

FIRST SUPPLEMENTAL TRUST DEED OF HBL INCOME FUND

This First Supplemental Trust Deed is made and entered into at Karachi on this 22nd day of May 2007 by and between:

HBL Asset Management an unlisted public limited company incorporated under the Companies Ordinance 1984 having its registered office at 4th floor, Suite No 403-4, Forum, Clifton Karachi (hereinafter called the "Management Company" which expression where the context so permits shall include its successors in interest and assigns) **OF THE PART;**

AND

Central Depository Company of Pakistan Limited, an unlisted public limited company, incorporated under the Companies Ordinance 1984, registered to act as a central depository company under the Central Depository Companies (Establishment and Regulation) Rules, 1996, having its registered office at CDC House 99 – "B", SMCHS, Main Shahra -e- Faisal, Karachi (hereinafter called the "Trustee" which expression where the context so permits shall include its successors in interest and assigns) of the other part.

WHEREAS the Management Company and the Trustee executed a Trust Deed dated 6th September 2006, registered with the sub Registrar-II, Saddar Town Karachi, under registration No. 502 Sub Registrar – II Saddar Town, Karachi and M.F.Roll No. U-74112 of the Photo Registrar, Karachi dated 16/9/2006 (the " Trust Deed")

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AND WHEREAS the securities and exchange Commission of Pakistan in terms of its letter No. **NBFC-II/AD-Jam/HBLIF/182/2007 dated 2nd March 2007** (copy attached) has approved the Management Company to amend Clauses 7.1.2, 7.2.2, 19.1, 19.2, 19.3 and 19.8 of the Trust Deed, in terms hereof.

Now, THEREFORE, the Parties hereto agree and declare as under:

Amendments to the clauses 7.1.2, 7.2.2, 19.1, 19.2, 19.3 and 19.8 of the Trust Deed:

1. Clause 7.1.12 (a)

Replace the entire sub-Para (a) "The Net Asset Value as of the close of the immediate preceding Business Day" by the following text:

"The Net Asset Value as of the close of the Business Day on which completely and correctly filled prescribed application from is received along with realized payment and within the business hours as announced by the Management Company from time to time."

2. Delete the following text in Clause 7.1.2 (Portion of Clause immediately preceding 7.1.2 (c))

"The Offer Price so determined shall apply to purchase requests, complete in all respects, received by the Distributor during the business hours of the following Business Day"

3. Delete the following text in Clause 7.2.2 (Second Para in the portion of Clause immediately preceding 7.2.2(d))

" The Redemption Price so determined shall apply to redemption request, complete in all respects, received by the Distributor during the business hours on the following day."

4. Clauses 19.1, 19.2 and 19.3 (Bank Account Title)

Add the word 'Trustee' after the word 'CDC' and should read as follows:

"CDC-TRSUTEE HBL-Income Fund"

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5. Clause 19.8

Replace the word “close” as appearing in the last sentence with word “start” and the clause should read as following:

“ The amounts received from the core investors (seed capital) and private placement Investors shall be deposited in a separate Bank Account and transferred to the main bank account of the FUND upon the close of the Initial Period. Income, Profit, interest etc earned on the investments by Core Investors and Private Placement Investors up to the start of the Initial Period shall be paid to the Core Investors and Private Placement Investors and shall not from part of the Trust Property.

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

The Trustee and the Management Company hereby certify that the above amendments have been duly approved by the Securities and Exchange Commission of Pakistan and that in their Opinion the same shall no prejudice the interests of the Unit Holders or any of them or operate to release the Trustee or the Management Company from any responsibilities to the Unit Holders.

IN WITNESS WHEREOF, THIS FIRST SUPPLEMENTAL TRUST DEED OF HBL – INCOME FUND has been executed on the date mentioned above.

The Common Seal of HBL Asset Management Limited was hereunto fixed on 22nd this day of May 2007 in the presence of:

Seal

(i) _____ -Sd-
Shahid Ghaffar
Chief Executive Officer
CNIC: 61101-3273400-1

(ii) _____ -sd-
Rehan Nabi Shaikh
Company Secretary
CNIC: 42301-1836466-5

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The Common Seal of Central Depository Company of Pakistan Limited was hereunto fixed on 22nd this day of May 2007 in the presence of:

(i) _____-sd-
Kamran Ahmed Qazi
Company Secretary
CNIC: 42201-0522034-5

WITNESSES

(i) _____-sd-
Ghulam Raza
CNIC: 42301-1098637-9

(ii) _____-sd-
Azizullah Soomro
CNIC No. 43302-2122965-9