan, under the banking laws of the jurisdiction of its operation outside Pakistan.
- 3.7 “**Bank Accounts**” means those accounts in the name of the Trustee of the Fund, the beneficial ownership of which rests with the Holders.
- 3.8 “**Bonus Certificates**” means the certificates issued, on distribution of the distributable income, in the form of a stock dividend.
- 3.9 “**Business Day**” means a day on which Banks are open for business in Pakistan.
- 3.10 “**Book Entry Certificates**” means certificates which have been entered into the Central Depository System.

- 3.11 "**CDC**" means Central Depository Company of Pakistan Limited.
- 3.12 "**Central Depository System**" means the central depository system established and operated by the CDC under section 4 of the Central Depositories Act, 1997.
- 3.13 "**Certificate**" means one undivided share in the Trust.
- 3.14 "**Certificate of Holding**" shall also mean the definitive certificate acknowledging the number of certificates of the par value of Rs.10/= registered in the name of the Holder issued at the request of the Holder pursuant to the provisions of this Deed.
- 3.15 "**Commission**" means the Privatisation Commission, Islamabad.
- 3.16 "**Companies Ordinance**" means the Companies Ordinance, 1984, as amended from time to time.
- 3.17 "**Connected Person**" shall have the same meaning as in the Rules.
- 3.18 "**Constitutive Document**" means the Trust Deed, which is the principal document governing the formation, management or operation of the Trust and all related materials.
- 3.19 "**Continuous Funding System (CFS)**" means a form of financing through the Stock Exchange(s) under their respective regulations consisting of two simultaneous transactions, the first for purchase of an underlying security (shares) on the following scheduled settlement date for the security and the second for selling back the security for a subsequent settlement date.
- 3.20 "**Custodian**" means a Bank, a banking subsidiary, the Central Depository Company or any other depository eligible to act under the relevant laws that for the time being may be appointed by the Trustee with the approval of the Investment Adviser to hold and protect the Deposited Property or any part thereof as Custodian on behalf of the Trustee. The Trustee may also itself provide custodial services for the Trust with the consent of the Investment Adviser at competitive terms, as part of the normal line of its business.
- 3.21 "**Deposited Property**" means the Investment and all income, profit and other benefits arising there from and all cash and other assets movable or immovable and property of every description for the time being held or deemed to be held upon trust by the Trustee for the benefit of the Holders pursuant to this Deed but does not include any amount standing to the credit of the Distribution Account.
- 3.22 "**Distribution Account**" means the Bank Account, which may be current, saving or deposit account, maintained by the Trustee with a Bank, approved by the Investment Adviser, in which the amount required for the distribution of income to the Holders shall be transferred.
- 3.23 "**Duties and Charges**" means in relation to any particular transaction or dealing all stamp and other duties, taxes, Government charges, brokerage, bank charges, transfer fees, registration fees and other duties and charges whether in connection with the constitution of the Deposited Property or the increase or decrease of the Deposited Property on the sale or purchase of Investments or in respect of the issue, transfer, cancellation or replacement of a Certificate or otherwise which may have become or may be payable in respect of or prior to or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable but do not include any commission charges or costs which may have been taken into account in ascertaining the Net Asset Value.
- 3.24 "**Effective Date**" means December 31, 2005 or any later date, which shall be the day on which the Scheme for Arrangement for Amalgamation becomes operative in accordance with the order of SECP.
- 3.25 "**Financial Institutions**" includes:-

- a. A company or an institution whether established under any special enactment and operating within or outside Pakistan which transacts the business of banking or any associated or ancillary business through its branches;
  - b. A modaraba, leasing company, investment bank, venture capital company, financing company, housing finance company and a bank or any institution duly licensed by State Bank of Pakistan;
  - c. Such other institution or companies authorized by law to undertake any similar business, as the Federal Government may, by notification in the official Gazette, specify for the purpose.
- 3.26 **“Frozen Shares”** means shares of State Enterprises held in the portfolio of ICP Mutual Fund Lot “A” prior to their amalgamation/ re-organization as ACF, ASMF and AGF, which the Investment Adviser is required to hold in terms of serial number 7 of schedule to MRTA or any other agreement with the Commission for certain period of time, during which period such shares can be sold only to strategic buyers through the Government of Pakistan.
- 3.27 **“Holder” or “Holders” or “Certificate Holder” or “Certificate Holders”** means the Certificate Holder(s) for the time being entered in the Register as owner of the Certificate, including jointly so registered, pursuant to the provisions of this Deed.
- 3.28 **“Investment”** means any Authorized Investment forming part of the Deposited Property.
- 3.29 **“Investment Corporation of Pakistan” or “ICP”** means the body corporate established pursuant to Section 3 of the ICP Ordinance and having its head office at NBP Building, I.I. Chundrigar Road, Karachi.
- 3.30 **“ICP Mutual Funds–Lot A”** means the twelve mutual funds whose management rights were acquired by the Investment Adviser from ICP, namely; First ICP Mutual Fund, Third ICP Mutual Fund, Fourth ICP Mutual Fund, Eighth ICP Mutual Fund, Eleventh ICP Mutual Fund, Twelfth ICP Mutual Fund, Fifteenth ICP Mutual Fund, Nineteenth ICP Mutual Fund, Twentieth ICP Mutual Fund, Twenty First ICP Mutual Fund, Twenty Third ICP Mutual Fund and Twenty Fifth ICP Mutual Fund.
- 3.31 **“ICP Ordinance”** means the Investment Corporation of Pakistan Ordinance, 1966, as amended from time to time.
- 3.32 **“Management Rights Transfer Agreement” or “MRTA”**, means the Agreement among ICP, the Investment Adviser and the SECP, dated October 11, 2002, transferring the management and trusteeship rights of ICP Mutual Funds- Lot-A from ICP to the Investment Adviser.
- 3.33 **“Net Assets”**, in relation to the Trust, means the excess of assets over liabilities of the Trust, such excess being computed in the manner specified hereunder: -
- (a) 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 open on such date, then at its last sale price on the next preceding date on which such exchange was open and if no sale is reported for such date, the security shall be valued at an amount not higher than the closing asked price nor lower than the closing bid price. Where price is not truly representative of the market value because it is thinly traded or not traded, the Investment Adviser with the separate approval of the SECP, Rules and the Trustee may prescribe an alternate method;
  - (b) An investment purchased and awaiting payment against delivery shall be included for valuation purposes as a security held, and the cash 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;

- (c) An investment sold but not delivered pending receipt of proceeds shall be valued at the net sale price;
  - (d) The value of any dividends, bonus shares or rights which may have been declared on securities in the portfolio but not received by the Fund as of the close of business on the valuation date shall be included as assets of the Fund, if the security upon which such dividends, bonuses or rights were declared is included in the assets and is valued ex-dividend, ex-bonus or ex-rights as the case may be;
  - (e) A security not listed or quoted on a stock exchange shall be valued at investment price or its break up value as per last audited accounts, whichever is lower. However, a debt security which is neither listed nor quoted on a stock exchange shall be valued at fair value determined with the approval of the trustee
  - (f) Mark-up accrued on any mark-up bearing security in the portfolio shall be included as an asset of the Fund, if such accrued interest is not otherwise included in the valuation of the security;
  - (g) Any other income accrued up to the date on which computation was made shall also be included in the assets;
  - (h) All liabilities, expenses, taxes and other charges, including Annual Fee due or accrued up to the date of computation which are chargeable under the Rules, other than the paid-up capital of the Fund, shall be deducted from the value of the assets;
  - (i) The remuneration accrued up to the date of computation payable to the Investment Adviser for providing management and other services shall be included as an expense;
- 3.34 “**Net Asset Value**” or “**NAV**” means per Certificate value of the Fund arrived at by dividing the Net Assets by the number of Certificates outstanding.
- 3.35 “**Ordinance**” means the Securities and Exchange Ordinance, 1969, as amended from time to time.
- 3.36 “**Par Value**” means the face value of a Certificate that shall be Rupees Ten (Rs. 10).
- 3.37 “**Personal Law**” means the law of inheritance and succession as applicable to the individual Holder.
- 3.38 “**Prospectus**” means the advertisement or other document, which contains the investment and distribution policy and all other information in respect of the Trust, as required by the Rules and is calculated to invite offers by the public to invest in the Trust. It also includes the prospectus, issued by ICP, of all such Funds, merged into the Trust, and shall also include the Scheme of Arrangement for Amalgamation and any other scheme under which ABAMCO Capital Fund, ABAMCO Stock Market Fund and ABAMCO Growth Fund are organized or merged into the Trust.
- 3.39 “**Proxy**” means written authority given by a Holder to another person to attend the meeting of the Holders, called by the Investment Adviser, pursuant to this Deed. Proxy shall be issued in the same manner and on the same terms as provided in the Companies Ordinance.
- 3.40 “**Register,**” means the Register of the Holders kept pursuant to the Rules and this Deed.
- 3.41 “**Registrar**” means a company including a Bank that the Investment Adviser shall appoint for performing the Registrar Functions.
- 3.42 “**Registrar Functions**” means the functions with regard to:

- i. Maintaining the Register;
  - ii. Receiving application for transfer/ transmission of Certificates directly from Holder or legal representatives;
  - iii. Processing requests for transfer and transmission of Certificates with regard to the Holders; and effectuating such transfers in the Register;
  - iv. Issuing Certificates to Holders;
  - v. Dispatching income distribution warrants;
  - vi. Canceling old Certificates on replacement; and
  - vii. Keeping record of change of addresses/ other particulars of the Holders.
- 3.43 **“Reporting”** or **“Base Currency”** means Pakistani Rupee in which financial reports are presented.
- 3.44 **“Resolution”** means a resolution which has been passed pursuant to this Deed by a majority of not less than three-fourth of such Certificate Holders entitled to vote as are present in person or by Proxy at a general meeting of which not less than twenty-one days notice specifying the intention to propose the resolution has been duly given. The voting shall be on the basis of Certificate Holding, as provided in the Companies Ordinance.
- 3.45 **“Rules”** means the Non-Banking Finance Companies (Establishment and Regulation) Rules 2003, as amended from time to time.
- 3.46 **“Scheme of Arrangement for Amalgamation”** or **“Scheme”** means a Scheme for re-organization and merger of ABAMCO Capital Fund, ABAMCO Growth Fund and ABAMCO Stock Market Fund, as approved by SECP and Certificate Holders. The Scheme also lays down the investment, distribution and other operational policies of the Fund.
- 3.47 **“SECP”** means the Securities and Exchange Commission of Pakistan, established under Section 3 of the Securities and Exchange Commission of Pakistan Act, 1997, and its legal successor.
- 3.48 **“Stock Exchange”** means Karachi Stock Exchange, Lahore Stock Exchange, Islamabad Stock Exchange or any other stock exchange registered under the Ordinance.
- 3.49 **“Transaction Day”** means every Business Day on which the Stock Exchange is open for business.
- 3.50 **“Trust”, “Fund” “Closed-end Scheme”** or **“Closed-end Trust”** means the UTP-Growth Fund constituted by this Trust Deed, as a closed-end scheme, whose Certificates are traded at a Stock Exchange.

Words and expressions used but not defined herein shall have the meanings assigned to them in the Rules. Words importing persons include corporations, words importing the masculine gender include the feminine gender, words importing singular include plural words, “written” or “in writing” include printing, engraving, lithography, or other means of visible reproduction.

#### **4. DUTIES AND POWERS OF TRUSTEE**

- 4.1 The Trustee shall comply with the provisions of this Deed, and the Rules for any act or matter to be done by it in the performance of its duties and such acts or matters may also be performed on behalf of the Trustee by any officer or responsible official of the Trustee or by any nominee or agent appointed by the Trustee in consultation with the Investment Advisor: Provided that the Trustee shall be responsible for the acts and omissions of all persons to whom it may delegate any of its duties, as if these were its own acts and omissions and shall

account to the Trust for any loss in value of the Deposited Property where such loss has been caused by negligence or any reckless or willful act and/ or omission of the Trustee or any of its directors, officers, nominees or agents.

- 4.2 The Trustee shall take into its custody or under its control all the property of the scheme and hold it in trust for the Holders in accordance with the Rules, the Deed and all applicable laws, rules and regulations and all cash and registerable assets shall be registered in the name of or to the order of the Trustee.
- 4.3 The Trustee shall exercise all due diligence and vigilance in carrying out its duties and in protecting the interests of the Holders. The Trustee shall not be under any liability on account of anything done or suffered by the Trustee in good faith in accordance with or in pursuance of any request of the Investment Adviser provided they are not in conflict with the provisions of this Deed or the Rules. Whenever pursuant to any provision of this Deed any certificate, notice, direction, instruction or other communication is to be given by the Investment Adviser to the Trustee, the Trustee may accept as sufficient evidence thereof a document signed or purporting to be signed on behalf of the Investment Adviser by any person whose signature the Trustee is for the time being authorized in writing by the Investment Adviser to accept.
- 4.4 The Trustee shall carry out the instructions of the Investment Adviser in all matters including investment and disposal of the Deposited Property, if such instructions are not in conflict with the provisions of this Deed or Rules or any applicable law and regulations.
- 4.5 The Trustee shall, with the approval of the Investment Adviser, from time to time appoint, remove or replace one or more custodian for performing the Custodian Function at one or more locations, on terms and conditions to be agreed between the Custodian and the Trustee and approved by the Investment Adviser.
- 4.6 The Investment Advisor shall appoint brokers with the consent of the Trustee.
- 4.7 The Trustee shall make available or ensure that there is made available to the Investment Adviser such information as the Investment Adviser may reasonably require from time to time in respect of the Deposited Property and all other matters relating to the Scheme.
- 4.8 The Trustee shall issue a report to the Holders included in the annual report whether in its opinion, the Investment Adviser has in all material respects managed the Deposited Property in accordance with the provisions of the Rules and this Deed and if the Investment Adviser has not done so, the respect in which it has not done so and the steps the Trustee has taken in respect thereof.
- 4.9 The Trustee shall authorize and facilitate the Investment Adviser to receive the statements of account for all the bank accounts being operated by the Trustee as a nominee of the Trust.
- 4.10 The Trustee shall, if requested by Investment Adviser, institute or defend any suit, proceeding, arbitration or inquiry or any corporate or shareholders' action in respect of the Deposited Property or any part thereof, with full powers to sign, swear, verify and submit pleading and affidavits, to file documents, to give evidence, to appoint and remove counsel and to do all incidental acts, things and deeds through the Trustee's authorized directors and officers. All costs, charges and expenses (including reasonable legal fees) incurred in instituting or defending any such action shall be borne by the Trust and the Trustee shall be indemnified against all such costs, charges and expenses: Provided that no such indemnity shall be available in respect of any action taken against the Trustee for negligence or breach of fiduciary duties in connection with its duties as the Trustee under this Deed or the Rules. The Trustee and the Investment Adviser shall not be liable in respect of any losses, claims, damages or other liabilities whatsoever suffered or incurred by the Trust arising from or consequent to any such suit, proceeding, arbitration or inquiry or corporate or shareholders' action or otherwise howsoever and (save as herein otherwise provided), all such losses, claims, damages and other liabilities shall be borne by the Trust.

- 4.11 Neither the Trustee nor the Custodian (if Trustee has appointed another person as Custodian) shall sell or purchase or deal in the sale of any Investment (save in the capacity of an intermediary).
- 4.12 The Trustee shall not be under any liability except such liability as may be expressly assumed by it under the Rules and this Deed nor shall the Trustee (save as herein otherwise provided) be liable neither for any act or omission of the Investment Adviser nor for anything except its own negligence or willful breach of duty hereunder. If for any reason it becomes impossible or impracticable to carry out the provisions of this Deed the Trustee shall not be under any liability therefore or thereby and it shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done in good faith hereunder. Notwithstanding removal/ resignation of Trustee, the Trustee shall remain entitled to the benefit of this clause.
- 4.13 The Trustee shall promptly forward to the Investment Adviser any notices, reports or other documents issued by the issuers of securities, recipients of any of the Trust Funds (as deposits, refunds, distribution of dividends, income, profits, repayment of capital or for any other reason), any depository, an intermediary or agent in any transaction or from any court, government, regulator, stock or other exchange or any other party having any connection with the transaction. The Trustee shall promptly act on any instruction of the Investment Adviser in all such matters relating to recovery of the Deposited Property.
- 4.14 The Trustee shall ensure that the investment and borrowing limitations set out in the constitutive documents and the conditions under which the scheme was authorized are complied with;
- 4.15 The Trustee shall be required to adhere to performance standards, as mutually agreed upon between the Investment Adviser and the Trustee, from time to time.
- 4.16 The Trustee shall promptly provide proxies or other forms of powers of attorney to the order of the Investment Adviser with regard to any voting rights attaching to any investment.
- 4.17 The Deposited Property of the Closed-end Scheme is held by the Trustee on trust for the Holders of the Certificates *pari passu according* to the number of Certificates held by each Holder.

## **5. DUTIES AND POWERS OF INVESTMENT ADVISER**

- 5.1 The Investment Adviser shall comply with the provisions of the Rules and this Deed for any act or matter to be done by it in the performance of its duties and such acts or matters may also be performed on behalf of the Investment Adviser by any nominee or agent appointed by the Investment Adviser and any act or matter so performed shall be deemed for all purposes of this Deed to be the act of the Investment Adviser. The Investment Adviser shall be responsible for the acts and omissions of all persons to whom it may delegate any of its functions as manager as if these were its own acts and omissions and shall account to the Trustee for any loss in value of the Deposited Property, where such loss has been caused by its negligence, reckless or willful act and/ or omission or by its officers, officials or agents.
- 5.2 The Investment Adviser shall manage the Deposited Property in the interest of the Holders in good faith and to the best of its ability and without gaining any undue advantage for itself or any of its Connected Persons, and subject to the restrictions and limitations as provided in this Deed and the Rules. Any purchase or sale of investments made under any of the provisions of this Deed shall be made by the Trustee according to the instructions of the Investment Adviser in this respect, if such instructions are not in conflict with the provisions of this Deed or the Rules. The Investment Adviser shall not be liable for any loss caused to the Trust or to the value of the Deposited Property due to any elements or circumstances beyond its reasonable control.
- 5.3 The Investment Adviser may from time to time appoint, remove or replace the Registrar.

- 5.4 The Investment Adviser shall make available or ensure that there is made available to the Trustee such information as the Trustee may reasonably require in respect of any matter relating to the Trust.
- 5.5 The Investment Adviser shall not be under any liability except such liability as may be expressly assumed by it under the Rules and this Deed nor shall the Investment Adviser (save as herein otherwise provided) be liable neither for any act or omission of the Trustee nor for anything except its own negligence or willful breach of duty hereunder. If for any reason it becomes impossible or impracticable to carry out the provisions of this Deed the Investment Adviser shall not be under any liability therefore or thereby and it shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done in good faith hereunder.
- 5.6 The Investment Adviser shall if it considers necessary, request the Trustee, for the protection of Deposited Property or safeguarding the interest of the Holders, to institute or defend any suit, proceeding, arbitration or inquiry or any corporate or shareholders' action in respect of the Deposited Property or any part thereof.
- 5.7 The Investment Adviser shall, from time to time, advise the Trustee of the settlement instructions relating to any investment/ disinvestment transactions entered into by it on behalf of the Trust. The Trustee shall carry out the settlements in accordance with the dictates of the specific transactions. The Investment Adviser shall ensure that settlement instructions are given promptly after entering into the transaction so as to facilitate timely settlement and the Trustee, on its side, shall ensure that the settlement is handled in a timely manner in accordance with dictates of the transaction.

## **6. DEPOSITED PROPERTY**

- 6.1 The Deposited Property shall initially be created, as provided in clause F of the preamble of this Deed and the Scheme of Arrangement for Amalgamation, approved by the Certificate Holders of ACF, ASMF and AGF, by transfer of all assets after making provisions for the liabilities thereon, or in connection therewith of ACF, ASMF and AGF. The Deposited Property may also be increased by entering into an arrangement for amalgamation with other closed-end funds.
- 6.2 The Investment and all income, profit and other benefits arising there from and all cash and other assets movable or immovable and property of every description for the time being held or deemed to be held upon trust by the Trustee shall constitute part of the Deposited Property.
- 6.3 The Trustee shall take the Deposited Property into its custody or under its control either directly or through the Custodian and hold it in trust for the benefit of the Holders in accordance with the provisions of the Rules and this Deed. The Deposited Property shall always be kept as a separate property and shall not be applied to make a loan or advance except in connection with the normal business of the Trust. All registerable Investment shall be registered in the name of the Trustee and shall remain so registered until disposed of pursuant to the provisions of this Deed.
- 6.4 Save, as herein expressly provided, the Deposited Property shall always be kept as separate property, free from any mortgages, charges, liens or any other encumbrances whatsoever and the Trustee or the Custodian shall not except as allowed under the Rules create any mortgages, charges, liens or any other encumbrances whatsoever to secure any loan, guarantee, or any other obligation actual or contingent incurred, assumed or undertaken by the Trustee, the Custodian or any other person except for securing finances obtained from Banks or institutions upon the direction of the Investment Adviser and subject to the limitations contained in the Rules.

- 6.5 The Trustee shall have the sole responsibility for the safekeeping of the Deposited Property. Subject to the provisions of Clause 7.2 below, in the event of any loss arising as a result of any act/ omission or due to negligence or breach of fiduciary duties on part of the Trustee in violation of the terms of this Deed, the Trustee shall have an obligation to replace the lost Investment forthwith with similar investment of the same class and issue together with all rights and privileges pertaining thereto or compensate the Trust to the extent of any such loss.
- 6.6 All cash forming part of the Deposited Property shall be deposited by the Trustee in a separate account, in the name of the Trustee with a scheduled Bank approved by the Investment Adviser having a minimum investment grade rating as per the criteria laid down by a credit rating agency approved by the SECP. The Bank shall be caused to allow profit thereon in accordance with the rules prescribed by the Bank for sharing of profits or mark-up on deposits, as may be allowed.
- 6.7 Remuneration of the Investment Adviser and the Trustee, brokerage and transaction costs relating to investing and disinvesting of the Deposited Property, all expenses incurred by the Trustee effecting the registration of all registerable property in the Trustee's name, legal and related costs as may be incurred in protecting or enhancing the interests of the Trust or the collective interests of the Holders; bank charges and financial costs; audit fees; listing fee, including renewals, payable to Stock Exchanges including renewals, rating fee payable to an approved rating agency if permissible; annual fee / charges payable to SECP under the Rules; printing and circulation charges for the publication of financial statements; Formation Cost and taxes if any applicable to the Trust, loan documentation fee and other related expenses permissible under the Rules shall be payable out of the Deposited Property.

## **7. INVESTMENT OF THE DEPOSITED PROPERTY**

- 7.1 All cash, except in so far as such cash may in the opinion of the Investment Adviser be required for transfer to the Distribution Account, shall be invested by the Trustee from time to time in such Authorized Investments as may (subject always to the provisions of this Deed and Prospectus) be directed by the Investment Adviser.
- 7.2 Any Investment may at any time be realized at the discretion of the Investment Adviser either in order to invest the proceeds of sale in other Authorized Investments or to provide cash required for the purpose of any provision of this Deed or in order to retain the proceeds of sale in cash or on deposit as aforesaid or partly one and partly another. Any Investment which ceases to be an Authorized Investment shall be realized and the net proceeds of realization shall be applied in accordance with this clause: Provided that the Trust may postpone the realization of such Investment for such period as the Investment Adviser may determine to be in the interest of Holders.
- 7.3 The purchase or sale of any Investment in listed securities for the account of the Trust shall be made on the Stock Exchange through brokers who must be members of Stock Exchanges, unless the Investment Adviser is satisfied that it is possible and legally permissible to make such purchase or sale more advantageously in some other manner. The broker will be appointed, from time to time, by the Investment Adviser with the consent of the Trustee. Save as allowed under the Rules, the Investment Adviser shall not nominate directly or indirectly as a broker anyone who is a director, officer or employee of the Investment Adviser or a family member (which term shall include their spouse, parents, children, brothers or sisters).
- 7.4 The Deposited Property shall be subject to such exposure limits as are provided in the Rules; Provided that the Investment Adviser will have six months to comply with the exposure limits in case such limits are exceeded owing to appreciation or depreciation of any Investment or disposal of any investment. The exposure limits, as provided in the Rules shall not apply to Frozen Shares and for all purposes such investment will be considered as a separate block of investment.

- 7.5 If and so long as the value of the holding in a particular company or sector shall exceed the limit imposed in a particular company and sector by the Rules, the Trustee shall not 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 offering, if the Investment Adviser is satisfied that accepting such offer is in the interest of the Trust.
- 7.6 The Deposited Property shall not be invested in any security of a company, if any director or officer of the Investment Adviser owns more than five percent (5%) of the total nominal amount of the securities issued of such company, or collectively the directors and officers of the Investment Adviser own more than ten percent (10%) of the securities of the said company.
- 7.7 The Fund shall not without the prior approval of the SECP in writing, purchase from, or sell to, any connected person or employee of the Fund or of the investment adviser thereof or a person who beneficially owns ten per cent or more of the equity securities of the Fund or of its Investment Adviser.
- 7.8 The Trust will not at any time, enter any transaction restricted in the Rules, including:

(a) Transact in:

- Bearer Securities;
- Securities on margins;
- Securities which result in assumption of unlimited or undetermined liability (actual or contingent);
- Real estate or interest in real estate save and except that the Investment Adviser may invest in securities secured by real estate or interest therein or equity securities issued by companies that invest in real estate or interest herein;
- Commodities or commodities contracts
- Invest in anything other than Authorized Investments as defined herein;

(b) Make short sales of any security or maintain a short position.

7.9 Exception to Investment Restrictions:

- (a) The Fund may deposit securities for facilitation or guaranteeing settlement of its own trades and transactions in favor of an exchange or clearing house or national clearing and settlement system on acquiring associate membership of the concerned settlement system. The securities, however, shall not be pledged for any other reason with any other person or entity;
- (b) The Fund may sell its securities in forward contract if the Trustee of the Fund confirms that securities of such value are available in the portfolio of the Fund

## **8. VOTING RIGHTS ON DEPOSITED PROPERTY**

- 8.1 All rights of voting attached to any Deposited Property shall be exercisable by the Investment Adviser on behalf of the Trustee and the Investment Adviser shall be entitled to exercise the said rights in what it may consider to be the best interests of the Holders, and may refrain at its own discretion from the exercise of any voting rights and the Trustee or the Holders shall not have any right to interfere or complain.

8.2 The Trustee shall upon written request by the Investment Adviser and at their expense, from time to time execute and deliver or cause to be executed or delivered to the Investment Adviser or their nominees powers of attorneys or proxies authorizing such attorneys and proxies to vote consent or otherwise act in respect of any Investment in such form and in favor of such persons as the Investment Adviser may require in writing.

The phrase “rights of voting” or the word “vote” used in this sub-clause shall be deemed to include not only a vote at a meeting but the right to elect or appoint directors, any consent to or approval of any arrangement scheme or resolution or any alteration in or abandonment of any rights attaching to any Investment and the right to requisition or join in a requisition to convene any meeting or to give notice of any resolution or to circulate any statement.

8.3 Where the representatives or the nominees of the Investment Adviser, in whose favor the Trustee has executed the power of attorney or proxy, have attended the meeting, the Investment Adviser shall keep a record of such attendance, stating the manner in which the vote was cast and record the justifications.

8.4 The Trustee shall forward to the Investment Adviser not later than two (2) Business Days of receipt of all notices of meetings and all reports and circulars received by the Trustee as the registered holder of any Investment.

## **9. VALUATION OF ASSETS/ LIABILITIES AND NET ASSET VALUE OF THE FUND**

The valuation of the property method for determining the value of the assets and liabilities and the net asset value would be as mentioned in the Rules and clauses 3.33 and 3.34 of this Deed.

## **10. FEES AND CHARGES**

### **10.1 Remuneration of Trustee and its Agents.**

(a) The Trustee shall be entitled to a monthly remuneration out of the Deposited Property based on actual custodial charges/ expenses and an annual tariff of charges based on the following slab rates:

- I- 0.2% per annum up to Rupees 250 million;
- II- On amount exceeding Rs. 250 million up to Rs 500 million: Rs. 500,000 plus 0.15% per annum on amount exceeding Rs. 250 million;
- III- On amount exceeding Rs. 500 million up to Rs. 2,000 million: Rs. 875,000 plus 0.08% per annum on amount exceeding Rs. 500 million;
- IV- On amount exceeding Rs. 2,000 million up to Rs. 5,000 million: Rs. 2,075,000 plus 0.06% per annum on amount exceeding Rs. 2,000 million;
- V- On amount exceeding Rs. 5,000 million: Rs. 3,875,000 plus 0.05% per annum on amount exceeding Rs. 5,000 million;

which shall be applied to the average monthly Net Assets during such calendar month. For any period other than a full calendar month such remuneration will be prorated on the basis of the actual number of days for which such remuneration has accrued for the total number of days in the calendar month concerned. Such remuneration shall be paid to the Trustee in arrears within thirty days after the end of each calendar month.

(b) In consideration of the foregoing and save as aforesaid the Trustee shall be responsible for the payment of all expenses incurred by the Trustee from time to time in connection with its duties as Trustee of the Trust. The Trustee shall not make any charge against the Holders or against the Deposited Property or against the Distribution Account for its service or for its expenses, except as are expressly authorized to be payable out of the Deposited Property under the provisions of the Rules and this Deed.

- (c) The Trustee shall bear all expenditures in respect of its secretarial and office space and professional management, including all accounting and administrative services provided in accordance with the provisions of this Deed.
- (d) Any upward increase in Trustee remuneration would require SECP approval. However, any downward revision in the Trustee remuneration will not require such approval or amendment.

## **10.2 Remuneration of Investment Adviser and Its Agents**

- a. The Investment Adviser shall be entitled to receive an annual remuneration of an amount not exceeding two percent (2%) of the average monthly net assets.
- b. In respect of any period other than a full calendar year such remuneration shall be prorated on the basis of the actual number of days for which such remuneration has accrued for the total number of days accrued in the calendar year concerned.
- c. In consideration of the foregoing and save as aforesaid the Investment Adviser shall be responsible for the payment of all expenses incurred by the Investment Adviser from time to time in connection with its responsibilities as investment adviser of the Trust, including remuneration and expenses of the Registrar. The Investment Adviser shall not make any charge against the holders or against the Deposited Property or against the distribution account for its services or for its expenses, except as are expressly authorized under the provisions of the Rules and this Deed to be payable out of Deposited Property.
- d. The Investment Adviser shall bear all expenditures in respect of its secretarial and office space and professional management, including all accounting and administrative services provided in accordance with the provision of this Deed.

## **10.3 Formation Costs**

- a. All preliminary and floatation expenses of the Trust including expenses incurred in connection with the authorization of the Scheme, execution and registration of the Constitutive Document, issue, Scheme of Arrangement for Amalgamation and all expenses incurred during the reorganization process, shall be borne by Investment Advisor and reimbursable by the fund in equal amounts paid annually over a period of five years in accordance with the provisions of the Rules.

## **10.4 All other Material Fees & Charges**

The following charges shall also be payable out of the Deposited Property:

- a. Remuneration of the Investment Adviser and the Trustee;
- b. Custody, brokerage and transaction costs relating to investing and disinvesting of the deposited property;
- c. All expenses incurred by the trustee effecting the registration of all registerable property in the trustee's name;
- d. Legal counsel fee and other related expenses as may be incurred in protecting or enhancing the interests of the trust or the collective interests of the holders;
- e. Bank charges and borrowing/financial cost;
- f. Audit fees;
- g. SECP annual fee;
- h. Listing fee, including renewals payable to stock exchanges;
- i. Rating fee payable to an approved rating agency if permissible;
- j. Formation cost;
- k. Taxes if any applicable to the trust;
- l. Expenses incurred in printing, publishing and circulating the financial statements;

- m. Loan Documentation fee; and
- n. Any other expenses as permissible under the Rules from time to time.

## **11. CHANGE OF TRUSTEE**

- 11.1 The Trustee shall not be entitled to retire voluntarily or otherwise except upon the appointment of a new Trustee. In the event of the Trustee desiring to retire the Investment Adviser within a period of six months (or in default the Trustee) with the prior written approval of the SECP may by a deed supplemental hereto under the seal of the Investment Adviser appoint a new trustee under the provisions of the Rules in place of the retiring or defaulting Trustee and also provide in such deed for the automatic vesting of all the assets of the Trust in the name of the new Trustee. Provided that the obligation of the Trustee shall continue and Trustee shall also receive its remuneration until the new trustee is appointed.
- 11.2 If the Trustee goes into liquidation (otherwise than for the purpose of amalgamation or reconstruction on terms previously agreed with the Investment Adviser for purpose of reconstruction and amalgamation) or ceases to carry on business or a receiver of its undertaking is appointed or it becomes ineligible to act as a trustee of the Trust under the provisions of the Rules, or any other law for the time being in force, the Investment Adviser shall forthwith by instrument in writing remove the Trustee from its appointment under this Deed and shall by the same or some other instrument in writing simultaneously appoint as trustee some other company or corporation according to the provisions of the Rules and this Deed as the new trustee.
- 11.3 The Investment Adviser may remove the Trustee, with the prior approval of the SECP, after giving twenty-one days notice in writing to the Trustee on ground of any material default or non-compliance with the provisions of this Deed or the Rules or the performance standards as mutually agreed upon, and appoint another trustee.
- 11.4 The Investment Adviser may change the Trustee with the prior written approval of the SECP after giving twenty-one days notice in writing to the Trustee on the grounds of negligence or incompetence, or if the Investment Adviser, based on a firm quotation or offer received from an alternate institution (qualified trustee company or a bank) determines that the remuneration being paid to the Trustee is not comparable to the market norm and that for this reason, it would be in the interest of the Holders to appoint another trustee on such favorable terms. However after receiving the notice from the Investment Adviser on the ground that the remuneration being paid to the Trustee is not according to the market norm, the Trustee shall have the option to continue as Trustee of the Fund on such favorable terms offered by the alternate institution and notify the Investment Adviser accordingly. The change of Trustee will become effective with the SECP's approval, once the newly appointed trustee takes charge of all duties and responsibilities."
- 11.5 Upon the appointment of a new trustee, the Trustee shall immediately deliver and hand over all the documents and records to the new trustee and shall transfer all the Deposited Property and any amount deposited in any Distribution Account to the new trustee and make payments to the new trustee of all sums due from the Trustee, along with all the accounts, documents and records of the Trust under intimation to the Investment Adviser.
- 11.6 The new trustee shall exercise all the powers and enjoy all rights and shall be subject to all duties and obligations of the Trustee hereunder as fully as though such new trustee had originally been a party hereto.

## **12. CHANGE OF INVESTMENT ADVISER**

- 12.1. The SECP may remove the Investment Adviser by giving at least ninety (90) days notice in writing to the Investment Adviser if any of the following have occurred:

- (a) The Investment Adviser has willfully contravened the provisions of this Deed in any material respect and has failed to rectify the contravention within a period of six months after a notice of contravention is issued by the SECP;
  - (b) The Investment Adviser is wound-up by the High Court (other than voluntary liquidation on terms previously agreed to with the SECP for purpose of reconstruction and amalgamation).
  - (c) A receiver is appointed over any of the assets of the Investment Adviser by an order of the High Court and such is not vacated or set aside for a period of two years.
- 12.2. The Investment Adviser may retire at any time with the prior written consent of the SECP by assigning its management, its rights to another investment adviser for such consideration as the Investment Adviser may deem appropriate, provided that the SECP has approved the appointment of the said investment adviser as adviser of UTP – Growth Fund.
- 12.3. Upon a new investment adviser being appointed the Investment Adviser will take immediate steps to deliver all the documents and records pertaining to the Trust to the new investment adviser and shall pay all sums due to the Trustee.
- 12.4. Upon its appointment the new investment adviser shall exercise all the powers and enjoy all rights and shall be subject to all duties and obligations of the Investment Adviser hereunder as fully as though such new investment adviser had originally been a party hereto.

### **13. TRANSACTIONS WITH CONNECTED PERSONS**

- 13.1 All cash forming part of the Deposited Property shall be deposited by the Trustee in a separate account, in the name of the Trustee with a scheduled Bank, approved by the Investment Adviser having a minimum investment grade rating as per the criteria laid down by a credit rating agency approved by the SECP. The Bank shall be caused to allow profit thereon in accordance with the rules prescribed by the Bank for sharing of profits or mark-up on deposits, as may be allowed.
- 13.2 Any transaction between the Closed-end Scheme and the Investment Adviser or any of their Connected Person as principal may be made, only as may be permissible under the Rules or as allowed by the SECP.

### **14. CERTIFICATES**

- 14.1 All Certificates represent an undivided share in the Deposited Property and rank *pari passu* as to their rights in the net assets, earnings, and the receipt of the dividends and distributions. Each Holder has a beneficial interest in the Fund proportionate to the Certificates held by such Holder.
- 14.2 All Certificates issued shall rank *pari passu* inter se and shall have such rights as are set out in this Deed and the Prospectus.
- 14.3 By a Prospectus and on giving not less than twenty-one days prior notice in writing to each Holder, the Investment Adviser may at any time with the prior approval of the Trustee and the SECP and after complying with the rules or listing regulations of the Stock Exchange, where the Fund is listed and any condition or criteria prescribed by SECP, increase the capital by the creation of new certificates of such amount as may be deemed expedient. The rights may be offered at par or premium to par value or discount to par value, subject to approval of SECP, Rules, and listing regulations of the Stock Exchange.
- 14.4 Where it is decided to increase the capital of the Trust by the issue of further certificates, such certificates shall be offered to the Holders first, strictly in proportion to the existing Certificates held by each Holder and such offer shall be made by notice specifying the number of Certificates to which the member is entitled, and limiting the time within which the offer, if not accepted, will be deemed to be declined. The Investment Adviser may offer

the certificates declined, to the underwriters or dispose them off in any other manner, as decided by its Board of Directors.

- 14.5 By a deed supplemental to this Deed the Investment Adviser may at any time with the approval of the Trustee and the SECP, on giving not less than twenty-one days previous notice in writing to each Holder, subdivide or consolidate the whole or any part of the Certificates and the Holder shall be bound accordingly. The Investment Adviser shall require in such notice that each Holder to deliver up his Certificates for endorsement or enfacement with the number of Certificates to be represented thereby as a result of such subdivision or consolidation; provided that any delay or failure to deliver up the Certificates shall not delay or otherwise affect any such division or consolidation.
- 14.6 The Certificate Holder is not liable to make any payment after he has paid the purchase price of his Certificate and that no further liability can be imposed on him in respect of Certificates which he holds.
- 14.7 The Fund may, in accordance with the decision of the Board of Directors of the Investment Adviser and with the prior separate written approval of the SECP and subject to the applicable rules, buy-back its certificates at a predetermined price. Provided that the price at which the certificates will be purchased shall not be more than the Net Asset Value per certificate on the date of such decision. Provided further that the Fund shall have sufficient cash resources available with it for the purchase.

## **15. TRANSFER AND TRANSMISSION OF CERTIFICATES**

- 15.1 Every Holder shall be entitled to transfer the Certificates held by him by an instrument in such form as the Investment Adviser may prescribe from time to time with the approval of the Trustee.
- 15.2 Application for the registration of transfer of Certificates may be made either by the transferor or the transferee.
- 15.3 Every instrument of transfer must be signed by both the transferor and the transferee and the transferor shall be deemed to remain the Holder of the Certificates transferred until the proper fee is paid and the name of the transferee is entered in the Register in respect thereof.
- 15.4 Every instrument of transfer must be duly completed in all respects including affixation of transfer fee stamps of the requisite value, accompanied by the certificates evidencing ownership of the Certificates to be transferred and such other evidence as required to prove the title of the transferor or his right to transfer the shares and sent to the Registrar.
- 15.5 The Trustee may dispense with the production of any Certificate where the Certificate shall have become lost, stolen or destroyed subject to compliance by the transferor with the like requirements to those arising in the case of an application by him for the replacement thereof as provided in Clause 19 of this Deed.
- 15.6 The Registrar with the prior approval of the Investment Adviser shall be entitled to destroy all instruments of transfer or the copies thereof as the case may be which have been registered at any time after the expiration of twelve years from the date of registration thereof and all Certificates which have been cancelled at any time after the expiration of three years from the date of cancellation thereof and all registers, statements and other records and documents relating to the Trust at any time after the expiration of ten years from termination of the Trust. The Trustee or the Investment Adviser or the Registrar shall be under no liability whatsoever in consequence thereof and it shall conclusively be presumed in favor of the Trustee or the Investment Adviser or the Registrar that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered by the Trustee or the Investment Adviser or the Registrar and that every Certificate so destroyed was a valid Certificate duly and properly cancelled:

Provided always that:

- (I) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document may be relevant;
  - (II) nothing in this sub-clause shall be construed as imposing upon the Trustee or the Investment Adviser or the Registrar any liability in respect of the destruction of any document earlier than as aforesaid or in any case where the conditions of proviso (I) above are not fulfilled; and
  - (III) reference herein to the destruction of any document includes reference to the disposal thereof in any manner.
- 15.7 Where the Certificates are within the Central Depository System, the transfer of Certificates shall be in accordance with procedure laid down by CDC.

## **16. PLEDGE/ LIEN OF CERTIFICATES**

- 16.1 Any Holder may pledge/ lien all or any of his Certificates as security for any debt to any third party. The Registrar shall take a note of the pledge/ lien charge in his record, the Certificate number(s), provided sufficient evidence of pledge to the satisfaction of the Investment Adviser, Trustee and the Registrar along with a joint request from the Holder and the pledgee is submitted on the standard application form. None of these parties, the Trustee, the Investment Adviser, or the Registrar, shall be liable for ensuring the validity of any such pledge/ charge/ lien. The disbursement of any loan against the constitution of such pledge/ lien/ charge shall be at the entire discretion of the lender and neither the Trustee nor the Investment Adviser nor the Registrar shall take any responsibility in this matter.
- 16.2 Save any legal bar or court order requiring otherwise, any dividends or right issues that are declared on the pledged Certificates shall be made to the order of the Holder. However, any additional bonus Certificates that the pledged Certificates are entitled to automatically be marked under the lien of the lien holder and in the event the pledged Certificates are sold for any reason whatsoever, the proceeds shall be paid to the order of the lien holder.
- 16.3 The lien on the pledged Certificates shall continue till such time it is released by the lien holder in writing.
- 16.4 Where the Certificates are within the Central Depository System, the pledge of Certificates shall be in accordance with procedure laid down by CDC.

## **17. REGISTRATION OF HOLDERS**

- 17.1 The Investment Adviser or if appointed, the Registrar shall maintain the Register at such a place as is agreed by the Investment Adviser. The Investment Adviser shall ensure that the Registrar shall comply with all relevant provisions of this Deed and the Rules.
- 17.2 The Investment Adviser shall ensure that the Registrar shall at all reasonable times during business hours give the Trustee and its representatives access to the Register and to all subsidiary documents and records or certified copies thereof and to inspect the same with or without notice and without charge but neither the Trustee nor its representatives shall be entitled to remove the Register or to make any entries therein or alterations thereto and except when the Register is closed in accordance with the provisions of this Deed, the Register shall during business hours (subject to such restrictions as may be mentioned in the relevant Prospectus and for a period of at least two hours in each Business Day) be open in legible form to the inspection of any Holder of his record without charge.
- 17.3 The Register shall contain the following information in respect to Certificates:
- a) Full names and addresses of each Holder and joint Holders;

- b) NIC No., if applicable;
- c) Nationality;
- d) The distinctive number of the Certificates held and the Certificate number(s);
- e) The date and distinctive Nos., Certificate Nos. of Certificates acquired through transfer;
- f) Information about Certificates reported as lost or destroyed;
- g) The date on which the name of every Holder was entered in respect of the Certificates standing in his name;
- h) The date on which any transfer is registered with distinctive Nos. and Certificate Nos.;
- i) Information about lien/ pledge/ charge on Certificates;
- j) Tax/ Zakat status of the Holder;
- k) Record of signature of Holder;
- l) Nominee; and
- m) Such other information as the Investment Adviser may require or may otherwise be required under the Rules.

17.4 The Register shall be conclusive evidence as to the Certificates held by each Holder.

17.5 Any change of name or address of any Holder shall forthwith be notified in writing to the Registrar who on being satisfied therewith and on compliance with such formalities (including in the case of a change of name the surrender of any Certificate previously issued to such Holder and the payment of the fee) shall alter the Register or cause it to be altered accordingly and in the case of a change of name shall issue a new Certificate if required to such Holder.

17.6 The Registrar shall not register more than four joint Holders for a Certificate. In case of the death of any one of the joint Holders the legal heirs of the deceased Holder shall be the only persons recognized by the Trustee as having any title to or interest in the Certificates held by the joint Holders.

17.7 A body Corporate may be registered as a Holder or as one of joint Holders.

17.8 The allotment or transfer of Certificates to a non-national of Pakistan shall be subject to the approvals required by the Exchange Control Regulations or of any other law for the time being in force, if any.

17.9 The Register may be closed in consultation with the Trustee for such period as the Investment Adviser may from time to time determine and after giving at least fourteen days notice to Holders, provided that it is not closed for more than forty-five days in any calendar year and not exceeding thirty days at a time.

17.10 The Holder shall be the only person to be recognized by the Trustee and the Investment Adviser as having any right, title or interest in or to such Certificates and the Trustee and the Investment Adviser may recognize the Holder as the absolute owner thereof and shall not be bound by any notice to the contrary and shall not bound to take notice of or to see to the execution of any trust except where required by any court of competent jurisdiction. However, the Investment Adviser may authorize the Registrar to record a pledge on any or

all Certificates held by a Holder in favor of a third party at the request of such Holder or joint Holders as the case may be in accordance with clause 16 of this Deed.

- 17.11 The executors or administrators or succession certificate holder of deceased Holder (not being one of several joint Holders) shall be the only persons recognized by the Trustee and the Investment Adviser as having title to the Certificates represented thereby.
- 17.12 Any person becoming entitled to a Certificate in consequence of the death or bankruptcy of any sole Holder or of the survivor of joint Holders may subject as hereinafter provided upon producing such evidence as to his title as the Trustee shall think sufficient either be registered himself as Holder of such Certificate upon giving the Investment Adviser/ Trustee/ Registrar such notice in writing of his desire or transfer such Certificate to some other person. All the limitations, restrictions and provisions of this Deed relating to transfer shall be applicable to any such notice or transfer as if the death or bankruptcy had not occurred and such notice or transfer was a transfer executed by the Holder.
- 17.13 The Trustee shall retain any moneys payable in respect of any Certificate of which any person is under the provisions as to the transmission of Certificates hereinbefore contained entitled to be registered as the Holder or which any person under those provisions is entitled to transfer, until such person shall be registered as the Holder of such Certificates or shall duly transfer the same.
- 17.14 Where the Certificates are within the Central Depository System, the maintenance of Register will be in accordance with the procedure laid down by CDC.

## **18. ISSUANCE OF CERTIFICATES**

- 18.1 After the sanctioning of the Scheme for Arrangement for Amalgamation by the SECP pursuant to the passing of a Resolution by 75% majority of Holders present at a duly convened meeting and subject to the law and to any conditions that may be imposed by the SECP, Certificates shall be allotted and issued by the Fund to the existing Holders without any charge, in lieu of and upon surrender of the certificates of ABAMCO Capital Fund, ABAMCO Growth Fund, ABAMCO Stock Market Fund, within time as specified hereunder and in such ratio as would arise on the basis of net assets value of respective funds as on December 31, 2005. Certificate(s) shall where applicable be sent to the Holder or his duly authorized nominee at his own risk by registered post.
- 18.2 Certificates shall be issued within ninety days after the allotment and within forty-five days after the applications for the registrations of the transfer of any Certificate. The Certificate shall be sent where applicable to the Holder or his duly authorized nominee at his own risk by registered post or by delivery.
- 18.3 Duplicate certificates may be issued on application and upon payment of a fee not exceeding twenty-five Rupees per Certificate of any denomination, subject to revision of fee from time to time by the Investment Adviser. The proceeds of such fee will accrue to the Investment Adviser.
- 18.4 In the case of Certificates held jointly, the Registrar shall not issue more than one Certificate for the Certificates held by such joint Holders and delivery of such Certificate to the Holder named first therein shall constitute sufficient delivery to all joint Holders. All payments required under this Deed (i.e. dividend) will be made to first named joint Holder.
- 18.5 Certificates shall be issued in such form as may from time to time be agreed between the Investment Adviser and the Trustee. A Certificate shall be dated, shall bear the name and address of the Investment Adviser and the Trustee, shall bear a distinctive and serial number and shall specify the distinctive number of Certificates represented thereby and the name and address of the Holder as appearing in the Register.
- 18.6 Certificates may be engraved or lithographed or printed as the Investment Adviser may determine from time to time with the approval of the Trustee and shall be signed on behalf

of the Trustee by a duly authorized officer of the Trustee and on behalf of the Investment Adviser by a duly authorized officer of the Investment Adviser. Every such signature shall be autographic unless there shall be for the time being in force an arrangement authorized by the Trustee adopting some lithographic or other mechanical method of signature in which event all or any of such signatures may be effected by the method so adopted. The Certificates shall also bear the signature of the authorized representative of the Registrar, which shall always be autographic. No Certificate shall be of any force or effect until signed as herein notwithstanding that before the date of delivery thereof the Trustee or the Investment Adviser or the Registrar or any person whose signature appears thereon as a duly authorized signatory may have ceased to be the Trustee, Investment Adviser, Registrar or an authorized signatory.

18.7 Where the Certificates are within the Central Depository System, the issue of Certificates or any other record shall be in accordance with the procedure laid down by CDC.

## **19. REPLACEMENT OF CERTIFICATES**

19.1 Subject to the provisions of this Deed and in particular to the limitations of the denominations of Certificates as may be fixed by the Investment Adviser and subject to any regulations from time to time made by Investment Adviser with the approval of the Trustee every Holder shall be entitled to exchange upon surrender of the existing Certificate any or all of his Certificates for one or more Certificates of such denominations as the Holder may require representing the same aggregate number of Certificates.

19.2 In case any Certificate shall be lost, stolen, mutilated, defaced or destroyed, the Registrar with the approval of the Investment Adviser may issue to the person entitled new Certificate in lieu thereof.

19.3 No such new Certificate shall be issued unless the applicant shall previously have:

(I) returned the mutilated or defaced Certificate or furnished the Registrar evidence satisfactory to the Investment Adviser of the loss, theft or destruction of the original Certificate;

(II) paid all expenses incurred in connection with the investigation of the facts and any notice to be issued in newspaper inviting any claim (if any) against the lost Certificate to be notified to the Investment Adviser, Trustee or the Registrar; and

(III) furnished such indemnity as the Investment Adviser and the Trustee may require. Neither the Investment Adviser nor the Trustee nor the Registrar shall incur any liability for any action that they may take in good faith under the provisions of this sub-clause.

19.4 Before the issuing of any Certificate under the provisions of the above sub-clause the Registrar may require from the applicant for the Certificate the payment to it of a fee of twenty five rupees for each Certificate, subject to revisions of fee from time to time by the Investment Adviser together with a sum sufficient in the opinion of the Investment Adviser to cover any Duties and Charges payable in connection with the issue of such Certificate.

## **20. AUDIT**

20.1 The Investment Adviser shall appoint a firm of chartered accountants as an Auditor who shall be independent of the auditor of the Investment Adviser and the Trustee. The Investment Adviser may at any time remove the Auditor and appoint another Auditor in its place. The same firm of chartered accountants can not be appointed Auditor for more than three consecutive years or any other term allowed by SECP.

20.2 The Auditor shall hold office until transmission of the annual report and accounts but may be re-appointed. The first Auditors shall be KPMG Taseer Hadi & Co. Chartered Accountants, Karachi.

- 20.3 The following persons shall not qualify to be the Auditor of the Trust:
- (a) A person who is or at any time during the preceding three years was a director, officer or employee of the Investment Adviser or the Trustee.
  - (b) A person who is a partner of, or in employment of, a director, officer, employee, or Connected Person of the Investment Adviser or Trustee.
  - (c) The spouse of a director of the Investment Adviser or Trustee.
  - (d) A person who is indebted to the Investment Adviser or Trustee, and
  - (e) A body corporate.
- 20.4 Appointment of a partnership firm to be the Auditor shall be deemed to be the appointment of all persons who are partners in the firm for the time being.
- 20.5 The Auditor shall have access to the books, papers, accounts and vouchers of the Trust, whether kept at the office of the Investment Adviser, Trustee, Custodian, Registrar, or elsewhere and shall be entitled to require from the Investment Adviser, Trustee, Custodian, Registrar and their directors, officers and agents such information and explanations as considered necessary for the performance of audit.
- 20.6 The Auditor shall prepare a written report to the Holders on the accounts and books of accounts of the Trust and the balance sheet and income and expenditure account and on every other documents forming part of the balance sheet and income and expenditure account, including notes, statements or schedules appended hereto.
- 20.7 The contents of the Auditors report shall be as required in the Rules.
- 20.8 The Investment Adviser, subject to the provisions of the Rules and applicable listing regulations, shall:
- (a) Within four months of closing of the Accounting Period, prepare and transmit the annual report together with a copy of the balance sheet, income and expenditure account together with the Auditor's report for the Accounting Period to the SECP and Certificate Holders in accordance with the Rules.
  - (b) Within two months after the close of the first half of its year (second quarter) of account, or such extended period as permitted by the SECP, prepare and transmit to the Holders and the SECP a balance sheet and income and expenditure account as at the end of that half year, whether audited or otherwise, in accordance with the Rules. The Investment Adviser may transmit the accounts to the Holders either electronically (via website/ or email) or in physical form, if so requested.
  - (c) Within a month after the close of the first and third quarter of account, prepare and transmit the quarterly report to the Certificate Holders and the SECP a profit and loss account for and the balance sheet as at the end of that quarter, whether audited or otherwise, in accordance with the Rules. The Investment Adviser may transmit the accounts to the Certificate Holders either electronically (via website and /or email) or in physical form, if so requested.

## **21. DETERMINATION OF DISTRIBUTABLE INCOME**

- 21.1 The financial year of the Scheme will be as stated in clause 3.1 and 3.2.
- 21.2 The Investment Adviser shall decide as soon as possible but not later than forty-five days after the Accounting Date whether to distribute among Holders, profits, if any, available for

distribution at the end of the Accounting Period, and shall advise the Trustee of the rate of such distribution per Certificate, provided that SECP can extend the period at the written request of the Investment Adviser, giving justification for such extension.

- 21.3 The amount available for distribution in respect of any Accounting Period shall be determined by the Investment Adviser after consulting the Auditor and shall be the sum total of:
- (a) the total income earned on the Deposited Property during such Accounting Period including all amounts received in respect of dividend, mark-up, profit, and fee;
  - (b) net realized appreciation as set out in sub-clause 21.3;

from which shall be deducted expenses as set out in sub-clause 21.5, adjustment as set out in sub-clause 21.6 and such other adjustment as the Investment Adviser may determine in consultation with the Auditor.

- 21.4 The proceeds of sales of rights and all other receipts deemed by the Investment Adviser after consulting the Auditor to be in the nature of capital accruing from Investments shall not be regarded as available for distribution but shall be retained as part of the Deposited Property, provided that such amounts out of the sale proceeds of the Investments and out of the sale proceeds of the rights, bonus shares and all other receipts as deemed by the Investment Adviser after consulting the Auditor to be in the nature of the net realized gain may be distributable to the Holders by the Trustee.

- 21.5 The income qualifying for distribution in respect of the relevant period shall be ascertained by deducting:

- (a) admissible expense of the Trust as stated in clause 7.7 of this Deed and Rules; and
- (b) taxes on Trust income or turnover.

- 21.6 The income qualifying for distribution in respect of the relevant year or period shall be adjusted as under:

- (a) deduction of a sum by way of adjustment to allow for effect of purchase of shares or any of the Investments inclusive of cum dividend, profit or mark-up; and
- (b) adjustment considered necessary by the Investment Adviser to reflect the diminution in value of Deposited Property in consultation with the Trustee.

## **22. DISTRIBUTION OF INCOME**

- 22.1 After each Accounting Date, the Investment Adviser shall instruct the Trustee to transfer such amount of cash as required to effect such distribution to the Distribution Account. The amount standing to the credit of the Distribution Account shall not for any purpose of this Deed be treated as part of the Deposited Property but shall be held by the Trustee upon trust to distribute the same as herein provided.

- 22.2 After the fixation of the rate of distribution per Certificate, distribution payments in case of cash dividend, shall be made by cheque or warrant and sent through the registered post or by way of transfer of amount to the Certificate Holder's designated bank account by the Trustee or through such arrangement as the Investment Adviser may consider appropriate to the registered address of such Holder, or in the case of joint Holders to the Registered address of the joint Holders, first named on the Register. Every such cheque or warrant shall be made payable to the order of the person to whom it is delivered or sent and payment of the cheque or warrant (if purporting to be duly endorsed or subscribed) shall be in satisfaction of the moneys payable. When an authority in that behalf shall have been received in such form as the Investment Adviser shall consider sufficient it shall arrange for payment of the amount

distributable to the Holder to his bankers and the receipt of such bankers shall be a good discharge thereof.

- 22.3 The Investment Adviser may decide to distribute, wholly or in part, the distributable income in the form of a stock dividend, which would comprise of Bonus Certificates of UTP-Growth Fund. The Bonus Certificates would rank *pari passu* as to their rights in the net assets, earning, and the receipt of the dividends and distributions, with the existing Certificates of UTP-Growth Fund.
- 22.4 Before making any payment in respect of a Certificate, the Trustee or the Investment Adviser may make such deductions as may be required by law in respect of any income, Zakat or other taxes, charges or assessments whatsoever and issue to the Holder the certificate in respect of such deductions in the prescribed form or in a form approved or required by the concerned authorities.
- 22.5 Where Certificates are placed under pledge/ lien the payment of dividends will be made in accordance with clause 16.2 of this Deed.

### **23. MODIFICATION OF THE TRUST DEED**

- 23.1 The Trustee and the Investment Adviser acting together shall be entitled by deed supplemental hereto to modify, alter or add to the provisions of this Deed in such manner and to such extent as they may consider expedient for any purpose, subject to the approval of the SECP, if so required. Provided that, the Trustee and the Investment Adviser shall certify in writing that, in their opinion such modification, alteration or addition is required pursuant to any amendment in the Rules or to ensure compliance with any fiscal or statutory requirement or to enable the provisions of this Deed to be more conveniently or economically managed or to enable the Certificates to be dealt in or quoted on the Stock Exchange or other wise for the benefit of the Holders and that it does not prejudice the interests of the Holders or any of them or operate to release the Trustee or the Investment Adviser from any responsibility to the Holders. Any amendment in the Trust Deed, which would result in change in investment objectives, shall require approval of Certificate Holders by Resolution.
- 23.2 Where this Deed has been altered or supplemented the Investment Adviser shall notify the Holders immediately.
- 23.3 The Investment Adviser may from time to time frame rules or regulations for conducting the business of the Trust or in respect of any other matter incidental thereto; provided such rules or regulations are not inconsistent with the provisions of this Deed, the Rules or the Prospectus.
- 23.4 If at any time, any Clause of this Deed is and/ or becomes in whole or in part, illegal, invalid or unenforceable under the laws of any applicable jurisdiction, neither the legality, validity and enforceability of the remaining Clauses of this Deed hereof, nor the legality, validity or enforceability of such Clause under the law of any other jurisdiction shall in any way be affected or impaired thereby.

### **24. TERMINATION AND LIQUIDATION**

- a) The Trust Deed may be terminated in accordance with the conditions specified in the Rules or under any other agreement or arrangement entered into between the Trustee and Investment Adviser regarding the Trust.
- b) UTP- Growth Fund shall be terminated if the fund has underperformed the market for two consecutive years whereby the growth in the Fund's NAV remains less than seventy five percent of the growth in KSE All Share Index. The Fund may also be terminated if it has not paid dividends and / or issued bonus certificates for two consecutive years or if the Fund's NAV has fallen to forty percent or lower than the face value of the Certificates for a period of twelve months out of the last 24 months provided the above are not due to prolong downturns in the stock exchanges, as may be determined by SECP. If anyone of the above happens then the

Fund shall be wound up / terminated. In such a situation conversion to open end fund shall not be allowed.

- c) The termination of the Trust shall always require the prior written approval of SECP.

## **25. DISTRIBUTION OF LIQUIDATION PROCEEDS**

- 25.1 Upon the Trust being terminated the Investment Adviser shall proceed to sell all Investments then remaining in the hands of the Trustee as part of the Deposited Property and shall repay any borrowing arrangement effected by the Trust together with any profit/ mark-up remaining unpaid.
- 25.2 The Trustee on the recommendation of the Investment Adviser shall from time to time distribute to the Holders *pro rata* to the number of Certificates held by them respectively all net cash proceeds derived from the realization of the Deposited Property after making payment as mentioned in sub-clause 25.1 above and retaining such sum as considered or apprehended by the Investment Adviser for all costs, charges, expenses, claims and demands.

## **26. CONVERSION INTO AN OPEN-END FUND**

Subject to the approval of the Certificate Holders by a Resolution and approval of SECP, the Investment Adviser may convert the closed-end Scheme into an open-ended scheme, after fulfilling such conditions as are applicable to an open-ended scheme and on conditions which SECP may impose.

## **27. MERGER WITH OTHER CLOSED-END FUNDS**

Subject to the approval of the Certificate Holders by Resolution and approval of SECP, the Fund may merge with any other closed-end scheme or investment company, provided that it is strictly on the basis of Net Asset Value.

## **28. CONFIDENTIALITY**

The Trustee and the Investment Adviser and every director or officer of the Trustee and the Investment Adviser who are in any way engaged in the business of the Trust and all persons employed or engaged by the Trustee or the Investment Adviser in connection with the business of the Trust shall observe strict confidentiality in respect of all transactions of the Trust, its Holders and all matters relating thereto and shall not disclose an information or document which may come to his knowledge or possession in the discharge of his duties except when required to do so in the ordinary course of performance of his duties or by law.

## **29. ARBITRATION**

In the event of any disputes arising out of this Trust Deed or Prospectus between the Investment Adviser on the one part and the Trustee on the other part, including as to the respective rights and obligations of the Parties hereto, as well as those relating to the interpretation of the terms and the conditions of this Trust Deed and/ or Prospectus, relating to the Trust, the same shall be referred to arbitration by two arbitrators, one to be appointed by the Investment Adviser and the other to be appointed by the Trustee. In the event of lack of consensus between the two arbitrators, the matter shall be referred to an umpire, to be selected by the two arbitrators before the commencement of the reference. The unanimous decision of both the arbitrators, or the decision of the umpire, as the case may be shall be final and binding upon both the parties. The arbitrators and the umpires shall be selected from amongst, senior partners of renowned firms of chartered accountants, or senior partners of renowned law firms, or senior bankers or senior business men or senior executives. The venue of the arbitration shall be Karachi. The arbitration shall be conducted in accordance with the Arbitration Act, 1940.

## **30. RIGHTS AND OBLIGATIONS**

The obligations and rights of the parties hereunder shall be subject to the provisions of this clause.

- i. The obligations and rights of the parties hereunder shall be subject to the existing rights, as of the date of this Deed, of third parties, and to any renewals thereof.
- ii. Neither party shall be obligated to disclose any information, which is proprietary, the information of any government, or of any agency thereof, the disclosure of which would be, in the opinion of the obligated party, contrary to any law, regulation or decree of any government or of any agency thereof.

### **31. REPRESENTATIONS AND WARRANTIES**

Each of the parties hereby represents and warrants to each of the other party as follows:

- i. It is an entity duly organized, validity existing and in good standing under the laws of its jurisdiction of formation.
- ii. It has the power and authority to execute and deliver this Deed, and to consummate the transactions contemplated hereby. The execution and delivery by it of this Deed, and the consummation by it of the transactions contemplated hereby, have been duly authorized by all necessary corporate action and have been duly authorized by the prescribed governmental entity or other person. Each of the representatives of each such party signing this Deed has full power and authority to execute this Deed in such representative's indicated capacity and to consummate the transactions contemplated hereby. Upon its execution and delivery, this Deed will be duly executed and delivered and will constitute a valid and binding obligation of such party, enforceable in accordance with its terms, except as the same may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally or the availability of equitable remedies.
- iii. The execution and delivery of this Deed by it does not, and the consummation by it of the transactions contemplated by this Deed will not, violate any provision of its bylaws or other charter or governing documents, or violate any agreement, instrument, law, ordinance, regulation, order arbitration award, judgment, or decree to which it is party, or by which it is bound.

### **32. MISCELLANEOUS**

- a. Any notice required to be served upon the Holder shall be deemed to have been duly given if sent by post to or left at his address as appearing in the Register. Any notice so served by post shall be deemed to have been served on the day following that on which the letter containing the same is posted, and in providing such service it shall be sufficient to prove that such letter was properly addressed, stamped and posted.
- b. The Trustee or the Investment Adviser may publish any such notices, as provided in this Deed.
- c. Service of a notice or document on any one of several joint Holders shall be deemed effective service on the other joint Holders.
- d. Any notice or document sent by post to or left at the registered address of a Holder shall, notwithstanding that such Holder be then dead or bankrupt and whether or not the Trustee or the Investment Adviser have notice of his death or bankruptcy, be deemed to have been duly served and such service shall be deemed a sufficient service on all persons interested (whether jointly with or as claiming through or under him) in the Certificates concerned.

A copy of this Deed and of any such supplemental deed shall be made available for inspection at the respective Head Offices of the Trustee and of the Investment Adviser at all times during usual business hours and shall be supplied by the Investment Adviser to any

person on application at a charge of Fifty (50) Rupees per copy or at such rate as determined from time to time by the Investment Adviser.

“IN THE WITNESSES WHEREOF THIS DEED has been executed on the day and year first above written.

The Common Seal of ABAMCO LIMITED was hereunto affixed in the presence of: –

Seal

(1) \_\_\_\_\_  
Suleman Lalani  
CFO & Company Secretary

(2) \_\_\_\_\_  
Amer Maqbool  
VP – Strategic Planning & Business Development

The Common Seal of CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED was hereunto affixed in the presence of: –

Seal

(1) \_\_\_\_\_  
Kamran Qazi  
Head of Finance

Witnesses:

\_\_\_\_\_  
Name: Shahrukh Faruqui  
Occupation: Service  
Address: 7A/3 North Lane  
Off. North Ave. Phase 1  
DHA Karachi

\_\_\_\_\_  
Name: Lawrence A. Lobo  
Occupation: Service  
Address: 79 L 1<sup>st</sup> Floor Block 23  
PECHS Karachi