

CONSOLIDATED TRUST DEED

**JS INCOME FUND
(formerly UTP Income Fund)**

**Managed by
JS INVESTMENTS LIMITED**

**Trustee
MUSLIM COMMERCIAL FINANCIAL SERVICES (PVT.) LIMITED**

Disclaimer:

The subject consolidation of the texts and/or expressions of the Registered Trust Deed and its Supplemental Trust Deeds are only for the purposes of reference and are in compliance of Securities and Exchange Commission of Pakistan's Circular No. 14 of 2014. This Consolidated document incorporates all amendments/modifications carried in the Registered Trust Deed dated **July 18, 2002** vide the First and the Second Supplemental Trust Deeds dated **MAY 28, 2005 and OCTOBER 05, 2007** respectively. All texts and/or expressions contained in the subject Consolidated Document are subordinate to the actual texts and/or expressions contained in the Registered Trust Deeds and Supplemental Trust Deeds and it shall be deemed, for all purposes whatsoever, that all provisions required to be contained in the Trust Deed and/or the Supplemental Trust Deeds by Rules are incorporated in this Consolidated Document as part and parcel thereof and in the event of any conflict between this Consolidated Document and the Registered Trust Deed and/or Supplemental Trust Deeds, the earlier shall supersede and prevail over the texts and expressions contained in this Consolidated Document.

Dated: September 01, 2014

CONSOLIDATED TRUST DEED

**JS INCOME FUND
(formerly UTP Income Fund)**

**Managed By
JS INVESMETNTS LIMITED**

**Trustee
MUSLIM COMMERCIAL FINANCIAL SERVICES (PVT.) LIMITED**

This Trust Deed is made and entered into at Karachi, on this 18th of July, 2002 and has been modified through First Supplemental Trust Deed dated May 28, 2005 and the Second Supplemental Trust Deed dated October 05, 2007 by and between;

- (1) **JS INVESTMENTS LIMITED** (*formerly JS ABAMCO LIMITED and initially ABAMCO Limited*), a company incorporated 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 "Management Company" which expression where the context so permits shall include its successors-in-interest and assigns) of the one part; and ¹

- (2) **MUSLIM COMMERCIAL FINANCIAL SERVICES (PVT.) LIMITED**, a company incorporated in Pakistan having its registered office at 3rd Floor, Adamjee House, I.I. Chundrigar Road, Karachi-74000 (hereinafter called the "Trustee" which expression where the context so permits shall include its successors-in-interest and assigns) of the other part. ²

The Trustee is a wholly owned subsidiary of Muslim Commercial Bank Limited, a banking company incorporated in Pakistan having its registered office at 2nd Floor, Adamjee House, I.I Chundrigar Road Karachi- 74000.

WHEREAS:

- A. The Management Company has been incorporated and is registered as an asset management company (AMC) under the Rules to *inter alia* establish and operate unit trusts;

- B. SECP vide its letter No.SC/MF-DD/257/2002 dated July 3, 2002 appended hereto as Annexure "A" authorized the Management Company to constitute the Trust under the name and title of UTP Income Fund (now JS Income Fund) (hereinafter referred to as the "Unit Trust" or "Trust" or "Scheme") ³

¹ Amended as per 2nd Supplemental Deed, 2007

² Amended as per 2nd Supplemental Deed, 2007

³ Amended as per 2nd Supplemental Deed, 2007

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- C. The Management Company has nominated and appointed the Trustee as trustee of the Scheme and the Trustee has accepted such appointment upon the terms and conditions herein contained;
- D. SECP has approved the appointment of Muslim Commercial Financial services (Pvt.) Limited as Trustee, vide letter No. NBFC-II/AD/JSIL/JSIF/700/2007 dated September 21, 2007, appended hereto as Annexure “B”;⁴
- E. SECP vide its letter No. NBFC-II/AD/JSIL/JSIF/700/2007 dated September 21, 2007, has approved the amendments to the Trust Deed appended hereto as Annexure “C”.⁵
- F. SECP vide letter No. NBFC/RS/JD-VS/JSIF/60/2010 dated January 25 2010 has approved the amendments to the Trust Deed appended hereto as Annexure “D”.⁶

NOW THIS DEED WITNESSETH:

1. DEFINITIONS

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

- 1.1 “Accounting Date” means the thirtieth day of June in each year and any interim date at which the financial statements of the Unit Trust are drawn up. Provided however, the Management Company, with the approval of the Trustee and after intimation to the Commission, change such date to any other date.⁷
- 1.2 “Accounting Period” means, a period ending on and including an Accounting Date and commencing (in case of the first such period) on the date on which the Deposited Property is first paid or transferred to the Trustee and (in any other case) from the end of the preceding Accounting Period.⁸
- 1.3 “Account Statement” means statement of transactions in Units in the account of the Holder.⁹
- 1.4 “Administrative Plans” means investment plans offered by the Management Company and approved by the Commission, where such plans allow investors a focused investment strategy in any one or a combination of Schemes managed by

⁴Amended as per 2nd Supplemental Deed, 2007

⁵ Addition as per 2nd supplemental deed Dated, 2007

⁶ Amended as per 3rd supplemental deed Dated, 2010

⁷ Amended as per 2nd Supplemental Deed, 2007

⁸ Amended as per 3rd supplemental deed Dated, 2010

⁹ Amended as per 3rd supplemental deed Dated, 2010

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the Management Company in accordance with the conditions specified by SECP.¹⁰

- 1.5 “Auditor” means the Auditor of the Trust appointed by the Management Company, as per the Rules and Regulations.
- 1.6 “Authorized Branch” means those branches of the Distributors authorized by the Management Company.
- 1.7 “Authorized Investment” means any investment transacted, issued, traded or listed inside or outside Pakistan and includes any of the following:
- (a) Securities, bonds, debentures, debenture stock, warrant options, participation term certificates, modaraba certificates, term finance certificates, preference shares, convertible preference shares, convertible bonds, Euro bonds, 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) Treasury bills and other Government Securities;
 - (c) Money Market Instruments, Certificates of Deposit and Bankers’ Acceptances;
 - (d) Deposits in Banks or with financial institutions;
 - (e) Investment in any debt security that may or may not be listed on the Stock Exchange;
 - (f) Reverse REPO’s. Purchase or sale of a security for ready settlement and the reverse thereof (sale or purchase, as the case may be) for future settlement including spread transactions;¹¹
 - (g) Investments outside Pakistan in such permitted asset classes including securities, subject to such terms and conditions as are specified by any competent authority including the State Bank of Pakistan and the SECP; and
 - (h) Any other investments permitted under the Rules and Regulations or allowed by the SECP.

but does not include bearer security or any other security that would involve the assumption of unlimited or undeterminable liability.

¹⁰ Inserted as per 3rd supplemental deed Dated, 2010

¹¹ Amended as per 3rd supplemental Deed dated, 2010

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- 1.8 “Back-end Load” means charge(s) deductible from the Net Asset Value of the Unit to determine the Redemption Price. Such load, not exceeding five percent (5%) of the Net Asset Value, shall be determined by the Management Company from time to time and disclosed in the Offering Document. Any such load shall be treated as part of the Deposited Property.¹²
- 1.9 “Bank” means a banking company licensed under the Banking Companies Ordinance, 1962, or any other regulation for the time being in force.
- 1.10 “Bank Accounts” means those accounts the beneficial ownership of which rests in the Holder and for which Trustee has been appointed as the trustee.
- 1.11 ¹³“Bonus Units” means the Units issued on distribution of the distributable income, in the form of a stock dividend.
- 1.12 “Business Day” means any day of the week but does not include any day which is a gazetted Government of Pakistan holiday or on which the Stock Exchange in Pakistan are closed for Business.¹⁴
- 1.13 “Carry Over Transaction (COT)” means a form of financing through the Stock Exchange 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.
- 1.14 “Certificate” means the definitive certificate acknowledging the number of Units registered in the name of the Holder issued at the request of the Holder pursuant to the provisions of this Deed.
- 1.15 “Companies Ordinance” means the Companies Ordinance, 1984, as amended from time to time.
- 1.16 “Connected Person” shall have the same meaning as in the Rules.
- 1.17 “Constitutive Document” shall have the same meaning as in the Regulations.¹⁵
- 1.18 “Contingent Load” or “Deferred Sales Load” means processing charges deductible from the net Asset Value of the Unit to determine the Redemption Price in case of redemption of Units within a certain period of time or at a decreasing rate for every period the units are held and shall be charged to Unit Holders in instances where no Front-end Load is charged. Such charges shall not exceed five percent (5%) of the Net Asset Value and shall be determined by the

¹² Amended as per 3rd supplemental Deed dated, 2010

¹³ Insertion as per 2nd Supplemental Deed, 2007

¹⁴ Amended as per 3rd supplemental Deed dated, 2010

¹⁵ Amended as per 3rd supplemental deed Dated, 2010

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- Management Company from time to time and disclosed in the Offering Document. Any such charges shall be payable to the Management Company and/or its Distributors, as the case may be.¹⁶
- 1.19 “Core Investors” means the initial investors, who shall be required to subscribe to and to hold number of Units of par value of not less than fifty million Rupees (Rs 50,000,000) for the minimum two years from the date of payment in full of such Units.
- 1.20 “Core Units” means such Units of the Trust that are issued to Core Investors with the condition that these are not redeemable for a period of two years from the date of issue. However, such Units are transferable with this condition and shall rank pari passu with all other Units save for this restriction. Any transfer of these Core Units, during the first two years of their issue, shall be affected only on the receipt by the Transfer Agent of a written acceptance of this condition by the transferee.
- 1.21 “Custodian” means a Bank that may be appointed by the Trustee with the approval of the Management Company to hold and protect the Deposited Property or any part thereof as custodian on behalf of the Trustee.
- 1.22 “Cut-Off Time” means any time as may be determined by the Management Company and disclosed in the Offering Document and communicated to the Trustee and the Unit Holders applicable for each Business Day before which Units transactions will be effectuated. The Management Company may change the cut-off timings under prior intimation to the Unit Holders and the Trustee.¹⁷
- 1.23 “Deed” means this Trust Deed and any Supplemental Deed.¹⁸
- 1.24 “Deposited Property” means the aggregate proceeds of the sale of all Units at Offer Price after deducting therefrom or providing thereout any applicable Front-end Load and Duties and Charges and Transaction costs and any other expense chargeable to the Fund and after adding thereto any Back-end Load as specified in the Offering Document; and includes the Investment and all income, profit and other benefits arising therefrom 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 Contingent Load payable to the Management Company or any amount standing to the credit of the Distribution Account except any profit on the Distribution Account which shall be the part of the Deposited Property.”¹⁹

¹⁶Amended as per 3rd supplemental deed Dated, 2010

¹⁷ Amended as per 3rd supplemental deed Dated 2010

¹⁸ Insertion as per 3rd supplemental deed Dated 2010

¹⁹ Amended as per 3rd supplemental deed Dated 2010

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- 1.25 “Discount Rate” means the rate at which the State Bank of Pakistan makes funds available to banks for short periods against the collateral of government bonds; and if no longer published then the substitute thereof.
- 1.26 “Distribution Account” means the account (which may be a current, saving or deposit account) maintained by the Trustee with a Bank, approved by the Management Company in which the amount required for the distribution of income to the Holders shall be transferred.
- 1.27 “Distributor/ Distribution Company” means a company, firm, individual, sole proprietorship concern or a Bank appointed by the Management Company under intimation to the Trustee for performing the Distribution Function and shall also include the Management Company itself, if it performs the Distribution Function.²⁰
- 1.28 “Distribution Function” means with regard to:
- (a) Receiving applications for issue of Units together with the aggregate Offer Price for Units applied for by the applicants;
 - (b) Issuing of receipts in respect of (a) above;
 - (c) Interfacing with and providing services to the Holders including receiving redemption applications, transfer applications, conversion notices and applications for change of address or issue of duplicate Certificates for immediate transmission, in accordance with the instructions given by the Management Company or the Trustee, to the Management Company or the Transfer Agent as appropriate; and
 - (d) Accounting to the Trustee for all (1) payment instruments received from the applicants for issuance of Units; (2) payments instruments delivered to the Holders on redemption of Units; and (3) expenses incurred in relation to the Distribution Function.²¹
- 1.29 “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 or the creation, issue, sale, transfer, redemption or purchase of Units or 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

²⁰ Amended as per 3rd supplemental deed Dated 2010

²¹ Amended as per 3rd supplemental deed Dated 2010

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- include the remuneration payable to the Distribution Company or any commission, charges or costs which may have been taken into account in ascertaining the Net Asset Value.
- 1.30 “Formation Cost” means all preliminary and floatation expenses of the Trust including expenses in connection with authorization of the Scheme, execution and registration of the Constitutive Document, issue, circulation and publication of the Offering Document and all expenses incurred during the Initial Period.
- 1.31 “Front-end Load” means the sales and processing charges (excluding Duties and Charges) that is received by the Management Company and/ or its Distributors that may be included in the Offer Price of the Units not exceeding five percent (5%) of the Net Asset Value. The details of Front-end Load applicable to the Offer Price shall be specified in the Offering Document.²²
- 1.32 “Holder” or “Unit Holder” means the investors for the time being entered in the Register as owner of a Unit, including investors jointly so registered pursuant to the provisions of this Deed.
- 1.33 “Initial Period” or “Initial Offering Period” means a period determined by the Management Company not exceeding ninety days during which Units will be offered at the Initial Price in terms of the Offering Document.
- 1.34 “Initial Price” means the price per Unit during the Initial Offering Period determined by the Management Company.
- 1.35 “Investment” means any Authorized Investment forming part of the Deposited Property.
- 1.36 “Investment Facilitator/Sales Agent” means an individual, firm, corporate or other entity appointed by the Management Company to identify, solicit and assist investors in investing in the Scheme as its agents. The Management Company may compensate the Investment Facilitators/Sales Agents out of the Front-end Load or the contingent load collected by it in the Offer Price or the Redemption Price, respectively, or from the Management Company’s own resources.²³
- 1.37 “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 in the Regulations.”²⁴
- 1.38 “No Load” means no Sales Load payable on sale or redemption of Units.

²² Amended as per 3rd supplemental deed Dated, 2010

²³ Amended as per 3rd supplemental deed Dated, 2010

²⁴ Amended as per 3rd supplemental deed Dated, 2010

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- 1.39 “Offer Price” means the sum to be paid to the Trustee for issuance of one Unit, such price to be determined pursuant to clause 16 of this Deed.
- 1.40 “Offering Document” means the prospectus, advertisement or other document (approved by the SECP), which contains the investment and distribution policy and all other information in respect of the Unit Trust, as, required by the Rules and Regulations and is calculated to invite offers by the public to invest in the Unit Trust, and includes any Supplementary Offering Document.²⁵
- 1.41 “Ordinance” means the Securities and Exchange Ordinance, 1969, as amended from time to time.
- 1.42 “Par Value” means the face value of a Unit that shall be one hundred rupees or such other amount as may be determined by the Management Company in consultation with the Trustee from time to time.²⁶
- 1.43 “Personal Law” means the law of inheritance and succession as applicable to the individual Unit Holder.
- 1.44 “Redemption Price” means the amount to be paid to the relevant Holder of a Unit upon redemption of that Unit, such amount to be determined pursuant to clause 19 of this Deed.²⁷
- 1.45 “Register” means the Register of the Holders kept pursuant to the Rules, Regulations and this Deed.
- 1.46 “Registrar Functions” means the functions with regard to:
- (a) Maintaining the Register;
 - (b) Receiving application for redemption and transfer/transmission of Units directly from Holder or legal representatives or through Distributor;
 - (c) Processing requests for issue, redemption, transfer and transmission of Units and requests for recording of pledge or for recording of changes in information/particulars/data with regard to the Holders;
 - (d) Issuing Account Statements to Holders;
 - (e) Issuing Certificates including Certificates in lieu of undistributed income to Holders;

²⁵ Amended as per 3rd supplemental deed Dated, 2010

²⁶ Amended as per 2nd Supplemental Deed, 2007

²⁷ Amended as per 3rd supplemental deed Dated, 2010

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- (f) Dispatching income distribution warrants and allocating Units to Holders on re-investment of dividends as per clause 31.4 of this Deed;
 - (g) Canceling old Certificates on redemption or replacement;
 - (h) Maintaining records of lien/pledge/charge; and
 - (i) Keeping record of change of addresses/other particulars of the Holders.
- 1.47 “Regulations” means the Non-Banking Finance Companies and Notified Entities Regulations, 2008, as amended or substituted from time to time.²⁸
- 1.48 “Reporting Currency/Base Currency” means the currency used in presenting the financial statements, which will be the Pakistani Rupee.
- 1.49 “Rules” means the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, as amended or substituted from time to time.²⁹
- 1.50 “SECP” or “Commission” means the Securities and Exchange Commission of Pakistan, established under section 3 of the Securities and Exchange Commission of Pakistan Act, 1997 and shall include its successor.³⁰
- 1.51 “Stock Exchange” means Karachi Stock Exchange, Lahore Stock Exchange, Islamabad Stock Exchange or any other stock exchange registered under section 5 of the Ordinance.
- 1.52 “Subscription Day” means every Business Day provided that the Management Company may with the prior written consent of the Trustee and upon giving not less than seven days notice in at least one newspaper, either English or Urdu circulating in Pakistan, declare any particular Business Day not to be a Subscription Day.
- 1.53 “Supplemental Deed” means a deed supplemental to this Deed, executed by the Management Company and the Trustee, after seeking approval of the SECP, to modify, add to, alter and amend or amend and restate the provisions of this Deed or any other supplemental deed in such manner and to such extent as may be considered expedient for all purposes, which shall be consolidated, read and construed together with this Deed.³¹
- 1.54 “Supplementary Offering Document” means a document issued to modify, add to, alter and amend, amend and restate or to make any other amendment to the Offering Document in such manner and to such extent as considered expedient for

²⁸ Insertion as per 3rd supplemental deed Dated, 2010

²⁹ Amended as per 3rd supplemental deed Dated, 2010

³⁰ Amended as per 3rd supplemental deed Dated, 2010

³¹ Insertion as per 3rd supplemental deed Dated, 2010

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all purposes by the Management Company, with the consent of the Trustee, after seeking approval of the SECP and the same shall be consolidated, read and construed together with the Offering Document.³²

- 1.55 “Transfer Agent” means a company including a Bank that the Management Company may appoint for performing the Registrar Function.
- 1.56 “Trust”, “Unit Trust” or “Scheme” means the Unit Trust constituted by this Trust Deed for continuous offers for sale of Units.
- 1.57 “Unit” means one undivided share in the Trust and where the context so indicates a fraction thereof.³³

Words and expressions used but not defined herein shall have the meanings assigned to them in the Rules and Regulations. Words importing persons include corporation, 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.

2. DECLARATION OF TRUST

It is hereby declared unequivocally, that a unit trust in the name and title of JS Income Fund is hereby created and the Management Company is hereby appointed to establish, manage, operate and administer the said Unit Trust and the Trustee is hereby nominated, constituted and appointed as the Trustee of the Unit Trust. The Management Company and the Trustee hereby agree to such appointment and further declare:³⁴

- (a) The Management Company shall establish, manage, operate and administer the Scheme;
- (b) 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 Units held by each Holder; and
- (c) The Deposited Property shall be invested/disinvested from time to time by the Trustee at the sole direction of the Management Company.

Strictly in terms of the provisions contained and stipulated in this Deed, the Offering Document, the Rules, Regulations and the conditions (if any) which may be imposed by the SECP from time to time.

³² Amended as per 3rd supplemental deed Dated, 2010

³³ Amended as per 2nd Supplemental Deed, 2007

³⁴ Amended as per 2nd Supplemental Deed, 2007

3. DEPOSITED PROPERTY

- 3.1 The aggregate proceeds of all Units issued from time to time after deducting Duties and Charges and after deducting therefrom or providing thereout any applicable Front-end Load and adding thereto any Back-end Load, shall constitute part of the Deposited Property.³⁵
- 3.2 The Deposited Property shall initially be constituted out of the proceeds of the Units issued to the Core Investors and other Units issued during the Initial Period after deducting any applicable Duties and Charges therefrom or any Front-end Load therefrom.³⁶
- 3.3 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, Regulations 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.
- 3.4 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 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.
- 3.5 The Trustee shall have the sole responsibility for the safekeeping of the Deposited Property. Subject to the provisions of Clause 31.4 below, in the event of any loss arising as a result of an act/omission 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.
- 3.6 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 or financial institution approved by the Management Company, having at least minimum investment grade rating, as per criteria laid down by a credit rating agency approved by the SECP. The Bank or a financial institution shall allow profit thereon in accordance with the rules prescribed by the Bank or financial

³⁵ Amended as per 3rd supplemental Deed dated, 2010

³⁶ Amended as per 3rd supplemental deed Dated, 2010

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institution for sharing of profits or mark-up on deposits maintained in such account or under any other arrangement approved by the Management Company.

- 3.7 Remuneration of the Management Company 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 Scheme or the collective interests of the Holders; Bank charges and borrowing/financial costs; audit fees; listing fee payable to a Stock Exchange; Formation Cost and taxes if any applicable to the Trust shall be payable out of the Deposited Property.

4. INVESTMENT OF THE DEPOSITED PROPERTY

- 4.1 During and prior to the commencement of the Initial Period the Trustee shall hold the Deposited Property in cash in a separate account with a Bank or a financial institution approved by the Management Company. After the Initial Period all cash, except in so far as such cash may in the opinion of the Management Company 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) be directed by the Management Company.
- 4.2 Any Investment may at any time be realized at the discretion of the Management Company 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 Management Company may determine to be in the interest of Holders.
- 4.3 The purchase or sale of any Investment in listed securities for the account of the Trust shall be made on the Stock Exchange through a broker who must be a member of the Stock Exchange³⁷, unless the Management Company is satisfied that it is possible to make such purchase or sale more advantageously in some other manner. The broker will be appointed, from time to time, by the Management Company in consultation with the Trustee. Save as allowed under the Rules and Regulations, the Management Company shall not nominate directly or indirectly as a broker, any of its director, executives, officers or employees or a family member (which term shall include their spouses, children, brothers or sisters).

³⁷ Amended as per 2nd supplemental trust deed dated 2007

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- 4.4 The Deposited Property shall be subject to such restrictions and exposure limits as are provided in the Rules and Regulations and prescribed by the SECP; provided that in case such limits are exceeded due to corporate actions including taking up rights or bonus issue and owing to appreciation or depreciation in value of any Investment, disposal of any Investment, or redemption of Units, the excess exposure shall be regularized in such manner and within such time as specified in the Regulations and prescribed by SECP.³⁸
- 4.5 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 or Regulations, 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 Management Company is satisfied that accepting such offer is in the interest of the Trust.
- 4.6 JS Income Fund will not at any time:³⁹
- (a) Purchase or sell:
- Bearer Securities;
 - Securities on margins;
 - Securities which result in assumption of unlimited or undetermined liability (actual or contingent);
 - Commodities or commodity contracts;
 - Real estate or interest in real estate save and except that the Management Company 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;
 - Invest in anything other than Authorized Investments as defined herein;
- (b) Participate in a joint account with others in any transaction;
- (c) Make short sales of any security or maintain a short position;
- 4.7 Subject to the Rules, Regulations and any other applicable law, the Management Company may, on behalf of the Scheme, write call options on any of the securities held in the portfolio, if there is a market based exit mechanism from options so written. The Management Company may also, on behalf of the Scheme, buy put options equivalent to any securities held in the portfolio. Under

³⁸ Amended as per 3rd supplemental deed Dated 2010

³⁹ Amended as per 2nd Supplemental Deed, 2007

no circumstances shall the Management Company buy or sell options on behalf of the Scheme that results in an exposure beyond the number of underlying securities held in the portfolio of the Scheme. The Management Company may, however, buy call options or put options on one or more item (financial or otherwise) that in its opinion would act as a hedge/defensive proxy for the overall market risk.

4.8 **Category of the Fund**

The Fund shall be an 'Income Scheme' as per the criteria for categorization of open-end collective investment schemes specified in the Regulations or by SECP, as amended from time to time.⁴⁰

4.9 **Investment Objective**

The Fund shall aim to achieve a high rate of current income consistent with reasonable concern for safety of capital and to provide investors to join or leave the Fund at their convenience."⁴¹

4.10 **Performance Benchmark**

The performance benchmark of the Fund for the period of return shall be the 'average of most recently published 3-month deposit rates of top 3 scheduled commercial Banks by deposit size' or such other benchmark determined by the Management Company under prior intimation to the Trustee, SECP and the Unit Holders, and disclosed in the Offering Document.⁴²

4.11 **Investment Policy**

The Fund shall invest in a diversified portfolio of Authorized Investments including investment grade debt securities, Government securities and money market instruments more fully disclosed in the Offering Document.⁴³

⁴⁰ Insertion as per 3rd supplemental deed Dated 2010

⁴¹ Insertion as per 3rd supplemental deed Dated 2010

⁴² Insertion as per 3rd supplemental deed Dated 2010

⁴³ Insertion as per 3rd supplemental deed Dated 2010

5. VOTING RIGHTS ON DEPOSITED PROPERTY

- 5.1 All rights of voting attached to any Deposited Property shall be exercisable by the Management Company on behalf of the Trustee and the Management Company 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.
- 5.2 The Trustee shall upon written request by the Management Company and at their expense, from time to time execute and deliver or cause to be executed or delivered to the Management Company 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 Management Company 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.

- 5.3 The Trustee shall forward to the Management Company in a timely manner all notices of meetings and all reports and circulars received by the Trustee as the registered holder of any Investment.

6. BORROWING

- 6.1 Subject to any statutory requirements for the time being in force and to the terms and conditions herein contained the Trustee may, at any time at the request of the Management Company, concur with the Management Company in making and varying arrangements with Banks or financial institutions for borrowing by the Trustee for the account of the Trust. Provided that the charges payable to such Bank or financial institution are not higher than the normal bank charges. Provided further that the maximum borrowing for the account of the Trust shall not exceed the limit provided in the Rules and Regulations but if subsequent to such borrowing, the Net Assets have reduced as a result of depreciation in the market value of the Deposited Property or redemption of Units, the Management Company shall not be under any obligation to reduce such borrowing.
- 6.2 For the purpose of securing any such borrowing the Trustee may with the approval of the Management Company mortgage, charge or pledge in any manner all or any part of the Deposited Property provided that the aggregate amount to be

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secured by such mortgage, charge or pledge shall not exceed the limit provided in the Rules and Regulations.

- 6.3 Neither the Trustee nor the Management Company shall be required to issue any guarantees or provide security over their own assets for securing such borrowings from banks and financial institutions. The Trustee or the Management Company shall not in any manner be liable in their personal capacities for repayment of such loans or advances.
- 6.4 The Trustee or the Management Company shall not incur any liability by reason of any loss to the Trust or any loss that a Holder may suffer by reason of any depletion in the Net Asset Value that may result from any borrowing arrangement made hereunder.

7. DUTIES AND POWERS OF TRUSTEE

- 7.1 The Trustee shall comply with the provisions of this Deed, the Rules and Regulations 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 with the approval of the Management Company; 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.
- 7.2 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 Management Company provided they are not in conflict with the provisions of this Deed, the Rules or Regulations. Whenever pursuant to any provision of this Deed any certificate, notice, direction, instruction or other communication is to be given by the Management Company to the Trustee, the Trustee may accept as sufficient evidence thereof a document signed or purporting to be signed on behalf of the Management Company by any person whose signature the Trustee is for the time being authorized in writing by the Management Company to accept.
- 7.3 The Trustee shall carry out the instructions of the Management Company in all matters including investment and disposition of the Deposited Property, if such instructions are not in conflict with the provisions of this Deed, the Rules, Regulations or any applicable law and regulations.
- 7.4 The Trustee shall from time to time on the instruction of the Management Company appoint, remove or replace one or more Distribution Company(s) for

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- carrying the Distribution Function at one or more locations, on terms and conditions to be incorporated in the Distribution Agreement to be entered into between the Distribution Company and the Trustee.
- 7.5 The Trustee shall, with the approval of the Management Company, 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 Management Company.
- 7.6 The Trustee shall appoint a broker in terms of clause 4.3 of this Deed.
- 7.7 The Trustee shall make available or ensure that there is made available to the Management Company such information as the Management Company may reasonably require from time to time in respect of the Deposited Property and all other matters relating to the Scheme.
- 7.8 The Trustee shall issue a report to the Holders as required under the Regulations.⁴⁴
- 7.9 The Trustee shall, if requested by Management Company, 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 ⁴⁵legal 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, the Rules or Regulations. The Trustee and the Management Company 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.⁴⁶
- 7.10 Neither the Trustee or the Custodian (if Trustee has appointed another person as Custodian) nor the Management Company or any of their Connected Person shall sell or purchase or deal in the sale of any Investment or enter into any other transaction with the Trust (save in the capacity of an intermediary).

⁴⁴ Amended as per 3rd supplemental deed Dated 2010

⁴⁵ Amended as per 3rd supplemental deed Dated 2010

⁴⁶ Amended as per 3rd supplemental deed Dated 2010

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- 7.11 The Trustee shall not be under any liability except such liability as may be expressly assumed by it under the Rules, Regulations and this Deed nor shall the Trustee (save as herein otherwise provided) be liable for any act or omission of the Management Company 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.
- 7.12 The Trustee shall promptly forward to the Management Company 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 Management Company in all such matters relating to recovery of the Deposited Property.
- 7.13 The Trustee shall promptly provide proxies or other forms of powers of attorney to the order of the Management Company with regard to any voting rights attaching to any investment.
- 7.14 Any transaction between the Trust and the Management Company or any of the Connected Person as principal shall only be made with the prior consent of the Trustee.
- 7.15 The Trustee shall not invest in the Units of the Fund.⁴⁷

8. REMUNERATION OF TRUSTEE AND ITS AGENTS

- 8.1 The Trustee shall be entitled to a monthly remuneration out of the Deposited Property based on an annual tariff of charges (given in the Table below).⁴⁸

NET ASSETS (Rupees in million)		TARIFF
From 1	To 1,000	Rs. 0.350 million or 0.10% per annum of the Net Assets, which ever is higher
>1,000	& Above	Rs. 1 million plus 0.05% per annum of the amount exceeding Rs. 1 billion

⁴⁷ Insertion as per 3rd supplemental deed Dated 2010

⁴⁸ Amended as per 2nd supplemental deed dated 2007

- 8.2 The calculation of remuneration shall be based on average daily or weekly Net Assets during such calendar month. The remuneration shall begin to accrue from the date of payment in full of all Units subscribed by the Core Investors. 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.
- 8.3 Such remuneration shall be paid to the Trustee in arrears within thirty days after the end of each calendar month.
- 8.4 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 their 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 Regulations and this Deed.⁴⁹
- 8.5 The Trustee shall bear all expenditures in respect of their secretarial and office space and professional management, services provided in accordance with the provisions of this Deed.⁵⁰

9. DUTIES AND POWERS OF MANAGEMENT COMPANY

- 9.1 The Management Company shall comply with the provision of the Rules, Regulations 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 Management Company or by any nominee or agent appointed by the Management Company and any act or matter so performed shall be deemed for all purposes of this Deed to be the act of the Management Company. The Management Company 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.
- 9.2 The Management Company 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, the Rules or Regulations. Any purchase or sale of Investments made under any of the provisions of this

⁴⁹ Amended as per 1st supplemental deed Dated 2005

⁵⁰ Amended as per 3rd supplemental deed Dated 2010

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Deed shall be made by the Trustee according to the instructions of the Management Company in this respect, if such instructions are not in conflict with the provisions of this Deed, the Rules or Regulations. The Management Company 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.

- 9.3 The Management Company may from time to time appoint, remove or replace the Transfer Agent.
- 9.4 The Management Company 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.
- 9.5 The Management Company may decide to distribute, wholly or in part, the distributable income in the form of cash and/or stock dividends, or both, as selected by the Unit Holders.⁵¹
- 9.6 The Management Company may offer different Administrative Plans to investors and may market the Unit Trust, Administrative Plans or any other Scheme(s) subject to the approval of the SECP.⁵²
- 9.7 The Management Company shall advise the Trustee of the allocation of the funds between the respective scheme(s) on the basis of the Administrative Plans as determined by the Management Company.⁵³
- 9.8 The Management Company shall, determine from time to time the various class(es) of Units to be issued pursuant to this Deed and the rights and conditions that attach to each class of Units, subject to consent of the Trustee and approval of SECP, including the Front-end Load, Back-end Load or Contingent Load to be charged to each class as well as the dividends payable in respect to each class and the form and timing thereof.⁵⁴
- 9.9 The Management Company shall not be under any liability except such liability as may be expressly assumed by it under the Rules, Regulations and this Deed nor shall the Management Company (save as herein otherwise provided) be liable 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 Management Company 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.

⁵¹ Insertion as per 3rd supplemental deed Dated 2010

⁵² Insertion as per 3rd supplemental deed Dated 2010

⁵³ Insertion as per 3rd supplemental deed Dated 2010

⁵⁴ Insertion as per 3rd supplemental deed Dated 2010

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- 9.10 The Management Company shall if it considers necessary request the Trustee, for the protection of Deposited Property or safeguarding the interest of the Unit 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.
- 9.11 The Management Company has the primary responsibility for all record keeping, regular determination and announcement of Unit prices and for producing financial reports from time to time as provided in the Rules, Regulations and this Deed.
- 9.12 The Management Company shall maintain a Register of Unit Holders of the Trust or appoint a Transfer Agent, in its discretion, to maintain the Register, and inform the Trustee and SECP of the address where the Register is kept.⁵⁵
- 9.13 The Management Company, as provided in the Regulations, shall not purchase from, or sell any securities to any Connected Person or its employees without the prior approval of its Board of Directors in writing and consent of the Trustee.⁵⁶
- 9.14 The Management Company on behalf of the Fund shall not at any time rollover the investments of the Fund where the Management Company and the Trustee are of the opinion that the Fund shall not be able to meet a complete redemption request of any Unit Holder within the time period stipulated in the Regulations; provided that the Fund has already fully utilized the borrowing limit for the purpose of meeting such redemptions.⁵⁷
- 9.15 The Management Company in relation to the Fund shall not allow redemption and re-issuance of Units to a Unit Holder based on different NAVs without involvement of payment instrument, unless permitted otherwise by the Commission; provided that this sub-clause shall not apply to issuance of Bonus Units and reinvestment or issuance of Units against gains realization on the same NAV or transaction date.⁵⁸
- 9.16 The Management Company in relation to the Fund shall not net-off any transaction (adjustment of assets of the Scheme against the investment of the Unit Holders) within the Scheme.⁵⁹

⁵⁵ Insertion as per 3rd supplemental deed Dated 2010

⁵⁶ Insertion as per 3rd supplemental deed Dated 2010

⁵⁷ Insertion as per 3rd supplemental deed Dated 2010

⁵⁸ Insertion as per 3rd supplemental deed Dated 2010

⁵⁹ Insertion as per 3rd supplemental deed Dated 2010

10. REMUNERATION OF MANAGEMENT COMPANY AND ITS AGENTS

- 10.1 The Management Company shall be entitled to receive:
- (a) an annual remuneration of an amount not exceeding three percent (3%) of the average daily (or weekly) Net Assets during the first five years of the Scheme and two percent (2%) of such assets thereafter; and
 - (b) an additional performance bonus as provided in the Rules and Regulations.
- 10.2 The remuneration shall begin to accrue from the day of payment in full of all the Units subscribed by the Core Investors. 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.
- 10.3 The remuneration due to the Management Company shall be paid on or before the date that is thirty days after the Accounting Date, provided that the Management Company may from time to time draw in advance out of the accrued remuneration a sum that the Trustee shall consider reasonable.
- 10.4 In consideration of the foregoing and save as aforesaid the Management Company shall be responsible for the payment of all expenses incurred by the Management Company from time to time in connection with their responsibilities as Management Company of the Trust. The Management Company 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, Regulations and this Deed to be payable out of the Deposited Property.
- 10.5 The Management Company 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.

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 Management Company within a period of six months (or in default the Trustee) with the prior written approval of the SECP may by a Supplemental Deed under the seal of the Management Company or the Trustee (as the case may be) appoint a new Trustee under the provisions of the Rules, Regulations in place of the

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retiring 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.⁶⁰

- 11.2 If the Trustee goes into liquidation (otherwise than for the purpose of amalgamation or reconstruction on terms previously agreed with the Management Company 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 Regulations, the Management Company 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, Regulations and this Deed as the new trustee.
- 11.3 The Management Company may remove the Trustee, with the prior approval of the SECP, after giving twenty one days notice in writing to the Trustee on grounds of any material default or non-compliance with the provisions of this Deed, the Rules or Regulations, and appoint another trustee.
- 11.4 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.
- 11.5 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 MANAGEMENT COMPANY

- 12.1 The Trustee may with the prior approval of the SECP, remove the Management Company by giving at least twenty one days notice in writing to the Management Company, if any of the following have occurred:
- (a) The Management Company has contravened the provisions of this Deed in any material respect and has failed to rectify the contravention within a reasonable period after the contravention has come to its notice;
 - (b) The Management Company goes into liquidation (other than voluntary liquidation on terms previously agreed to with the Trustee for purpose of reconstruction and amalgamation);
 - (c) A receiver is appointed over any of the assets of the Management Company.

⁶⁰ Amended as per 3rd supplemental deed Dated 2010

- 12.2 The Management Company may retire at any time with the prior written consent of the SECP and the Trustee.
- 12.3 The removal of the Management Company and appointment of a new management company shall always require the prior approval of the SECP and the Trustee.
- 12.4 If the SECP has cancelled the registration of the Management Company under the provisions of the Rules, the Trustee shall appoint another asset management company as the management company for the Scheme according to the provisions of this Deed, the Rules and Regulations.
- 12.5 Upon a new management company being appointed, the Management Company will take immediate steps to deliver all the documents and records pertaining to the Trust to the new management company and shall pay all sums due to the Trustee.
- 12.6 Upon its appointment the new management company shall exercise all the powers and enjoy all rights and shall be subject to all duties and obligations of the management company hereunder as fully as though such new management company had originally been a party hereto.

13. BANK ACCOUNTS ⁶¹

The Trustee shall open and maintain the following Bank Accounts:

- 13.1 The Trustee shall open separate Bank Accounts titled “MCFSL Trustee JS Income Fund for the Unit Trust” at such branches of Banks and at such locations (including outside Pakistan, subject to applicable regulations and after obtaining all necessary approvals from the relevant regulatory authority in Pakistan) as may be requested by the Management Company from time to time. Such account may be used for collection, investment, redemption or any other use of the Trust’s funds.
- 13.2 The Trustee shall, if requested by the Management Company at its discretion, also open separate Bank Account(s) titled “MCFSL – Trustee JSIL Funds” at Bank(s) designated by the Management Company to facilitate investment in each of the Administrative Plans. These account(s) shall be temporary collection accounts, where collections received on account of subscription of Units by investors of various Unit Trusts and the Administrative Plans that are managed by the Management Company shall be held prior to their being allocated and transferred to pertinent Unit Trust(s) in accordance with the Administrative Plans selected by the investors. Such account(s) may also be used for redemption purposes where

⁶¹ Amended as per 2nd supplemental deed dated 2007

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funds are transferred prior to the payment of the redemption proceeds to the Holders.⁶²

- 13.3 The Management Company may also require the Trustee to open separate Bank Accounts for each dividend distribution of the Scheme.
- 13.4 Notwithstanding anything in this Deed the beneficial ownership of the balances in the Accounts vests in the Unit Holders of the respective Unit Trusts.

14. UNITS

- 14.1 All Units or fractions thereof represent an undivided share in the Deposited Property and all Units shall, unless otherwise stated, 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 number of Units held by such Holder.⁶³
- 14.2 Irrespective of the different classes of Units as set out in this clause, all Units issued from time to time shall rank *pari passu* *inter se* and shall have such rights as are set out in this Deed and the Offering Documents. The liability of the Holders shall be limited to the unpaid amount (if any) on the Units.
- 14.3 The Units issued with different administrative arrangements may have differing quantum of the Front-end Load added to the NAV for determining the Offering Price thereof and differing levels of Back-end Load or Contingent Load deductible from the NAV for determining the Redemption Price.⁶⁴
- 14.4 Core Units subscribed by the Core Investors shall be offered and issued at Par Value and shall not be redeemable for a period of two years from the date of issue. A mention of such restriction and its termination date shall be entered into the Register and shall be noted on any Account Statement, Certificate or transfer instrument issued in respect of such Units.
- 14.5 The Management Company may issue any of the following classes of Units:
- i. Class A Units that shall be charged with a Front-end Load, if any.
 - ii. Class B Units that shall be charged with a Back-end Load, if any.
 - iii. Class C Units shall primarily charge a Front-end Load and a Back-end Load, if any.
 - iv. Class D Units that shall be charged with a Contingent Load, if any.

The Management Company may also issue Units with no Front-end Load, Back-end Load or Contingent Load. These include Units issued to the Core Investors

⁶² Insertion as per 3rd supplemental deed Dated 2010

⁶³ Insertion as per 3rd supplemental deed Dated 2010

⁶⁴ Amended as per 3rd supplemental deed Dated 2010

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and any Units issued as a result of reinvestment of distributable income pursuant to this Deed and/ or the Offering Document.

The Management Company may issue additional class(es) of Units with such attached rights and conditions as determined in its discretion from time to time pursuant to the provisions of this Deed and subject to the consent of the Trustee and approval of the SECP. The description, rights and conditions applicable to such offer of Units shall be stated in the Supplementary Offering Document(s) with the approval of the SECP. The Management Company may also issue Units pursuant to different Administrative Plans under distinct administrative arrangements with differing levels of Front-end Load, Back-end Load or Contingent Load, which may also vary according to other criteria as provided in the Offering Document(s) or the Supplementary Offering Document(s).⁶⁵

- 14.6 The Management Company may allow a Unit Holder to convert Units held by him in the Scheme into Units of another Scheme managed by the Management Company subject to such terms and conditions as mentioned in the Offering Document or Supplementary Offering Document by the Management Company.⁶⁶
- 14.7 Units offered and issued during the Initial Period shall be issued at the Initial Price. The offer and issue of Units during the Initial Period shall remain open during the period specified in the Offering Document.
- 14.8 After the Initial Period, the Offer Price shall be determined from time to time pursuant to clause 16 of this Supplemental Deed.
- 14.9 By a Supplemental Deed the Management Company may at any time with the approval of the Trustee 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 Units and the Holder shall be bound accordingly. The Management Company shall require in such notice that each Holder to whom Certificates have been issued, (who shall be bound accordingly) deliver up his Certificates for endorsement or enfacement with the number of Units to be represented thereby as a result of such sub-division or consolidation; provided that any delay or failure to deliver up the Certificates shall not delay or otherwise affect any such division or consolidation. Such information shall be published in at least one newspaper, either English or Urdu circulating in Pakistan.
- 14.10 The Management Company may issue different types of Units to investors. The different types of Units shall include different features offered by the Management Company on such conditions or privileges as specified in the Offering Document. Such conditions or privileges may be with respect to purchase/redemption of Units, distribution of profits (cash dividend and/or

⁶⁵ Insertion as per 3rd supplemental deed Dated 2010

⁶⁶ Amended as per 3rd supplemental deed Dated 2010

Bonus Units), fixed or flexible timing of such redemption or distribution at the option of the Holder and/or the Management Company.⁶⁷

15. ISSUE OF UNITS

- 15.1 The Management Company shall be responsible for obtaining all requisite consents and approval for the offer and issue of Units and for the issue, publication or circulation of the Offering Document.
- 15.2 Except as provided, as herein, the Units shall be offered through the authorized offices or branches of the Distribution Companies on all Subscription Days.
- 15.3 Application for issuance of Units shall be made by completing the prescribed application form and submitting it with the payment by cheque or pay order or bank draft (crossed A/C payee only) in favor of the Trustee at the authorized branch or office of any Distribution Company on any Subscription Date. The Management Company may also make arrangements to accept payments via credit card, debit card, auto debit instructions or in such form (other than through cash or any bearer instruments) as is prescribed by the Management Company, in favor of the Trustee at the Authorized Branch or office of any Distribution Company on any Subscription Day. Payment in cash will not be accepted. No person other than the Authorized Branch or office of the Distribution Company is authorized to accept the application for issuance of Units. The Distribution Company or Transfer Agent shall verify the particulars given in the application for issue of Units and after ensuring that the documentation required is complete in all aspects forward the application to the Transfer Agent/Trustee/Management Company for further processing. Any charge(s) on account of payments accepted via credit cards, debit cards or debit instructions, shall be charged to the applicant in addition to the Offer Price⁶⁸
- 15.4 The Management Company shall forward all the requests for dealing in Units, duly time and date stamped, to the Trustee within twenty-four (24) hours of the receipt of such requests.⁶⁹
- 15.5 Each Holder shall only be liable to pay the Offer Price of the Units subscribed by him in the manner provided in clause 15.3 and no further liability shall be imposed on him in respect of any Units held by him. The Units shall be issued only against the receipt of full payment.
- 15.6 An application for issuance of Units shall be deemed to have been made in accordance with the provisions of the Offering Documents, if such documents prescribe automatic issuance of Units under certain circumstances.⁷⁰

⁶⁷ Insertion as per 3rd supplemental deed Dated 2010

⁶⁸ Amended as per 2nd supplemental deed dated 2007

⁶⁹ Insertion as per 3rd supplemental deed Dated 2010

⁷⁰ Amended as per 3rd supplemental deed Dated 2010

- 15.7 The Management Company may make arrangements to accept issue requests through electronic, IVR (Interactive Voice Response) or other means.⁷¹
- 15.8 The Management Company may also request the Trustee to make arrangements through branches of Banks to facilitate the issue and redemption of Units. A request for issue/redemption of Units may be accepted through the ATM facility only when the relevant Bank branches have been instructed by the Management Company to accept applicant Holders' requests to purchase or redeem the Units of the Trust.⁷²
- 15.9 The Management Company with the approval of the Trustee has reduced the Par Value from Rs. 500 to Rs. 100 with effect from the date of the Second Supplemental Trust Deed for Change of Trustee and Amendment of Trust Deed and therefore Units will be re-issued to the existing Unit Holders by multiplying the number of the existing Units held by them by 5 in lieu of the existing Units held by them.⁷³
- 15.9 The minimum amount of investment to open an account shall be five thousand rupees (Rs. 5,000) with effect from a date to be specified by the Management Company provided at least two weeks notice to the Unit Holders. The Management Company reserves the right to alter the minimum amount stated hereinabove.⁷⁴

16. DETERMINATION OF OFFER PRICE

- 16.1 After the Initial Period the Offer Price shall be calculated and announced by the Management Company on a daily or weekly basis, as may be determined by the Management Company from time to time.
- 16.2.1 The Offer Price shall be equal to the sum of:
- (a) The Net Asset Value as of the close of Subscription Day on which the application for issuance of Units has been received;
 - (b) Any Front-end Load at the discretion of the Management Company but not exceeding five percent (5%) of the Net Asset Value; and
 - (c) Such amount as the Management Company may consider an appropriate provision for Duties and Charges;

Such sum may be adjusted upwards to the nearest Paisa.

⁷¹ Amended as per 2nd supplemental deed dated 2007

⁷² Amended as per 2nd supplemental deed dated 2007

⁷³ Insertion as per 2nd Supplemental Deed, 2007

⁷⁴ Amended as per 2nd supplemental deed dated 2007

- The Management Company may announce different Administrative Plans under distinct administrative arrangements with differing levels of Front-end Load, which may also vary according to other criteria as provided in the Offering Document(s) or the Supplementary Offering Document(s). Consequently, the Offer Price may differ for Units issued under different Administrative Plans.⁷⁵
- 16.2.2 The Offer Price so determined shall apply to purchase requests, complete in all respects, received at the Authorized Branch or office of the Distribution Company before the Cut-off Time on the same day that the Offer Price is calculated.⁷⁶
- 16.3 In the event that the amount paid as provision for payment of Duties and Charges pursuant to sub-clause 16.2(c) is insufficient to pay in full such Duties and Charges, the Management Company shall be liable for the payment in full of the amount of such Duties and Charges in excess of such provisions (except where such excess arises from any Duties and Charges levied with retroactive effect after the date of payment in which case such excess shall be recovered from the Deposited Property).
- 16.4 In the event the amount paid as provision for payment of Duties and Charges pursuant to sub-clause 16.2(c) exceeds the relevant amounts of Duties and Charges, the Management Company shall issue additional Units or fractions thereof to the relevant Holders based on the price applicable to the Units issued against the relevant application.⁷⁷
- 16.5 The Offer Price determined by the Management Company shall be made available to the public at the office and branches of the Distribution Company(s) and at the discretion of the Management Company may also be published in at least one newspaper, either English or Urdu, circulating in Pakistan.

17. ALLOCATION of Front-end Load and Contingent Load⁷⁸

- 17.1 The remuneration of Distribution Companies and Investment Facilitators/Sales Agents shall be paid exclusively from any Front-end Load or Contingent Load received by the Trustee and no charges shall be made against the Deposited Property or the Distribution Account in this respect. The remainder of any Front-end Load or Contingent Load, after such disbursement, shall be paid by the Trustee to the Management Company as additional remuneration for their management services for the Trust. If the Front-end Load or Contingent Load received by the Trustee is insufficient to pay the remuneration of the Distribution Company(s) and Investment Facilitators/ Sales Agents, the Management

⁷⁵ Amended as per 3rd supplemental deed Dated 2010

⁷⁶ Amended as per 2nd supplemental deed dated 2007

⁷⁷ Amended as per 3rd supplemental deed Dated 2010

⁷⁸ Amended as per 3rd supplemental deed Dated 2010

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- Company shall pay to the Trustee the amount necessary to pay in full such remuneration.⁷⁹
- 17.2 Such payments shall be made to the Distribution Company(s) and Investment Facilitators/ Sales Agents and the Management Company by the Trustee or the Management Company to the Trustee on a monthly basis in arrears within thirty days of the end of the calendar month.
- 17.3 A Distributor located outside Pakistan may if so authorized by the Trustee and the Management Company, retain such portion of the Front-end Load as is authorized by the Management Company and transfer the net amount to the Trustee, subject to the law for the time being in force.
- 17.4 The Management Company may at its discretion charge different levels of Front-end Load to different investors. In such an instance the Management Company may instruct the Trustee to refund a portion of the Front-end Load to the Holder, or issue additional Units or fractions thereof to the Unit Holder based on the price applicable to the Units issued against the relevant application. The Management Company may also at its discretion instruct the Trustee to receive the purchase amount on the basis of the reduced Front-end Load. However the Trustee will not accept any amount which is less than the amount based on the Net Asset Value of that day.⁸⁰

18. REDEMPTION OF UNITS

- 18.1 The Trustee shall at any time during the life of the Trust authorize redemption of Units out of the Deposited Property to the Holder or through its duly authorized Distribution Company.
- 18.2 Application for redemption of Units shall be made by completing the prescribed redemption form and submitting it at the Authorized Branch or office of the Distribution Company or Transfer Agent together with the Unit Certificate, if issued, during any Subscription Day. The Management Company may make arrangements to accept redemption requests through electronic, IVR (Interactive Voice Response) or other means. The Management Company may, if requested by such Unit Holder redeem only part of his Units comprised in a Certificate and re-issue a new Certificate for the remaining Units; provided however, in the case where Certificate is not issued any number of Units may be redeemed by the Holder thereof.⁸¹
- 18.3 The Trustee may at their option dispense with the production of any Certificate that shall have become lost, stolen or destroyed upon compliance by the Holder

⁷⁹ Amended as per 3rd supplemental deed Dated 2010

⁸⁰ Insertion as per 3rd supplemental deed Dated 2010

⁸¹ Amended as per 2nd Supplemental Deed dated 2007

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- with like requirements to those arising in the case of an application by him for the replacement thereof.
- 18.4 The Management Company shall announce the Redemption Price on every Business Day. The Redemption Price at which Units shall be redeemed shall be fixed by the Management Company under the terms of this Deed. However, in the event in clause 19.6 or clause 21.1 or clause 21.2 hereunder comes into application, the redemption value shall be determined in accordance with the procedure laid out in these clauses.⁸²
- 18.5 The amount payable on redemption shall be paid to the Holder or first named joint Holder or any other joint Holder specified on the application for redemption of Units by dispatching a cheque for the amount to the registered address of the Holder or other means, within six Business Days from the date of presentation of the duly completed redemption application, electronic or otherwise, at the Authorized Branch or office of the Distribution Company or Transfer Agent or directly through Holders personal on-line account. The Management Company may make arrangements for making redemption payments by transferring the redemption proceeds to the Holder's designated bankers or by crediting the Holder's credit or debit card. However, the Management Company may under special circumstances agree to pay the redemption amount to the Holder's authorized representative as stated in the prescribed application for redemption of Units.⁸³
- 18.6 The receipt of the Holder for any moneys payable in respect of the Units shall be a good discharge to the Trustee and if several persons are registered as joint Holders any one of them may give effectual receipt for any such moneys.
- 18.7 Application for redemption of Units will be received at the authorized offices or branches of the Distribution Company or Transfer Agent on all Subscription Days. Where redemption requests on any one Subscription Day exceed ten percent (10%) of the total number of Units in issue, redemption requests in excess of ten percent (10%) may be deferred in accordance with the procedure elaborated in clause 21.1 thereof.
- 18.8 The Distribution Company or Transfer Agent shall verify the particulars given in the application for redemption of Units. The signature of any Holder or joint Holder to any document required to be signed by him under or in connection with the application for redemption of Units may be verified by the Transfer Agent or otherwise authenticated to their reasonable satisfaction. In case of submission of electronic on-line redemptions through ATM, the Holder's user ID and password will authenticate his identity.⁸⁴

⁸² Amended as per 3rd supplemental deed Dated 2010

⁸³ Amended as per 2nd Supplemental Deed dated 2007

⁸⁴ Amended as per 2nd supplemental Deed dated 2007

- 18.9 A redemption request shall be deemed to have been made in accordance with the provisions of the Offering Documents, if such documents prescribe automatic redemption under certain circumstances.

19. DETERMINATION OF REDEMPTION PRICE

- 19.1 During the Initial Period the Units shall not be redeemed.
- 19.2 After the Initial Period the Redemption Price shall be equal to the Net Asset Value as of the close of Business Day on which the application for the redemption of Units has been received, less:
- (a) Any Back-end/Contingent Load as per details in the Offering Document but not exceeding five percent (5%) of the Net Asset Value; and
 - (b) Such amount as the Management Company may consider an appropriate provision for Duties and Charges;

Such sum shall be adjusted downwards to the nearest Paisa.

The Redemption Price so determined shall apply to redemption requests, complete in all respects, received at the Authorized Branch or office of the Distribution Company before the Cut-off Time on the same day that the Redemption Price is calculated.⁸⁵

The Management Company may announce different Administrative Plans under distinct administrative arrangements with differing levels of Back-end Load or Contingent Load, which may also vary according to other criteria as provided in the Offering Document(s) or the Supplementary Offering Document(s).⁸⁶ Consequently the Redemption Price may differ for Units issued under different Administrative Plans.⁸⁷

- 19.3 In the event that the amount deducted as provision for payment of Duties and Charges pursuant to sub-clause 19.2 is insufficient to pay in full such Duties and Charges, the Management Company shall be liable for the payment in full of the amount of such Duties and Charges in excess of the Provisions.
- 19.4 In the event that amount paid as provision for payment Duties and Charges pursuant to sub-clause 19.2(exceeds the relevant amount of Duties and Charges, *the* excess amount shall form part of Deposited Property.⁸⁸

⁸⁵ Amended as per 2nd supplemental Deed dated 2007

⁸⁶ Amended as per 3rd supplemental deed Dated 2010

⁸⁷ Amended as per 3rd supplemental deed Dated 2010

⁸⁸ Amended as per 3rd supplemental deed Dated 2010

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- 19.5 The Redemption Price determined by the Management Company shall be made available to the public at the office and branches of the Distribution Company(s) and at the discretion of the Management Company may also be published at least in one newspaper, either English or Urdu, circulating in Pakistan.
- 19.6 If the variation of the Net Asset Value at any time exceeds two percent (2%) of the Net Asset Value calculated pursuant to sub-clause 19.2 above for the current Redemption Price, the Management Company shall suspend any redemption of Units and shall calculate forthwith a new Redemption Price.

20. SUSPENSION OF ISSUE OR REDEMPTION OF UNITS

- 20.1 The Management Company may suspend the issue or redemption of Units at any time, during:
- (a) any period when the Stock Exchange on which any of the Investment for the time being is listed or dealt in is closed or when dealings in such Investment are restricted or suspended;
 - (b) the existence of any state of affairs which in the opinion of the Management Company constitute an emergency as a result of which disposal of any of the Investment would not be reasonably practicable or might seriously prejudice the interest of the Trust or the Holders;
 - (c) any breakdown in the means of communication normally employed in determining the price of any Investment or the current price thereof on any Stock Exchange or when for any reason the price of any such Investment cannot be promptly and accurately ascertained;
 - (d) Any period when remittance of money which will or may be involved in the realization of such Investment or in the payment for such Investment cannot in the opinion of the Management Company be carried out in reasonable time;
 - (e) if the Management Company is of the view that it would be detrimental to the remaining Holders to redeem or continue to redeem Units at a price ascertained on the basis of the Net Asset Value;
 - (f) if the Management Company is of the view that investment of inflow of substantial fund will be difficult, it may decline the application in full or in part for issue of Units at its discretion from investors.

In case of suspension of redemption of Units due to extraordinary circumstances stated above, the issue of Units shall also remain suspended till the time redemption is resumed.⁸⁹

⁸⁹ Insertion as per 3rd supplemental deed Dated 2010

- 20.2 Such suspension shall take effect forthwith upon the declaration thereof by the Management Company and shall terminate on the day following the first Business Day on which conditions giving rise to the suspension shall in the opinion of the Management Company have ceased to exist and no other conditions under which suspension is authorized under this Deed exists. In case of suspension and termination of suspension the Management Company shall immediately notify the SECP and Trustee and publish the same in at least two daily newspapers, one in English and one in Urdu, circulating in Pakistan.

21 QUEUE SYSTEM AND WINDING UP

- 21.1 Queue System: In the event redemption requests on any day exceed ten percent (10%) of the Units in issue, the Management Company may invoke a queue system whereby requests for redemption shall be processed on a first come first served basis for up to ten percent (10%) of the Units in issue. The Management Company shall proceed to sell adequate assets of the Fund and/ or arrange borrowing as it deems fit in the best interest of the Holders and shall determine the Redemption Price to be applied to the redemption requests based on such action. Where it is not practical to determine the chronological ranking of any requests in comparison to others received on the same Business Day, such requests shall be processed on a proportional basis proportionate to the size of the requests. The redemption requests in excess of ten percent (10%) of the Units in issue will be carried over to the next Business Day. However, if the carried over requests and the fresh requests received on the next Business⁹⁰Day still exceeds ten percent (10%) of the Units in issue, these shall once again be treated on first come first served basis and the process for generating liquidity and determining the Redemption Price shall be repeated and such procedure shall continue till such time the outstanding redemption requests come down to a level below ten percent of the Units then in issue.
- 21.2 Winding up in view of major redemption: In the event the Management Company is of the view that the quantum of redemption requests that have built up shall result in the Deposited Property being run down to an unmanageable level or is of the view that the sell-off of assets is likely to result in a significant loss in the value for the Holders who are not redeeming, it may announce winding up of the Fund. In such an event, the queue system, if already invoked, shall cease to apply and all Holders shall be paid after selling the assets and determining the final Redemption Price. The interim distributions of the proceeds may be made if the Management Company finds it feasible.

⁹⁰ Amended as per 3rd supplemental deed Dated 2010

22. ISSUE OF UNITS OUTSIDE PAKISTAN

- 22.1 Subject to exchange control and other applicable laws, rules and regulations, in the event of arrangements being made by the Management Company for the issuance of Units for delivery in any country outside Pakistan the price at which such Units may be issued at the discretion of the Management Company include in addition to the Offer Price as hereinbefore provided a further amount sufficient to cover all additional cost relating to issue of Units outside Pakistan including but not limited to any currency exchange fluctuation or any risk cover, any additional stamp duty or taxation whether national, municipal or otherwise leviable in that country in respect of such issue or of the delivery or issue of Certificates in connection therewith or the remittance of money to Pakistan.
- 22.2 In the event that the Redemption Price for Units shall be paid in any country outside Pakistan, the price at which such Units may be redeemed may at the discretion of the Management Company include as a deduction to the Redemption Price as hereinbefore provided all additional costs for redeeming Units outside Pakistan, including but not limited to a further amount sufficient to cover any currency exchange fluctuation and any additional stamp duty or taxation whether national, municipal or otherwise leviable in that country in respect of such payment or redemption.
- 22.3 The currency transaction of the JS Income Fund is the Pakistani Rupee and the Management Company, Trustee or any Distributor are not obliged to transact the issuance or redemption of the Units in any other currency and shall not be held liable, save as may be specifically undertaken by the Management Company, for receipt or payment in any other currency or for any obligation arising there from.

23. TRANSFER OF UNITS

- 23.1 Every Holder shall be entitled to transfer the Units held by him by an instrument in such form as the Management Company may prescribe from time to time with the approval of the Trustee.
- 23.2 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 Units transferred until the name of the transferee is entered in the Register in respect thereof.
- 23.3 A Certificate shall be transferable only in its entirety.⁹¹
- 23.4 Every instrument of transfer must be duly completed in all respects including affixation of transfer stamps of the requisite value and send to the Transfer Agent or to the Distribution Company for forwarding to the Transfer Agent.

⁹¹ Amended as per 3rd supplemental Deed dated, 2010

- 23.5 Where Certificates have been issued 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 28 of this Deed.
- 23.6 The Distribution Company/Transfer Agent with the prior approval of the Management Company 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 ten 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 Management Company or the Distribution Company/Transfer Agent shall be under no liability whatsoever in consequence thereof and it shall conclusively be presumed in favor of the Trustee or the Management Company or the Distribution Company/Transfer Agent that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered by the Trustee or the Management Company or the Distribution Company/Transfer Agent 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 Management Company or the Distribution Company/Transfer Agent any liability in respect of the destruction of any document earlier than as aforesaid or in any case where the conditions of provision (I) above are not fulfilled; and

(III) reference herein to the destruction of any document includes reference to the disposal thereof in any manner.

24. PLEDGE/LIEN OF UNITS

- 24.1 Any Unit Holder/joint Holder(s) may pledge or place a charge/lien on all or any of his/their Units as security for any debt to any third party and request the Transfer Agent to record a pledge/charge/lien on all or any of his/their Units in favor of any third party, legally entitled to invest in such Units in its own rights. The Transfer Agent shall take a note of the pledge/charge/lien in his record, whether the Certificate has been issued or not, provided sufficient evidence of pledge to the satisfaction of the Management Company, Trustee and the Transfer

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Agent along with a joint request from the Unit Holder and the pledgee is submitted physically or electronically on the standard application form as prescribed by the Management Company. None of these parties, the Trustee, the Management Company, or the Transfer Agent, shall be liable for ensuring the validity of any such pledge/charge/lien. The disbursement of any loan against the constitution of such pledge/charge/lien shall be at the entire discretion of the lender and the Trustee, the Management Company and the Transfer Agent shall not be responsible in this matter.⁹²

- 24.2 Save any legal bar or court order requiring otherwise, any dividends that are declared on the pledged Units shall be made to the order of the Unit Holder In accordance with the relevant provisions of this Deed. However, any Additional bonus Units that the pledged Units are entitled to shall automatically be marked under the lien of the lien holder and in the event the pledged Units are redeemed for any reason whatsoever, the proceeds shall be paid to the order of the lien holder.⁹³
- 24.3 Where lien/pledge/charge is recorded in the Register, the Management Company and Trustee may concur to make payment to the pledgee, if a request is received from the pledgee or if a joint request is received from the Holder and the pledgee or through an order of the competent jurisdiction and on receipt of such indemnification as Management Company or Trustee may require.⁹⁴
- 24.4 The lien once registered shall be removed by the authority of the party in whose favor the lien has been registered or through an order of a competent court and the Trustee, the Management Company and the Transfer Agent shall not be liable for ensuring the validity of any such pledge/charge/lien.⁹⁵

25. REGISTRATION OF HOLDERS

- 25.1 The Register shall be maintained (in physical or electronic form as may be decided by the Management Company in its discretion) by the Management Company, or if appointed, by the Transfer Agent, at such a place as is agreed by the Management Company. The Management Company shall ensure that the Transfer Agent shall comply with all relevant provisions of this Deed, the Rules and Regulations.⁹⁶
- 25.2 The Management Company shall ensure that the Transfer Agent 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

⁹² Amended as per 3rd supplemental deed Dated 2010

⁹³ Amended as per 3rd supplemental deed Dated 2010

⁹⁴ Amended as per 3rd supplemental deed Dated 2010

⁹⁵ Insertion as per 3rd supplemental deed Dated 2010

⁹⁶ Amended as per 3rd supplemental deed Dated 2010

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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 Offering Document 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.

- 25.3 The Register shall contain the following information in respect to Units:
- (a) Full names and addresses of each Holder and joint Holders;
 - (b) The distinctive number of the Units held and the Certificate number, if any;
 - (c) The date on which the name of every Holder was entered in respect of the Units standing in his name;
 - (d) The date on which any transfer or redemption is registered;
 - (e) Information about lien/ pledge/ charge on Units;
 - (f) Tax/ Zakat status of the Holder;
 - (g) Record of signature of Holder;
 - (h) Nominee; and
 - (i) Such other information as the Management Company may require.
- 25.4 The Register shall be conclusive evidence as to the Units held by each Holder.
- 25.5 Any change of name or address of any Holder shall forthwith be notified in writing to the Distribution Company or Transfer Agent. The Distribution Company will forward such application to Transfer Agent, 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.
- 25.6 The Transfer Agent shall not register more than four joint Holders for a Unit. In case of the death of any one of the joint Holders the survivor or survivors shall be the only persons recognized by the Trustee as having any title to or interest in the Units held by the joint Holders.
- 25.7 A body Corporate may be registered a Holder or as one of joint Holders.

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- 25.8 The Register may be closed under intimation to the Trustee for such period as the Management Company may from time to time determine and after giving at least seven (7) days notice to Holders, provided that it is not closed for more than six (6) working days at a time and whole forty-five days in any year.⁹⁷
- 25.9 The Holder shall be the only person to be recognized by the Trustee and the Management Company as having any right, title or interest in or to such Units and the Trustee and the Management Company may recognize the Holder as the absolute owner thereof and shall not be bound by any notice to the contrary and shall not be 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 Management Company may authorize the Transfer Agent to record a pledge on any or all Units 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 24 of this Deed.
- 25.10 The executors or administrators or succession certificate holder or deceased Holder (not being one of several joint Holders) shall be the only persons recognized by the Trustee and the Management Company as having title to the Units represented thereby.
- 25.11 Any person becoming entitled to a Unit 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 Unit upon giving the Management Company/Trustee/Distribution Company such notice in writing of his desire or transfer such Unit 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.
- 25.12 The Trustee shall retain any moneys payable in respect of any Unit of which any person is under the provisions as to the transmission of Units 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 Unit or shall duly transfer the same.

26. ACCOUNT STATEMENT

- 26.1 Units shall be issued in registered, un-certificated form and shall be confirmed to investors by means of an Account Statement issued by the Management Company or the Transfer Agent in electronic or such other form and for such period as may be determined by the Management Company from time to time and disclosed in

⁹⁷ Amended as per 3rd supplemental deed Dated 2010

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- the Offering Document and selected by the Unit Holder ; provided that where the Unit Holder does not have access to electronic means of communication, the same shall be sent in physical form.⁹⁸
- 26.2 Upon confirmation from the Trustee that the offer price for each Unit has been received in full from the applicant, the Transfer Agent shall record the same in accordance with Clause 26.3, and the Account Statement issued in accordance with Clause 26.4 shall constitute evidence of the number of Units registered in the name of the Holder.⁹⁹
- 26.3 The Transfer Agent shall record directly for each Unit Holder in the Account Statement each time there is a transaction in the Units:
- a. issued/ subscribed;
 - b. redeemed;
 - c. transferred in favor of third person;
 - d. transferred from third person in favour of the Unit holder;
 - e. consolidated/ split;
 - f. Bonus Units ,
 - g. additional Units that are issued against re-investment of dividend; and
 - h. such other information as is required under the Rules or Regulations or determined by the Management Company.¹⁰⁰
- 26.4 The Management Company shall send, within fifteen Business Days after close of an Accounting Period or such other period as determined by the Management Company and disclosed in the Offering Document and selected by the Holder, an Account Statement containing information mentioned in sub-clause 26.3 above for such period.¹⁰¹
- 26.5 The Management Company shall, in the interest of Holders, send a transaction confirmation statement within fifteen Days after each transaction, notifying each Holder of any activity in his/her account. The form, content and frequency of such statement shall be determined by the Management Company and disclosed in the Offering Document and as selected by the Holder.¹⁰²
- 26.6 The Unit Holder at any time, on an application or instruction in writing, shall be entitled to receive proof of any transaction related to his account. The Management Company may prescribe reasonable Duties and Charges for servicing any additional requests.¹⁰³

⁹⁸ Amended as per 3rd supplemental deed Dated 2010

⁹⁹ Amended as per 3rd supplemental deed Dated 2010

¹⁰⁰ Amended as per 3rd supplemental deed Dated 2010

¹⁰¹ Insertion as per 3rd supplemental deed Dated 2010

¹⁰² Insertion as per 3rd supplemental deed Dated 2010

¹⁰³ Insertion as per 3rd supplemental deed Dated 2010

27. UNIT CERTIFICATES

- 27.1 Certificates shall be issued only if so requested by the Holder at the time of application or at any later stage 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 Management Company. The proceeds of such fee will accrue to the Management Company.
- 27.2 Certificates shall only be issued for Units that have been fully paid, in such denomination as may be required by the Holder.
- 27.3 Certificates where requested shall be issued as herein provided not later than fifteen Business Days after the date of such request. The Certificate may be sent to the Holder or his duly authorized nominee at his own risk by registered post or by delivery.
- 27.4 In case of Units held jointly the Transfer Agent shall not issue more than one Certificate for the Units 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. redemption and dividend) will be made to first named joint Holder.
- 27.5 Certificates shall be issued in such form as may from time to time be agreed between the Management Company and the Trustee. A Certificate shall be dated, shall bear the name and address of the Management Company and the Trustee, shall bear a distinctive and serial number and shall specify the number of Units represented thereby and the name and address of the Holder as appearing in the Register.
- 27.6 Certificates may be engraved or lithographed or printed as the Management Company 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 Management Company by a duly authorized officer of the Management Company. 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 Transfer Agent, 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 Management Company or the Transfer Agent or any person whose signature appears thereon as a duly authorized signatory may
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have ceased to be the Trustee, Management Company, Transfer Agent or an authorized signatory.

28. REPLACEMENT OF CERTIFICATES

28.1 Subject to the provisions of this Deed and in particular to the limitations of the denominations of Certificates as may be fixed by the Management Company and subject to any regulations from time to time made by the Trustee with the approval of the Management Company 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 Units.

28.2 In case any Certificate shall be lost, stolen, mutilated, defaced or destroyed, the Transfer Agent with the approval of the Management Company may issue to the person entitled new Certificate in lieu thereof. No such new Certificate shall be issued unless the applicant shall previously have:

(I) returned the mutilated or defaced Certificate or furnished the Distribution Company/Transfer Agent evidence satisfactory to the Management Company 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 the newspaper inviting any claim (if any) against the lost Certificate to be notified to the Management Company, Trustee or Transfer Agent; and

(III) furnished such indemnity as the Management Company and the Trustee may require. Neither the Management Company nor the Trustee nor the Distribution Company/Transfer Agent shall incur any liability for any action that they may take in good faith under the provisions of this sub-clause.

28.3 Before the issuing of any Certificate under the provisions of this sub-clause the Distribution Company/Transfer Agent 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 Management Company together with a sum sufficient in the opinion of the Management Company to cover any Duties and Charges payable in connection with the issue of such Certificate.

29. AUDIT

29.1 The Management Company shall appoint an Auditor who shall be independent of the auditor of the Management Company and the Trustee. The Management Company may at any time remove the Auditor and appoint another Auditor in its place.

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- 29.2 The Auditor shall hold office until transmission of the annual report and accounts but may be re-appointed as per the Rules and Regulations. The first Auditors shall be Ford, Rhodes, Robson, Morrow, Chartered Accountants, First Floor, Finlay House, I.I Chundrigar Road, Karachi-74000.
- 29.3 The persons not qualified to be the auditor of a public company under the Companies Ordinance, 1984, will not be qualified to be the Auditor.
- 29.4 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.
- 29.5 The Auditor shall have access to the books, papers, accounts and vouchers of the Trust, whether kept at the office of the Management Company, Trustee, Custodian, Transfer Agent, Distribution Company or elsewhere and shall be entitled to require from the Management Company, Trustee, Custodian, Transfer Agent, Distribution Company and their directors, officers and agents such information and explanations as considered necessary for the performance of audit.
- 29.6 The Auditor shall prepare a written report to the Holders on the account 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, statement or schedule appended hereto.
- 29.7 The contents of the Auditors report shall be as required in the Rules and Regulations.
- 29.8 The Management Company shall:
- (a) Within such period as prescribed by SECP, prepare and transmit (physically or through electronic means subject to SECP approval) 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, Stock Exchanges on which Units of the Fund are listed, Trustee and the Holders in accordance with the Rules and Regulations;
 - (b) Within such period as prescribed by the Regulations after the close of the first half of its year of the accounts, prepare and transmit (physically or through electronic means) to the Holders, Trustee, Stock Exchanges on which Units of the Fund are listed, and the SECP a profit and loss account for and balance sheet as at the end of that half year, whether audited or otherwise, in accordance with the Rules and Regulations;

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(c) Within such period as prescribed by the Regulations after the close of the first and third quarter of account, prepare and transmit (physically or through electronic means) the quarterly report to the Holders, Trustee Stock Exchanges on which Units of the Fund are listed, 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 and Regulations; and

(d) The Management Company shall, subject to approval of SECP, transmit the quarterly and half yearly accounts of the Fund by placing the same on its website.

However, the Management Company shall provide to the Unit Holders printed copies of quarterly accounts, on demand, at their registered address, free of cost, as and when requested.¹⁰⁴

30. DETERMINATION OF DISTRIBUTABLE INCOME

30.1 The Management Company 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 the distribution at the end of the Accounting Period, and shall advise the Trustee of the rate of such distribution per Unit.

30.2 The amount available for distribution in respect of any Accounting Period shall be determined by the Management Company 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, interest and fee;

(b) net realized appreciation as set out in sub-clause 30.3;

from which shall be deducted expenses as set out in sub-clause 30.4, adjustment as set out in sub-clause 30.5 and such other adjustment as the Management Company may determine.¹⁰⁵

30.3 The proceeds of sales of rights and all other receipts deemed by the Management Company 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 Management Company to be in the nature of the net realized gain may be distributable to the Holders by the Trustee.¹⁰⁶

30.4 The income qualifying for distribution in respect of the relevant Accounting Period shall be ascertained by deducting:

¹⁰⁴ Amended as per 3rd supplemental deed Dated 2010

¹⁰⁵ Amended as per 3rd supplemental deed Dated 2010

¹⁰⁶ Amended as per 3rd supplemental deed Dated 2010

- (a) admissible expense of the Trust as stated in clause 3.7 of this Deed, the Rules and Regulations;
 - (b) amortization of Formation Cost over the period of not less than five equal annual installments after the creation of the Trust;¹⁰⁷
 - (c) taxes on Trust income or turnover.
- 30.5 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 dividend, profit or mark-up;
 - (b) addition of a sum representing amounts included in the price of Units for income accrued prior to the date of issue and deduction of a sum representing all participation in income distributed upon redemption of Units upon a reduction of the Trust during the relevant period; and
 - (c) adjustment considered necessary by the Management Company to reflect the diminution in value of Deposited Property in consultation with the Trustee.
- 30.6 The following charges shall be payable out of the Deposited Property: ¹⁰⁸
- (a) remuneration of the management company;
 - (b) remuneration of the trustee or custodian as the case may be;
 - (c) custodial charges, both local and international;
 - (d) listing fee payable to the stock exchange(s) including renewals;
 - (e) charges and levies of stock exchange(s), national clearing and settlement company and central depository company;
 - (f) rating fee payable to approved rating agency;
 - (g) auditors' fees and related expenses;
 - (h) any fees payable to the Commission;
 - (i) membership fee of any professional body if specifically required for the collective investment scheme;

¹⁰⁷ Amended as per 2nd supplement deed dated 2007

¹⁰⁸ Amended as per 2nd supplemental deed dated 2007

- (j) formation cost not exceeding one percent of the pre-initial public offering capital;
 - (k) brokerage and transaction costs related to investing and disinvesting of the assets of the collective investment schemes;
 - (l) expenses incurred by trustee in effecting registration of all registerable assets in the name of the trustee;
 - (m) legal and related costs incurred in protecting or enhancing the interests of the unit or certificate holders of the collective investment scheme;
 - (n) bank charges and borrowing and financial costs;
 - (o) hedging costs including forward cover, forward purchase or option purchase costs;
 - (p) any printing costs and related expenses for issuing the collective investment scheme's quarterly, half yearly and annual reports etc.;
 - (q) taxes, fees, cess, duties and other charges applicable to the collective investment scheme on its income or its properties, including taxes, fees, cess, duties and other charges levied by foreign jurisdiction on investments outside Pakistan; and
 - (r) any other expense or charge as may be permitted by the Commission.
- 30.7 The Management Company may, from time to time, pay to the Unit Holders such interim dividends as in their judgment the position of the Trust justifies. Any cost associated with sales, marketing and advertisement shall not be charged to the Deposited Property, unless otherwise approved by the Commission.¹⁰⁹

31. DISTRIBUTION OF INCOME

- 31.1 After determining the amount available for distribution in respect of any Accounting Period, the Management Company shall, in case of cash, 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 However, any profit/interest earned on these accounts shall form part of the Deposited Property for the benefit of the Holders.¹¹⁰

¹⁰⁹ Amended as per 3rd supplemental deed Dated 2010

¹¹⁰ Amended as per 3rd supplemental deed Dated 2010

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- 31.2 After the fixation of the rate of distribution per Unit, distribution payments, in case of cash dividend, shall be made by cheque or warrant or by way of transfer of amount to the Unit Holder's designated bank account by the Trustee or sent through the registered post or through such arrangement as the Management Company may consider appropriate to the registered address of such Holder, or in the case of joint Holders to the registered address of the joint Holder, first named on the Register. Provided that the Management Company may under special circumstances (or administrative arrangements) agree to pay the distribution amount to the Holder's authorized representative as stated in the prescribed application for issue of Units. 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 complete satisfaction of the moneys payable. When an authority in that behalf shall have been received in such form as the Management Company 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. In case the warrant is lost, defaced or time barred, the distribution payments, in case of cash dividend will take place through a cheque or through such arrangement as the Management Company may consider appropriate.¹¹¹
- 31.3 Before distributing income in the form of cash and/or stock dividends, the Trustee or the Management Company may make such deductions as may be required by law in respect of any Zakat, income 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.¹¹²
- 31.4 Certain Unit Holders may authorize the Management Company to re-invest any cash distributions from the Fund into additional Units of the Fund. The Management Company, in such cases will not pay cash distribution but will issue such Units out of the relevant cash distribution payable to the pertinent Unit Holder, after any deductions as may be required by law in respect of any Zakat, income or other taxes, charges or assessments. Issue of Account Statement by the Management Company showing an increase in Units shall be a good discharge of the obligation to pay the pertinent dividend. In such cases, the additional Units will be issued at the Offer Price of the effective date of distribution after appropriation of the distribution but without any charge of the Front-end Load.¹¹³
- 31.5 Where Units are placed under pledge/lien the payment of dividends will be made in accordance with clause 24.2 of this Deed.

¹¹¹ Amended as per 3rd supplemental deed Dated 2010

¹¹² Amended as per 3rd supplemental deed Dated 2010

¹¹³ Amended as per 3rd supplemental deed Dated 2010

- 31.6 The Management Company may decide to distribute, wholly or in part, the distributable income in the form of a stock dividend, which would comprise of Bonus Units of JS Income Fund. The Bonus Units shall be maintained in a special reserve account of the Holders and the Management Company shall inform the Trustee on each payment date of the amount of Units, including fractional Units, to be capitalized and the Trustee shall cause to have the additional Units issued in the name of the relevant Holders as per the information provided by the Management Company.¹¹⁴
- 31.7 In case of distribution in form of Bonus Units the Management Company may offer the Holders the option to receive the amount equivalent to their share of the annual distribution in cash. In such an event, the Management Company shall at the end of the financial year (or the relevant period in the event of an interim dividend), cause to redeem such number of Units that equate value of the Bonus Units for the period. The Redemption Price shall be determined on the basis of the NAV at the distribution date after appropriation of the distribution but without any charge of Back-end Load or Contingent Load. The payment of the cash equivalent shall be made, net of taxes that the Management Company and/ or the Trustee is obliged to recover, by the way of transfer of amount to the Unit Holder's designated Bank Account or to the Holder's registered address.¹¹⁵

32. TERMINATION AND LIQUIDATION OF TRUST

- 32.1 The Management Company may terminate JS Income Fund by giving appropriate notice in writing to the Holders on the grounds given in clause 21.2 of this Deed.¹¹⁶
- 32.2 The Trust may also be terminated by the SECP on the grounds given in the Rules and Regulations.
- 32.3 This Deed may be terminated in accordance with the conditions specified in the Rules and Regulations, if there is any breach of the provisions of this Deed or any other agreement or arrangement entered into between the Trustee and the Management Company regarding the Unit Trust. Both parties shall act in a manner that causes the least degree of inconvenience to the investors and is the most cost efficient for the Unit Trusts and the Management Company.¹¹⁷

32. DISTRIBUTION OF LIQUIDATION PROCEEDS

- 33.1 Upon the Trust being terminated the Management Company shall suspend the sale and redemption of Units forthwith and proceed to sell all Investments then remaining in the hands of the Trustee as part of the Deposited Property and shall

¹¹⁴ Amended as per 2nd supplemental deed dated 2007

¹¹⁵ Amended as per 3rd supplemental deed Dated 2010

¹¹⁶ Amended as per 2nd supplemental deed dated 2007

¹¹⁷ Amended as per 2nd supplemental deed dated 2007

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- repay any borrowing effected by the Trust together with any mark-up remaining unpaid.
- 33.2 The Trustee on the recommendation of the Management Company shall from time to time distribute to the Holders pro rata to the number of Units held by them respectively all net cash proceeds derived from the realization of the Deposited Property after making payment as mentioned in sub-clause 33.1 above and retaining such sum as considered or apprehended by the Management Company for all costs, charges, expenses, claims and demands.
- 33.3 In the event a Scheme is terminated and Units have been purchased therein pursuant to an Administrative Plan, such Administrative Plan shall stand discontinued and the Units held by Holders pursuant thereto shall be dealt in the same manner as the rest of the Units in the Scheme being terminated and the other Schemes in which such Units are held.¹¹⁸

34. TRUST DEED

- 34.1 This Deed shall be subject to and be governed by the Companies Ordinance, 1984, the Rules, Regulations and all other applicable laws and it shall be deemed for all purposes whatsoever that all the provisions required to be contained in a trust deed by the Rules and Regulations 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 and Regulations, the latter shall supercede and prevail over the provisions contained in this Deed. Further, if the Rules or Regulations are amended or any directives are issued or any relaxations or exemptions are allowed thereunder, such amendments, directives, relaxations and exemptions shall deem to have been included in this Trust Deed.¹¹⁹
- 34.2 The terms and conditions of this Deed and any Supplemental Deed shall be binding on each Holder and each Holder authorizes and requires the Trustee and the Management Company to do as required of them by the terms of this Deed.
- 34.3 The Trustee and the Management Company acting together shall be entitled by Supplemental Deed in such manner and to such extent as they may consider expedient for any purpose, subject only to the approval of the SECP, if so required. Provided that, the Trustee and the Management Company shall certify in writing that, in their opinion such modification, alteration or addition is required pursuant to any amendment in the Rules and Regulations or to ensure compliance with any fiscal or statutory requirement or to enable the provisions of this Supplemental Deed to be more conveniently or economically managed or to

¹¹⁸ Insertion as per 3rd supplemental deed Dated 2010

¹¹⁹ Amended as per 3rd supplemental deed Dated 2010

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- enable the Units 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 Management Company from any responsibility to the Holders.
- 34.4 Where this Deed has been altered or supplemented the Management Company shall notify the Holders immediately regarding such alteration through two widely circulated newspapers in Pakistan, one in English and one in Urdu.¹²⁰
- 34.5 The Management Company 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 or the Offering Document.
- 34.6 If at any time, any clause of this Deed is or becomes in whole or in part illegal, invalid or unenforceable in any respect under the laws of any jurisdiction in Pakistan, the legality, validity and enforceability of the remaining clauses of this Deed hereof, shall not in any way be effected or impaired thereby.¹²¹

35. ARBITRATION

- 35.1 In the event of any disputes arising out of this Trust Deed or Offering Document between the Management Company 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, Offering Document and/or the Supplementary Offering Document, relating to the Unit Trust, the same shall be referred to arbitration by two arbitrators, one to be appointed by the Management Company 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, of 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.
- 35.2 Subject to sub-clause 35.1 above each party to this Deed along with the Holders irrevocably submits to the exclusive jurisdiction of the Courts at Karachi in relation to all matters that arise pursuant to this Deed and its subject matter.¹²²

¹²⁰ Amended as per 3rd supplemental deed Dated 2010

¹²¹ Insertion as per 3rd supplemental deed Dated 2010

¹²² Insertion as per 3rd supplemental deed Dated 2010

36. CONFIDENTIALITY

36.1 The Trustee and the Management Company and every director or officer of the Trustee and the Management Company who are in any way engaged in the business of the Trust and all persons employed or engaged by the Trustee or the Management Company 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.

37. MISCELLANEOUS

37.1

(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 Management Company shall advertise any such notice, 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 Management Company 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 Units concerned.

37.2 A copy of this Deed and of any Supplemental Deed shall be made available for inspection at the respective Head Offices of the Trustee and of the Management Company at all times during usual business hours and shall be supplied by the Management Company 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 Management Company.
