

Supplement I dated January 19, 2009 to the Trust Deed of
KASB Balanced Fund issued on October 25, 2007

(Managed by KASB Funds Limited, an asset management company registered under the Companies Ordinance 1984 and licensed under the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003)

Established in Pakistan by a Trust Deed dated October 25, 2007, registered under the Trusts Act 1882 (11 of 1882) between KASB Funds Limited as the Management Company and Central Depository Company of Pakistan Limited as the Trustee and authorized under the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003.

1) Clause 6.3.5 of the Trust Deed has been amended to read in its entirety as follows:

The Trust Property shall not be invested in any security of a company if any director or officer of the Management Company owns more than five percent of the total nominal amount of the securities issued, or, the directors and officers of the Management Company own more than ten percent of those securities collectively, except as may otherwise be permissible from time to time.

2) Clause 6.5.1 of the Trust Deed has been amended to read in its entirety as follows:

Subject to any statutory requirements for the time being in force and to the terms and conditions herein contained, the Management Company may arrange borrowing on account of the Scheme, with the approval of the Trustee from banks, financial institutions, non-banking finance companies or collective investment schemes. The borrowing, however, shall not be resorted to, except for meeting redemption requests, and shall be repayable within a period of ninety days or such time as may be prescribed from time to time.

3) Clause 6.5.2 of the Trust Deed has been amended to read in its entirety as follows:

The charges payable against borrowing on account of the Trust as permissible under clause 6.5.1 above shall not be higher than the normal prevailing market rates.

4) Clause 6.5.4 of the Trust Deed has been amended to read in its entirety as follows:

Neither the Trustee, nor the Management Company shall be required to issue any guarantee or provide security over their own assets for securing such borrowings. The Trustee or the Management Company shall not in any manner be liable in their personal capacities for repayment of such loans or advances.

5) Clause 9.4.3 of the Trust Deed has been amended to read in its entirety as follows:

KASB BALANCED FUND

Bank charges, fees and duties payable on remittances and investments as well as borrowing/financial costs; provided that the charges payable against borrowings on account of the Trust as permissible under Clause 6.5 above, shall not be higher than the normal prevailing bank charges or normal market rates;

6) Clause 34.10 of the Trust Deed has been amended to read in its entirety as follows:

“Business/ Dealing Day” means any day from Monday to Friday but does not include any day which is a gazetted Government of Pakistan holiday or on which the Stock Exchange or Banks are closed for business in Pakistan”
