

**THE COMPANIES ORDINANCE, 1984
COMPANY LIMITED BY SHARES**

MEMORANDUM



AND

ARTICLES OF ASSOCIATION

OF

**MCB-ARIF HABIB SAVINGS AND INVESTMENTS
LIMITED**

THE COMPANIES ORDINANCE, 1984

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

MCB-ARIF HABIB SAVINGS AND INVESTMENTS LIMITED

I. NAME

The name of the Company is "MCB-ARIF HABIB SAVINGS AND INVESTMENTS LIMITED"

II. REGISTERED OFFICE

The Registered Office of the Company will be situated in the province of Sindh.

III. OBJECTS

The objects for which the Company is established are: -

1. Subject to and in accordance with all applicable laws, rules and regulations, and in particular the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, (hereinafter referred to as "the Rules" which shall mean and include any amendments and/or substitutions thereof), to carry on the business of asset company for providing asset management services and the business of investment adviser for providing investment advisory services and to constitute, float and manage open-ended schemes and closed-end schemes under trust deeds and issue redeemable securities, to act as investment adviser/fund manager to investment companies and to generally carry on the business of unit trusts, mutual funds and pension funds, asset management and fund management and to organize, promote, form, create, establish, support, manage, operate and administer unit trusts and mutual funds schemes of any type or character, and to act as the management company for open-end unit trusts and investment adviser/fund manager for closed-end mutual funds and pension schemes and to offer, issue, sell, hold, repurchase and accept the surrenders of units and mutual fund certificates to the local and foreign private and public investors, including institutions, companies, agencies, statutory corporations, entities, government and semi government institutions and trusts.
2. To obtain and maintain registration as pension fund manager, to constitute, launch and manage pension fund schemes; to act as pension fund manager and/or investment adviser to pension fund schemes, to constitute trusts and funds therefore, including sub-trusts, sub-funds and sub-schemes, to appoint, remove and replace trustees of pension fund schemes, to maintain pension fund accounts and effectuate all acts and deeds as required under the Voluntary Pension System Rules (VPSR) and any amendments, modifications, replacements and substitutions thereof, from time to time.
3. Subject to and in accordance with the Rules and other applicable laws, rules and regulations, to undertake and carry on the business of investment finance company, and to provide investment finance services as outlined in Rule 14 of the Rules, including but not limited to Money Market Activities, Capital Market Activities, Project Finance Activities, Corporate Finance Services, and other General Services and Activities as broadly categorized in Rule 14 of the Rules and any modifications, substitutions and replacements thereof from time to time, including any ancillary or incidental services permissible under the Rules and any other laws, rules and regulations in force from time to time.

4. Subject to and in accordance with the Rules and other applicable laws, rules and regulations, to carry on and undertake the business of leasing and lease operations of all kind, including financial leases and operation leases; purchasing, selling, hiring or letting on rentals or hire all kinds of plant, machinery, equipment, vehicles, appliances, aircrafts, ships, consumer, commercial and industrial properties of every kind capable of being leased to the Company's customers; to provide assistance to customers for the acquisition thereof; to deal in all such movable and immovable properties for the purpose of leasing and to provide leasing and advisory and counseling services; to carry on and undertake the business of hire purchase, purchasing, selling on hire purchase of all kinds of movable and immovable properties, within scope of the leasing policy of the Company to be determined by the Board from time to time and to undertake all ancillary and incidental transactions, services and activities within the parameters of the Rules and other applicable laws, rules and regulations.
5. Subject to and in accordance with the Rules and other applicable laws, rules and regulations, to carry on the business of and to operate as a venture capital company and to make investments in venture projects, as defined in the Rules, including projects, which may be in the start-up phase of business or commercial operations or undergoing expansions or engaged in service, manufacturing or production activities based on new processes, services or technologies or located in remote under developed areas, including wholly owned subsidiaries of the Company, through equity or other instruments, whether convertible into equity or not; to provide managerial and technical expertise to venture projects; to act as management company for management of venture capital funds; to receive or arrange funds for investments in venture projects through private placements of permissible securities; to prepare, submit and issue placement memorandums to the authorities and investors, and to generally invest in the capital of other companies and/or for the purchase or upon security of shares stocks, debenture stocks, bonds, mortgages, obligations and securities of any kinds issued or guaranteed by companies, corporations, firms and/or federal, local or provincial government, municipal or local authorities or bodies corporate whatsoever; to enter into fund management agreements with them or any of them for the purposes of managing the funds and investments of the Company and generally to make investments in and/or to collaborate or participate under any financial, joint venture or other arrangements with all or any of the above.
6. Subject to and in accordance with the Rules and other applicable laws, rules and regulations, to carry on the business of discount, acceptance and guarantee house by issue, purchase, sale, distribute arrangement accept, co-accept, discount, rediscount, recourse discount, underwrite and guarantee of securities, certificate of investments certificate of deposit, commercial paper, participation term certificate, term finance certificate, bonds and bills of exchange, hundies, promissory notes, coupons, drafts, bills of lading, railway receipts, warrants, debentures, whether local or foreign or any financial instrument issued in and outside Pakistan by any government or any authority or body corporate, entity corporation, association, persons, whether in public or private sector, both in primary or secondary market or money market to purchase receivables and book debts to manage cash and funds for others, to borrow with or without security in any currency from any source, to negotiate loans and to act as primary dealer, market maker, agent and broker in government debt instruments and other securities; to carry on the business of guarantee house by issuing guarantees on the security of assets of companies, entities, establishments whether in or outside Pakistan desirous of obtaining guarantee in respect of their arrangements whether financial or otherwise to be furnished or extended in or outside Pakistan.
7. Subject to and in accordance with the Rules and other applicable laws, rules and regulations, to carry on the business of providing housing finance services as permissible under the Rules and any other applicable laws, rules and regulations and in this connection, to provide long-term finance for the purpose of constructing, purchasing or making any additions, alterations of improvement to or in any property; to lease and rent on hire purchase basis buildings for residential and commercial purposes; to establish and manage housing schemes or work as subsidiary or holding company or as joint venture of construction business; to carry out surveys and valuations of lands and properties; to arrange for the insurance or charged property from the present approved insurance companies; to manage, mortgaged investments as agents; to manage public or private sector projects, in the housing and urban development sectors; to make loans and advances for house building or non-residential properties to individuals, corporations, housing companies, including project financing; to provide financing against existing property by way of mortgage, provided that the same property shall not be accepted as security unless the facility extended is

settled to raise funds, in addition to share capital from commercial paper, any security and deposits of not less than thirty days maturity approved by the Commission; foreign debentures both short and long-term; issuance of redeemable capital (participation term certificates or term finance certificates, etc.); lines of credit; re-discount facilities; loans on mark-up to other NBFCs, providing housing finance services; making investment in government securities, approved securities and such other approved modes as may be allowed to the Company from time to time and generally to undertake fulfill and effectuate all ancillary and incidental transactions and activities relating to housing finance services.

8. Subject to and in accordance with the Rules and other applicable laws, rules and regulations, the Company's operating policies in relation to the Company's asset management and investment advisory business, leasing business, business of investment finance company, venture capital business, discount business and housing finance business shall be in consonance with the prevailing laws, rules and regulations and shall be subject to review and modifications from time to time by the Directors periodically so as to keep the same in consonance with the changing investment and economic environment, market conditions and forces and the changes in the applicable laws, rules and regulations.
9. To constitute trusts with a view to issue units, stocks, securities, certificates, or other documents, based on or representing any or all assets appropriated for the purposes of any such trust and to settle and regulate any such trust and to issue, hold or dispose of any such units, stocks, securities, certificates or documents.
10. To appoint, remove, replace and remunerate custodians, trustees, advisers, registrars, transfer agents, investment facilitators, distributors and distribution companies, selling agents, brokers, consultants, research analysts, fund managers, service providers, advisers and agents and to create and form trusts and agencies for appointment of trustees and custodians for investments and fund management, inter alia the offer, issuance, sale, re-purchase, encashment and supervision of the units and mutual funds certificates and schemes and for the overall investment, motivation and custody, management and deployment of the funds; to provide all necessary and requisite management, supervision and administrative functions and back-up support thereof, in accordance with the prevailing laws, rules and regulations in Pakistan, and to remunerate such trustees, custodians, advisers, fund managers, investment facilitators, distributors and distribution companies, registrars, transfer agents, service providers, advisers and agents at fixed remuneration or on the basis of percentages or otherwise and on such terms and conditions as the Directors may deem fit, subject to the Rules and the conditions as may be laid down by the Securities & Exchange Commission of Pakistan (hereinafter referred to as "the Commission").
11. To act as trustees, custodians, advisers, fund managers and agents for managing, operating, administering and supervising other open-end and closed-end unit trusts and mutual funds in accordance with the directions and policies of the management companies covered under purview of relevant sections of law and the constitutive documents for such remuneration or consideration and on such terms and conditions as the Directors may deem appropriate.
12. Subject to the Rules and such other Acts, Ordinances, Schemes, Rules Regulations and Directions as may from time to time be issued and be applicable to the Company or any other law for the time being in force to provide investment advisory services on a discretionary basis or otherwise with respect to securities and investment instruments related to such securities and to provide or assist in providing any professional, financial, investment, technical and managerial advice or assistance with respect to securities and investment instruments.
13. To carry on the business as dealers of and to buy, sell, hold, acquire or invest the capital and funds of the Company in securities and investments of every kind and description including but not limited to shares, stocks, fixed income securities, modaraba certificates, musharika certificates, participation term certificates, term finance certificates, mutual fund certificates, units, certificates of investments, commercial papers, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed in Pakistan or abroad, by any company incorporated or registered in Pakistan or in any foreign country, by any Government or Public body or Authority, supreme, municipal, local or otherwise, both for short term as well as for long term gains and to realise such gains.

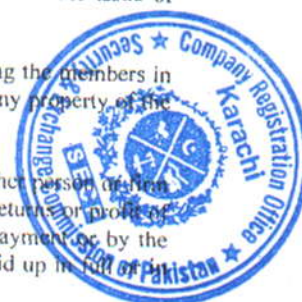
14. To act as dealers, brokers, traders, investors or agents for or in respect of any investments or securities whatsoever without carrying on the business of banking or insurance.
15. To purchase, subscribe for, borrow, acquire, hold, own, sell, exchange, assign, transfer, mortgage, pledge, hypothecate, guarantee, deal in and otherwise effect all transactions of every kind in respect of or in relation to all kinds of securities and investments.
16. To carry on business as dealers in foreign exchange and to buy, sell and deal in foreign exchange notes and currencies, subject to approval of State Bank of Pakistan.
17. To render advisory, investigative, supervisory, managerial, investment and other services of every kind and description.
18. To invest or deal with the moneys of the Company not immediately required for its operations in such manner as the Directors may think fit.
19. To purchase, re-purchase, issue, sell, distribute, arrange, accept, co-accept, discount, re-discount, underwrite, sub-underwrite and guarantee securities, shares, certificates of investments, certificates of deposit, commercial papers, participation term certificates, term finance certificates, bonds, bills, letters of right, warrants, global depository receipts (GDRs) or any financial instrument issued in and outside Pakistan by any Government or any authority or body corporate, entity, corporation, association or person, whether in public or private sector both in primary and secondary markets or money markets and to purchase receivables and book debts, to manage cash and funds for others, to borrow with or without security in currency from any source, to negotiate loans, to undertake portfolio management, advisory and consultancy services and to act as a primary dealer, market maker, agent and broker in Government debt instruments and other securities.
20. To manage investment portfolios on behalf of companies, firms, trusts, governments, semi-governments institutions, statutory corporations, agencies, institutions, bodies corporate, entities and individuals and for this purpose to open and maintain investor's deposit accounts, make advances for purchase of shares, securities and investments to and on behalf of investors and account holders, to engage in business of investing and re-investing in and the owning and holding of shares, securities and investments, to help in generally broadening the base of investments and encouraging investments in sound projects, to provide professional counselling, regarding investments and to act in any manner as a principal or agent in all matters relating to shares, securities and investments, without engaging in the business of banking, modaraba, leasing, or an investment company.
21. To issue any securities which the Company has power to issue for any purpose by way of security or indemnity or in satisfaction of any liability undertaken or agreed to be undertaken by the Company.
22. To invest and deal with the monies and other assets of the Company not immediately required for the purposes of the business of the Company in or upon such investments and in such manner as the Board of Directors may from time to time think fit.
23. To procure the registration or incorporation of the Company in or under the laws of any territory outside Pakistan and for the offer, subscription, issuance, indemnity and listing of its shares, mutual fund certificates, units and securities in Pakistan as well as in any other country of the world, subject to the compliance with all applicable laws, rules and regulations in Pakistan as well as of such foreign country.
24. To act as brokers for call money and foreign exchange of any or all scheduled banks and financial institutions both local and foreign, operating in Pakistan and to act as moneychangers and dealers of foreign exchange without engaging in banking business subject to approval of State Bank of Pakistan.
25. To underwrite, manage and distribute the issue of stocks, shares, bonds, debentures, debenture stocks, modaraba certificates, mutual fund certificates, units and other securities either directly or jointly with one or more of its constituent institutions or other investment or financial institutions.



26. To operate, conduct, accomplish and establish services for or relating to financial, consultancy, management services, trading and other activities including research programs, systems analysis, electronic data processing for industrial, trading and commercial activities.
27. To take part in the management, to manage and act as consultants and advisors to the business of other shares and stock brokers on fees, commission or such other basis or to enter into partnership joint venture agreements on profit and loss sharing basis.
28. To acquire and secure membership, seat or privilege either in the name of the Company or its nominee or nominees in and of any association, stock exchange, market, club or other institution in Pakistan or any part of the world for furtherance of the business of the Company.
29. To act as Registrar of shares for companies or/and to provide corporate advisory, secretarial and other relevant services subject to prevailing policy of Securities and Exchange Commission of Pakistan.
30. To pre-qualify and register with the federal, provincial and local governments, statutory bodies, institutions and agencies for rendering and binding in respect of quotations and tenders for foreign currencies, certificates, securities and bonds as may be permissible under the law.
31. To publish for sale or otherwise business reports on the general economy and various sector/industries, credit ratings for companies and individuals, stocks indices, stock market trends and other such information.
32. To form, promote, subsidise and assist companies and partnerships, to promote and acquire any concern as a running business or otherwise purchase any part of the assets of any concern or any company or any interest or share thereof and to pay for the same, including its goodwill either in cash/or by issue of shares or otherwise invest the monies of the Company for the said purposes.
33. To apply for and to obtain assistance (financial, technical or of any other type) from Government and other organisations, companies, firms or individuals, national or international, for developing all or any of the business or businesses of the Company.
34. To undertake management of investments or assets located in different parts of the world including portfolios and other investment, contracts and as a special arrangement provide services as trustees to manage inheritance and to act as custodians and agents.
35. To provide technical, economic, financial and administrative consultancy services and prepare investment and economic feasibility studies for projects intended to be established and undertake on behalf of investors the identification of investment opportunities and evaluation of projects.
36. To acquire projects and/or participate in projects with others through funds and/or efforts of both and to enter in the projects in the capacity of financial, joint venture holder, executor of supply contracts, lessors of movable and immovable properties, and for properties for profit on account of others but not to act as a leasing company.
37. To act as trustee under any deeds constituting or securing any debenture stocks, bonds or other securities or obligations and to undertake and execute any other trusts, and also to undertake the office of or exercise the powers of executor, administrator, receiver, treasurers, custodians and trust corporation.
38. To act as consultants and advisors to individuals, corporations, firms, trusts, financial institutions, government bodies and departments, semi-government institutions, statutory corporation, agencies, municipal corporations and other entities, in managing their funds and also to act as an intermediary in financial transactions and to receive fees, commissions, profits, or other remunerations thereon. In acting as investment advisors, the Company will assist and advice its clients in placing their funds for short, medium or long term periods and for this purpose may operate discretionary portfolio accounts on behalf of its clients.



39. To obtain or borrow money in local or in any foreign currency from any person or persons, corporations, companies, banks, financial and other entities for carrying on the business of the Company including leverage holding on the Company's account or on account of the other constituents.
40. To build, construct, demolish, equip, renovate, alter, improve, work, develop, administer, manage or control buildings, structures or facilities of all kinds for the purposes of the Company.
41. To enter into joint ventures or partnership or into any agreements for sharing profits, union of interests, reciprocal concessions, amalgamation or co-operation with any person or persons or engage in any business or transaction which the Company is authorised to carry on or engage in any business, transaction capable of being conducted so as, directly or indirectly benefit the Company and to take or subsidise or otherwise assist any such company, and to sell, hold, reissue, with or without guarantee or otherwise deal in such shares or securities and to form, constitute or promote any other company or companies for the purpose of acquiring all or any of the property, rights and liabilities of the company and to form subsidiary companies.
42. To lend and advance money or give credit to such persons or companies and on such terms as may seem expedient, and in particular to customers and others having dealings with the Company and to guarantee the performance of any contract or obligation and the payment of money of or by any persons or companies and generally to give guarantees and indemnities.
43. To sell, lease, turn to account, or grant licences, easements and other rights over, and in any other manner deal with or dispose of the undertaking, property, assets, rights, privileges and effects of the Company or any part thereof for such consideration as the Board of Directors may determine.
44. To apply for, purchase or otherwise acquire and protect, prolong and renew whether in Pakistan or elsewhere, any patents, patent rights, brevet de', inventions, trademarks, copyrights, licenses, protections, concessions and the like conferring any exclusive or non exclusive or limited right to any secret, or other information as to any invention, process or privilege which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop, manufacture under or grant licences or privileges in respect of or otherwise turn to account the property rights and information so acquired and to carry on any business in any way connected therewith.
45. To pay out of the funds of the Company all expenses, which the Company may lawfully pay with respect to the formation and registration of the Company or the issue of its capital or the listing of its shares on an exchange, including brokerage fees, listing fees, fees or taxes on the issue of shares, and commissions.
46. Subject to the provisions of the Companies Ordinance, 1984, to distribute among the members in specie any property of the Company or any proceeds of the sale or disposal of any property of the Company, in the event of winding-up.
47. To remunerate the Directors, officials, and employees of the Company or any other person or company rendering services to the Company, out of or in proportion to, the return or profits of the Company or otherwise as the Directors may think proper, either by cash payment or by the allotment to him or them of shares or securities of the Company credited as paid up in full or part or otherwise as may be thought expedient.
48. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuating funds for the benefit of and to give or procure the giving of donations, gratuities, pensions, allowances or emoluments to persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company or is allied or associated with the Company or with any such subsidiary company or who are or were at any time Directors or Officers of the Company or of any such other company as aforesaid and the wives, widows, families and dependants of any such persons, and also establish and subsidise and subscribe to any institutions, including in particular any cafeterias, canteens or clubs funds calculated to be for the benefit of or to advance the interests and well-being of the Company or its employees as aforesaid and make payments to or towards the



insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.

49. To subscribe or contribute, support, promote, guarantee money for and/or otherwise assist or to grant money to charitable, benevolent, religious, scientific, national, public institution, objects or purposes or for any useful object or for any purpose which may in the opinion of the Board of Directors directly or indirectly further the interests of the Company or of its members, employees or Directors.
50. To establish, maintain or contribute to any scheme for encouraging or facilitating the holding of shares or debentures in the Company by or for the benefit of its employees or former employees, or those of its subsidiary or holding company or of any other subsidiary of its holding company, or by or for the benefit of such other persons as may for the time being be permitted by law, or any scheme for sharing profits with its employees or those of its subsidiary or associated companies, and (so far as for the time being permitted by law) to lend money to the Company's employees or to trustees for the Company's employees (other than Directors) with a view to enabling them to acquire shares in the Company or its holding company.
51. To create provident funds, gratuity funds, reserve funds, depreciation funds, sinking funds, insurance funds, or any other special funds conducive to the interest of the Company and its Directors, employees or members.
52. To enter into any arrangements for sharing profit, co-operation in joint ventures collaboration with any foreigner, individually or with any foreign company or corporation interested to carry on the like business in Pakistan or abroad as contained in this Memorandum.
53. To enter into any agreement, contract or arrangement with any foreign or local party, company, corporation, organisation having objects similar to the Company and to give effect to the same and to do and perform all acts, deeds and things in that behalf in Pakistan or outside Pakistan.
54. To accept investments on repatriable/non-repatriable terms from any person, institution, firm, company or corporation with the approval of competent authorities and to allot shares on such investments on the terms and conditions as may be mutually agreed upon with representations on the Board.
55. To enter into any arrangement or contract with any Government, including Provincial and any local or other authorities, municipal, or otherwise, statutory bodies, corporations, banking companies, or other companies, which may seem, conducive to the Company's objects or any of them and to obtain from Government, authorities, corporations, statutory bodies, banking companies, or other companies licences, permits, permissions, privileges, grants, concessions and leases which the Company may think fit and desirable and to utilise and enjoy such arrangements, contracts, licences, permits, permissions, concessions and leases, etc.
56. Subject to the prior written approval of the Commission, to amalgamate with any company or companies having objects altogether or in part similar to those of the Company.
57. To enter into any arrangements for sharing profits, amalgamation, union of interest, co-operation, joint ventures, reciprocal concessions or otherwise with any person, firm or company, institution, public body or Government or administration engaged in any business or transaction in which the Company is authorised to carry on or engage in or any business, undertaking, transaction which may seem capable of being carried on or conducted so as to directly or indirectly benefit the company, and to guarantee the contracts of or otherwise assist any such person, firm or company and to place, take or otherwise acquire and hold shares, stocks, debentures, bonds and securities of any such person, firm or company, and otherwise deal with the same without doing any investment business.
58. To distribute any of the properties of the Company amongst the members in specie or in kind but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) of the time being required by law.



59. To pay all or any cost, charges and expenses preliminary and incidental to the promotion, formation, registration, and establishment of the Company.
60. To allow and pay underwriting and other commissions, broker's fees, remunerations, premiums and charges to any person, firm or company for services rendered or to be rendered in introducing any proprietary rights, privileges or business to the Company or about the conduct of the Company's business or placing or assisting to place or guaranteeing or procuring the subscription of any shares, debentures, debenture-stocks or other securities, which brokerage, remunerations, commissions or charges may be paid either in cash or in debentures and shares of the Company.
61. To pay commission or to otherwise remunerate any company or firm or firms, person or persons (whether an officer of the Company or not) for services rendered in placing or assisting to place any of the shares of the Company's capital or any debentures or other securities of the Company or for negotiating any of the purchases or sales by the Company of any property for the purpose of business of the Company or for rendering any services of any kind whatsoever to the Company.
62. To capitalise such portion of the profits of the Company as are not distributed amongst the members of the Company in the form of dividends and as the Directors of the Company may think fit and to issue bonus shares in favour of the members of the Company.
63. To establish and conduct agencies and branches in any part of the world for the purposes of the Company.
64. To draw make, accept, endorse, discount, execute and issue promissory notes, hundies, bills of exchange, bills of lading, warrants, debentures and any negotiable or transferable instruments concerning the Company.
65. To open any current, overdraft, cash-credit account or fixed or term deposit account with any banker or institution and to pay monies into and draw monies from any such accounts and to invest and deal with the monies of the Company not immediately required in any investments, in such manner as may from time to time seem expedient.
66. To borrow or secure for the business of the Company the payment of monies in such manner as the Company shall think fit and in particular by the issue of debentures or debenture-stock perpetual or otherwise, PTCs, TFCs and other certificates, charged upon all or any of the Company's property (both present and future), and to purchase, redeem and pay off any such securities, without derogating from the generality of the foregoing, to obtain finances for the Company's business under supplier's credit, hire purchase, mark-up in price, participation in profit and loss, musharika and/or modaraba and leasing arrangement(s). The Company shall have full powers through its Board of Directors for the time being to enter into appropriate arrangements with banks, financial institutions, leasing companies, modarabas, investment banks, etc. for all sorts of finances that may be needed for achieving the objects or conducting the business of the Company, including but not limited to financing by lending, trade related financing such as finances for short/medium term on mark-up basis, finances for working capital, finances against packing credit, discounting of DA/DP outward bills (finances against foreign bills), running finance, cash finance, demand finance, financing by Bai-Al-Muwajjal, financing by Bai-Salam, financing purchase of trade bills, financing by purchase of movable and immovable properties with buy-back agreements or otherwise, financing by leasing, financing by hire-purchase and financing for development of properties and investment modes of financing such as Musharika or profit and loss sharing, equity participation and purchase of shares, purchase of and sale or surrender of PTCs, etc. Modaraba, rent sharing, etc. and all other types of finance, whether on the basis of mark-up, mark down, services charges, annual rates of profit, profit & loss sharing, hire-purchase, leasing or otherwise on such securities as the Board may deem necessary and on such conditions and terms as may be permissible by the law for the time being in force. The Company will however not indulge in the business of a banking or investment company, leasing company or a modaraba company.
67. To sell, mortgage, charge, hypothecate, pledge, give on hire, rent or licence or otherwise dispose of and conversely to accept mortgages, charges, hypothecations, pledges, leases, hires and purchases of and over all kinds of movable and immovable properties and assets, including lands, buildings,

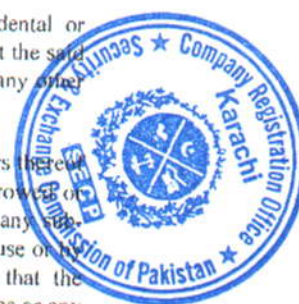


sheds, go-downs, warehouses, offices, plants, machineries, vehicles, goods, concessions, privileges, licences, patents and industrial properties for such consideration as may be deemed feasible for the Company and to sign, execute, register and deliver appropriate documents, charge forms, deeds, contracts, etc.

68. To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, debenture-stocks, contracts, mortgages, charges, obligations, instruments and securities of the Company or of any other company whether incorporated or not incorporated and generally to guarantee or become sureties for the performance of any contracts or obligations to stand as surety for payment/repayment of finances, loans, advances and other indebtedness of third parties, including sister concerns and associations; to hypothecate, charge, and/or create liens or other encumbrances on the Company's movable and immovable properties in favour of financial institutions, banks creditors and other principals.
69. To appoint any persons or companies as agents of the Company and to grant powers of attorney to any person or company with further powers to sub-delegate the authorities except managing agencies.
70. To compromise or compound all actions, suits and other proceedings and differences or disputes to arbitration and adjust and settle all accounts and claims relating thereto.
71. To enter into arbitration agreements and to refer all disputes arising in connection with any right, liability or property of the Company or otherwise therefrom to arbitration whether in Pakistan or abroad.
72. To carry on any operations or activities whatsoever which can, in the opinion of the Company, be advantageously or conveniently carried on by the Company by way of extension of, or in connection with, any such business as aforesaid or is calculated directly or indirectly to develop any branch of the Company's business or to increase the value of, or turn to account, any of the Company's assets, properties or rights.
73. To do all such lawful things as are incidental or conducive to the attainment of the above objects or any of them.
74. To do all or any of the above things and all such other things, as are incidental or as may be thought conducive to the attainment of the above objects or any of them in Pakistan or any other part of the world either as principals, agents, trustees, contractors or otherwise and either alone or in conjunction with others and either by or through agents, contractors, trustees or otherwise and to do all such things as are incidental or conducive to the attainment of the above objects, and each of the above objects shall be construed as an independent object.
75. And generally to do all and everything which may in any way be considered incidental or conducive to carrying into effect all or any of the objects of the Company and to carry out the said objects or any of them either on account of the Company alone or in co-operation with any other company, corporation, person or persons, firm or firms.

AND it is expressly declared that the several sub-clauses of this clause and all the powers therein are to be cumulative and in no case is the generality of any one sub-clause to be narrowed or restricted by any particularity of any other sub-clause nor is any general expression in any sub-clause to be narrowed or restricted by any particularity of expression in the same sub-clause or by the application of any rule of construction ejusdem generis or otherwise. Provided that the Company shall not undertake any activity or transaction which is forbidden under the Rules or any other laws, rules and regulations for the time being in force.

76. This Memorandum of Association shall not be altered without the prior written approval of the Securities and Exchange Commission of Pakistan.



IV. LIMITED LIABILITY

The liability of the members is limited.

V. CAPITAL

The Authorized Capital of the Company is R.720,000,000 (Rupees Seven hundred and Twenty million) divided into 72,000,000 (Seventy-two million) shares of Rs.10 each. The Company shall have the power to increase, reduce or re-organize the capital and divide shares in the capital for the time being into several classes constituting ordinary and other classes and kinds of shares in accordance with the provisions of the Companies Ordinance, 1984 and Companies Share Capital (Variation in Rights & Privileges) Rules, 2000, as may be amended or substituted from time to time, including power to issue and redeem preference shares of any class, on such terms and conditions, as the directors may deem appropriate, subject to the approval of the members in general meetings. Without prejudice to the foregoing, the share capital may comprise ordinary shares and other kinds and classes of shares, including preference shares, containing inter alia, such preferential, deferred, qualified or special rights, privileges and limitations attached thereto, and in particular, in relation to different or disproportionate entitlements of dividends, right shares or bonus shares, sharing of profits and losses, different or disproportionate voting rights and other special rights, privileges and entitlements for different or indefinite periods or for limited specified periods, with power to the Company from time to time to vary, modify or abrogate such rights, entitlements, privileges or conditions and/or to increase or reduce the capital as may be approved by the members from time to time.



We, the several persons whose names and addresses hereto subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of Shares in the capital of the Company set opposite our respective names;

Name and Surname in full	Father's Name in full	Nationality	Occupation	Residential address in full	Number of Shares	Signature
Muhammad Arif Habib	Habib Haji Shakoor	Pakistani	Business	86/2, 10 th Street Khayaban-e-Sehar, Defence Housing Authority, Karachi	One	Sd/-
Nasim Beg	Safdar Beg	Pakistani	Chartered Accountant	F 61/6, Block 4, Clifton, Karachi	One	Sd/-
Amin Umer	Haji Umer	Pakistani	Business Executive	118/11, Phase V, Khayaban-e-Badar, Defence Housing Authority, Karachi	One	Sd/-
Asadullah Khawaja	Khawaja Ataullah	Pakistani	Investment Banker/Fund Manager	81/2, Phase VI, Khayaban-e-Bahria, Defence Housing Authority, Karachi	One	Sd/-
Muhammad Yousuf	Ahmed	Pakistani	Service	M.R. 3/42, Juma Building, Suleman Street, Bomby Bazar, Karachi	One	Sd/-
Muhammad Rafiq Jangda	Kassam Salman	Pakistani	Service	G.K-6/57, Apartment No. C-7, Taboot Lane, Kharadar, Karachi	One	Sd/-
Abdus Samad	Arif Habib	Pakistani	Service	86/2, 10 th Street, Khayaban-e-Sehar, Defence Housing Authority, Karachi	One	Sd/-



Dated the 24th day of August, 2000

Witness to the above signatures:

Sd/-
(Zafar Abdullah)

Occupation: Chartered Accountant
Nationality: Pakistani

Address: C/o Taseer Hadi Khalid & Co,
Chartered Accountants
Sheikh Sultan Trust Building No.2
Beaumont Road, Karachi.

Certified to be True Copy

Joint Registrar of Companies

THE COMPANIES ORDINANCE, 1984
COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF
MCB-ARIF HABIB SAVINGS AND INVESTMENTS LIMITED

PRELIMINARY

1. TABLE A NOT TO APPLY

The Regulations in Table A in the First Schedule to the Companies Ordinance, 1984, shall not apply to the Company except in so far as they are repeated or contained in these Articles.

2. INTERPRETATION

In these Articles, unless there be something in the subject or context inconsistent therewith:

- (a) **"Articles"** means these Articles of Association as originally adopted or as from time to time altered by Special Resolution.
- (b) **"Chairman"** means the Chairman for the time being of the Company.
- (c) **"Chief Executive"** means the Chief Executive for the time being of the Company.
- (d) **"Company"** means MCB-ARIF HABIB SAVINGS AND INVESTMENTS LIMITED.
- (e) **"Directors"** mean the Directors for the time being of the Company or the Directors present at a duly convened meeting of Directors at which a quorum is present.
- (f) **"Member"** means a person whose name is for the time being entered in the register of Members by virtue of his being a subscriber to the Memorandum of Association of the Company or of his holding by allotment or otherwise any share, scrip or other security which gives him a voting right in the Company.
- (g) **"Month"** means calendar month according to the Gregorian calendar.
- (h) **"Office"** means the Registered Office of the Company.
- (i) **"Ordinance"** means the Companies Ordinance, 1984.
- (j) **"Ordinary Resolution"** means a resolution passed at a general meeting where the votes cast (whether on a show of hands or on a poll, as the case may be) in favour of the resolution by Members present and voting in person or by proxy exceeds the votes if any cast against the resolution.
- (k) **"Proxy"** includes an attorney duly constituted under a power of attorney who may or may not be a Member of the Company.



- (l) **"Register"** means the Register of Members to be kept pursuant to Section 147 of the Ordinance.
- (m) **"Rules"** mean Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003", and shall include all amendments or substitutions thereof.
- (n) **"Seal"** means the Common Seal or the Official Seal for the time being of the Company.
- (o) **"Secretary"** means the Secretary for the time being of the Company.
- (p) **"Special Resolution"** has the meaning assigned thereto by Clause (36) of Section 2(1) of the Ordinance.
- (q) **"In writing"** and **"written"** include printing, lithography, typewriting, photography computer printouts, facsimile, internet communication and other modes of representing, transmitting or reproducing words in a visible form.
- (r) Words importing the singular number include the plural number and vice versa.
- (s) Words importing the masculine gender include the feminine gender.
- (t) Words importing persons include any association, company, body corporate and corporations.
- (u) The marginal notes are inserted for convenience and shall not affect the construction of these Articles.

OPERATING POLICIES

3. Subject to and in accordance with the Rules and other applicable laws, rules and regulations, the Company's operating policies in relation to the Company's asset management and investment advisory business, leasing business, business of investment finance company, venture capital business, discount business and housing finance business shall be in consonance with the prevailing laws, rules and regulations and shall be subject to review and modifications from time to time by the Directors periodically so as to keep the same in consonance with the changing investment and economic environment, market conditions and forces and the changes in the applicable laws, rules and regulations.

BUSINESS

4. **DIRECTORS MAY UNDERTAKE ANY BUSINESS**

Any kind of business which the Company is either expressly or by implication authorised to undertake under its Memorandum of Association and the law may be undertaken by the Directors at such time or times and at such places as they shall think fit, subject to all statutory compliances. The Directors, however, shall have regard to the restrictions on commencement of business imposed by Section 146 of the Ordinance if, and so far as, those restrictions apply to the Company.

SHARES

5. **POWER TO ISSUE SHARES OF DIFFERENT CLASSES**

The initial share capital of the Company shall comprise only of ordinary shares, and subject as aforesaid the Company may issue ordinary shares of a single class or of different classes, but where ordinary shares of more than one class are issued the rights as between the various classes of such shares shall be strictly proportionate to the paid up value of the shares as regards voting, dividends and other benefits.



6. **NO PARTLY PAID SHARES TO BE ISSUED**

The Company shall not issue partly paid shares. In the case of an issue of shares for cash, the amount payable on application shall be the full nominal amount of the share, except where shares are issued at a discount.

7. **ISSUE OF SHARES AT DISCOUNT**

With the previous authority of the Company in General Meeting and the sanction of the Securities & Exchange Commission of Pakistan and upon otherwise complying with the provisions of Section 84 of the Ordinance it shall be lawful for the Directors to issue shares in the capital of the Company at a discount.

8. **ISSUE OF SHARES**

The shares in the capital of the Company for the time being remaining un-issued, including any new shares resulting from an increase in the authorised share capital, shall be at the disposal of the Directors who may allot or otherwise dispose of the same either at par or premium to such persons on such terms and conditions, and at such times, as they think fit.

9. **ALLOTMENT OF SHARES AND MINIMUM SUBSCRIPTION**

As regards any allotment of shares, the directors shall duly comply with the directions of the Company in General Meeting, any agreement entered into between the shareholders and with such of the provisions of Sections 68 to 73 of the Ordinance as may be applicable thereto. The minimum subscription amount shall be Rs.500,000 (Rupees five hundred thousand).

10. **COMMISSION FOR PLACING SHARES, ETC.**

The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures or redeemable capital of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares or debentures or redeemable capital of the Company. In case any commission shall be paid the Company shall comply with the provisions of Section 82 of the Ordinance. The Company may also pay such brokerage as may be lawful on any issue of shares or debentures.

11. **TRUSTS NOT RECOGNISED**

Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these Articles or by law otherwise provide or under an order of a court of competent jurisdiction) any other rights in respect of any share except as absolute right to the entirety thereof in the registered holder.

12. **WHO MAY BE REGISTERED AS MEMBERS**

Shares may be registered in the name of any limited company or other corporate body but not in the name of a minor. Not more than four persons shall be registered as joint holders of any shares.

13. **JOINT MEMBERS**

If any shares stand in the name of two or more persons, the person first named in the Register, shall as regards receipt of dividend or bonus or service of notices and all or any other matters connected with the Company except voting at the meeting and the transfer of shares, be deemed the sole holder.



14. **DEATH OF JOINT MEMBERS**

In the case of the death of any one or more of the persons named in the Register as the joint-holders of any share, the survivor or survivors shall be the only person or persons recognised by the Company as having any title to or interest in such share.

15. **NO PURCHASE OF OR LOAN ON COMPANY'S SHARES**

The Company shall not purchase or otherwise acquire any of its shares (unless so permitted by law in connection with employee stock option plans or otherwise) or the shares of its holding company (if any), and the Company shall not except as permitted by Section 95(2) of the Ordinance give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of any shares of the Company or its holding company (if any) or give any loan upon the security of any shares of the Company or those of its holding company (if any).

CERTIFICATES

16. **MEMBERS RIGHT TO CERTIFICATE**

Every person whose name is entered as a Member in the Register shall without payment be entitled to receive after allotment or registration of transfer one certificate for all his shares or several certificates each for one or more of his shares upon payment of such charge, if any, as the Directors may determine for every certificate after the first.

17. **ISSUE OF CERTIFICATE**

The certificate of title to shares shall be issued under the Seal of the Company.

18. **CERTIFICATES IN THE CASE OF JOINTHOLDERS**

The Company shall not be bound to issue more than one certificate in respect of a share or shares held jointly by two or more persons and delivery of a certificate for a share to any one of the joint holders shall be sufficient delivery to all.

19. **TIME FOR ISSUE OF CERTIFICATES**

Unless the conditions of issue of any shares, debentures, debenture stock or redeemable capital of the Company otherwise provides, the Company shall within ninety days after the allotment and within forty-five days after receipt by the Company of the application for transfer of any such shares, debentures, debenture stock or redeemable capital complete and have ready for delivery the certificate of all shares, the debentures and the certificate of all debenture stock allotted or transferred, or the certificate of all redeemable capital so issued and unless sent by post or delivered to the person entitled thereto within the period aforesaid the Company shall immediately thereafter give notice to that person in the manner prescribed in these Articles for the giving of notices to the Members that the certificate is ready for delivery.

20. **CERTIFICATES LOST, DEFACED, ETC.**

If a certificate of shares, debentures, debenture stock or redeemable capital is proved to the satisfaction of the Company to have been lost or destroyed or, being defaced or mutilated or torn, is surrendered to the Company, and the Company is requested to issue a new certificate in replacement thereof, the Company shall, after making such enquiry as it may deem fit, advise the applicant within thirty days from the date of application of the terms and conditions (as to indemnity and otherwise and as to payment of the actual expenses incurred on such enquiry) and



of a fee as determined by the Directors from time to time but not exceeding any amount fixed under the Ordinance on which the Company is prepared to issue a new certificate and a time for compliance therewith or of the reasons why the Company is unable to issue a new certificate, as the case may be, and in the former case if the applicant shall within the time allowed comply with the terms and conditions specified the Company shall issue a new certificate to the applicant within forty-five days from the date of application.

TRANSFER OF SHARES

21. EXECUTION OF TRANSFER

The instrument of transfer of any share in the Company shall be duly stamped and executed both by the transferor and transferee and the transferor shall be deemed to remain holder of such share until the name of the transferee is entered in the Register in respect thereof.

22. FORM OF TRANSFER

The instrument of transfer of any share shall be in writing in the following form or in any usual or common form which the Directors shall approve:

I/ We, _____ of _____ in consideration of the sum of Rs. _____ paid to me/us by _____ of _____ (the "Transferee") do hereby transfer to the Transferee the share(s), numbered _____ to _____ inclusive in MCB-ARIF HABIB SAVINGS AND INVESTMENTS LIMITED to hold unto the Transferee, his executors, administrators and assigns, subject to the several conditions on which I/We held the same at the time of the execution hereof, and I/We, the Transferee, do hereby agree to take the said share (or shares) subject to the conditions aforesaid.

As witness our hands this _____ day of _____ 19____

TRANSFEROR

TRANSFEEE

Signature
Full Address

Signature
Full Name, Father's/Husband's
Name
Nationality

Occupation

Full Address

Witness
Signature
Full Address

Witness
Signature
Full Address

23. WHEN DIRECTORS MAY DECLINE TO REGISTER TRANSFERS

- (1) The Directors shall not refuse to register the transfer of fully paid up shares, unless the transfer deed is defective or invalid or is not accompanied by certificates of shares to which it relates, otherwise there is a specific bar under the Rules or under any condition imposed by the Securities & Exchange Commission of Pakistan on transferability of the shares under the Rules. The Directors may also decline to recognize any instrument of transfer unless it is accompanied by addition to the certificate of shares to which it relates, by such other evidence as the Directors may require showing the right of the transferor to make the transfer.



- (2) If the Directors refuse to register a transfer of any shares they shall, within thirty (30) days after the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal indicating the reason for such refusal; provided that if the Directors refuse to register a transfer of shares on account of a defect in or the invalidity of the instrument of transfer, the transferee shall be entitled, after removal of such defect or invalidity, to re-lodge the instrument of transfer with the Company.

24. **REGISTER MAY BE CLOSED**

On giving seven days (7) previous notice by advertisement in some newspaper circulating in the areas specified in Section 151 of the Ordinance, the Register of Transfers may be suspended and the transfer books and the Register may be closed during such time as the Directors think fit, not exceeding in the whole forty-five days (45) in each year but not exceeding thirty days (30) at a time.

TRANSMISSION OF SHARES

25. **NOMINATION**

Any Member may make and deposit with the Company a nomination in writing specifying one or more eligible persons who or each of whom, in the event of the death of the Member, may be entered in the Register as the holder of such number of shares specified in the nomination for such nominee or each such nominee of which the Member remains the registered holder at the date of his death. A person shall be eligible for nomination for the purposes of this Article only if he is a spouse, parent, brother, sister or child of the Member nominating him and the applicable relationship shall be specified in the nomination in respect of each nominee. A Member may at any time by notice in writing cancel, or by making and depositing with the Company another nomination before his death vary, any nomination already made by him pursuant to this Article. In the event of the death of a Member any person nominated by him in accordance with this Article may, on written application accompanied by the relative share certificates and evidence establishing the death of the Member, request the Company to register himself in place of the deceased Member as the holder of the number of shares for which the nomination in his favour had been made and deposited with the Company and if it shall appear to the Directors that it is proper so to do, the Directors may register the nominee as the holder of those shares in place of the deceased Member.

26. **PERSON ENTITLED ON DEATH OF MEMBER**

In the case of the death of a Member who was a joint holder of shares, the survivor or survivors shall be the only persons recognised by the Company as having any title to his interest in the shares. If the deceased Member was a sole holder of shares, the nominee or nominees of the deceased where a nomination under Article 25 is effective and the legal personal representatives of the deceased where no such nomination has been made and deposited with the Company, shall be the only persons recognised by the Company as having any title to his interest in the shares.

27. **PERSON ENTITLED ON DEATH OR INSOLVENCY MAY ELECT TO BE REGISTERED OR TO TRANSFER**

Any person becoming entitled to a share in consequence of the death or insolvency of a Member may upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided, elect either to be registered himself as the holder of the share or instead of being registered himself to make such transfer of the share as the deceased or insolvent person could have made, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that Member before his death or insolvency as the case may be.



28. **EFFECT OF ELECTION**

If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a notice or transfer signed by that Member.

29. **RIGHT OF PERSON ENTITLED BY TRANSMISSION**

A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not before being registered as a Member in respect of the share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

CAPITAL

30. The Authorized Capital of the Company is Rs.720,000,000 (Rupees Seven hundred and Twenty million) divided into 72,000,000 (Seventy-two million) shares of Rs.10 each. The Company shall have the power to increase, reduce or re-organize the capital and divide shares in the capital for the time being into several classes constituting ordinary and other classes and kinds of shares in accordance with the provisions of the Companies Ordinance, 1984 and Companies Share Capital (Variation in Rights & Privileges) Rules, 2000, as may be amended or substituted from time to time, including power to issue and redeem preference shares of any class, on such terms and conditions, as the directors may deem appropriate, subject to the approval of the members in general meetings. Without prejudice to the foregoing, the share capital may comprise ordinary shares and other kinds and classes of shares, including preference shares, containing inter alia, such preferential, deferred, qualified or special rights, privileges and limitations attached thereto, and in particular, in relation to different or disproportionate entitlements of dividends, right shares or bonus shares, sharing of profits and losses, different or disproportionate voting rights and other special rights, privileges and entitlements for different or indefinite periods or for limited specified periods, with power to the Company from time to time to vary, modify or abrogate such rights, entitlements, privileges or conditions and/or to increase or reduce the capital as may be approved by the members from time to time.

31. **INCREASES, CONSOLIDATION, SUB-DIVISION AND CANCELLATION**

The Company may by Ordinary Resolution and subject to compliance with the requirements of the Ordinance:

- (a) increase the authorised share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe. Provided that the requirements of Article 36 (2) are complied with;
- (b) consolidate and divide its share capital into shares of larger amount than the existing shares;
- (c) by sub-division of its existing shares or any of them, divide the whole or any part of its share capital into shares of smaller amount than fixed by the Memorandum of Association; and
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.



32. **WHEN SHARES TO BE OFFERED TO EXISTING MEMBERS**

The Directors may from time to time increase the issued share capital by such sum as they think fit. In respect of any intended issue of shares, the Directors shall be entitled to seek the directions of the Company in General Meeting as to any person or class of persons to whom the shares may be offered or as to any other matter relating to the issue and may offer the shares in accordance with those directions. Subject to any direction to the contrary that may be given by the Company in General Meeting, all shares intended to be issued by the Directors shall, before issue, be offered to the Members strictly in proportion to the amount of the issued shares held by each Member (irrespective of class); provided that fractional shares shall not be offered and all fractions less than a share shall be consolidated and disposed of by the Company and the proceeds from such disposition shall be paid to such of the entitled Members as may have accepted such offer. Such offer shall be made by notice specifying the number of shares offered and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of the same in such manner as may be agreed between the shareholders, but if there is no such agreement, as the Directors think most beneficial to the Company. Subject to any direction to the contrary given or to be given by the Company in General Meeting as aforesaid, in respect of each such offer of shares, the Directors shall comply with the provisions of Section 86 of the Ordinance and in particular with the provisions of sub-sections (3), (4) and (5) thereof, the Companies Share Capital (Variation in Rights and Privileges) Rules, 2000 and the Companies (Issue of Capital) Rules, 1996, as modified or substituted from time to time and other applicable laws, rules and regulations

33. **NEW SHARES TO RANK WITH SHARES IN ORIGINAL CAPITAL**

Except so far as otherwise provided by the conditions of issue, or by these Articles, any capital raised by the creation of new shares shall be considered part of the original capital, and shall be subject to the provisions herein contained with reference to transfer, transmission and otherwise.

34. **REDUCTION OF CAPITAL**

Subject to the Rules, the Company may from time to time by Special Resolution reduce its share capital in any manner and with and subject to any authorization and consent required by the law.

GENERAL MEETINGS

35. **ANNUAL GENERAL MEETING**

The Company shall hold a General Meeting, designated as the Annual General Meeting, within four months following the close of each financial year of the Company, but so that an Annual General Meeting is held in every calendar year (except that the first Annual General Meeting may be held within eighteen months from the date of incorporation) and not more than ~~thirteen~~ months elapse between any two consecutive Annual General Meetings and subject as aforesaid each such Annual General Meeting shall be held at such time as may be determined by the Directors. Unless otherwise allowed by the Securities & Exchange Commission of Pakistan, Annual General Meetings shall be held in the town in which the Office is situated and each such Meeting shall be held at such location in that town as the Directors may determine.

36. **OTHER MEETINGS, SPECIAL MATTERS**

All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings. The following special matters shall be decided only in a General Meeting of the Company by the affirmative vote of a majority of at least 50% of all issued, voting shares:

- (1) any sale, lease, exchange or other disposition of all, or substantially all, of the assets of the Company (otherwise than in connection with any Islamic mode of finance obtained or availed of by the Company from time to time);
- (2) any amendment to or change in the Memorandum & Articles of Association of the Company effecting an increase of the authorised capital of the Company (except any increase or decrease of redeemable capital issued by the Company to obtain any Islamic mode of financing);
- (3) any change in the number of Directors to be elected;
- (4) any change in, or addition to, the principal business of the Company as an asset management company and investment adviser;
- (5) the redemption or repurchase by the Company of outstanding shares of the Company to the extent so authorised by law; and

37. EXTRAORDINARY GENERAL MEETING

The Directors may, whenever they think fit, call an Extraordinary General Meeting and Extraordinary General Meetings shall also be called on the requisition of Members as provided by Section 159 of the Ordinance.

NOTICE OF GENERAL MEETINGS

38. NOTICE OF MEETINGS

- (1) Notice of a General Meeting shall be sent in the manner hereinafter mentioned at least twenty-one days (but not more than 35 days) before the date on which the meeting is to be convened to all such persons as are under these Articles or the Ordinance entitled to receive such notices from the Company and shall specify the place, the day and hour of the meeting and the nature of the business to be transacted thereat. In addition a notice of a General Meeting shall be published in at least one issue each of a daily newspaper in the English language and a daily newspaper in the Urdu language having circulation in the Province in which each Stock Exchange listing the shares of the Company is situated.
- (2) Where any special business, that is to say, business other than consideration of the accounts, balance-sheet and the reports of the Directors and Auditors, the declaration of dividend, the appointment and fixation of the remuneration of Auditors and the election of Directors (all such matters being herein referred to as ordinary business) is to be transacted at a General Meeting, there shall be annexed to the notice of such meeting a statement setting out all such facts as may be material for the consideration of such business including the nature and extent of the interest (whether direct or indirect) of any Director, and where the item of business involves approval of any document, the time and place appointed for inspection thereof, and to the extent applicable such a statement shall be annexed to the notice also in the case of ordinary business to be transacted at the meeting.
- (3) Where it is intended to propose a resolution for consideration at a General Meeting in some special or particular form a copy thereof shall be annexed to the notice convening such meeting.
- (4) If it is intended to pass a Special Resolution at a General Meeting the notice convening that meeting shall specify the intention to propose the resolution as a Special Resolution.



- (5) A notice for a General Meeting convened for the election of Directors shall state the number of Directors to be elected at that meeting and the names of the retiring Directors.
- (6) The notice of every General Meeting shall prominently specify that a proxy may be appointed who shall have the right to attend, demand and join in demanding a poll and vote on a poll and speak at the meeting in the place of the Member appointing him and shall be accompanied by a form of proxy as specified hereunder or as otherwise approved by the Directors in accordance with the requirement of Section 161(3) of the Ordinance.
- (7) All business shall be deemed special business that is transacted at an Extraordinary General Meeting and all that is transacted at an Annual General Meeting other than the ordinary business and unless otherwise specifically required by the Ordinance or these Articles all ordinary business and all special business shall be transacted by Ordinary Resolution.

39. **OMISSION TO GIVE NOTICE**

The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETING

40. **QUORUM**

No business shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business; at all Ordinary and Extraordinary General Meetings of the Company the presence of not less than three (3) members in person for themselves or as proxies representing not less than fifty (50) per cent of the total voting power shall constitute a quorum.

41. **WHEN, IF QUORUM NOT PRESENT, MEETING TO BE DISSOLVED AND WHEN TO BE ADJOURNED**

If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if called upon by the requisition of Members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week at the same time and place, and the quorum requirements as set forth in Article 40 as aforesaid shall be applicable to any and all such subsequent meetings held upon the occurrence of an insufficient quorum at any prior meeting.

42. **CHAIRMAN OF MEETING**

The Chairman shall preside as chairman at every General Meeting of the Company, or if there is no such chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, any one of the Directors present may be elected to be chairman of the meeting, or if no Directors be present, or if all the Directors present decline to take the chair, the Members present shall choose one of their number to be chairman of the meeting.

43. **ADJOURNMENTS**

The Chairman may, with the consent of the Members at any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for ten days or more, notice of the adjourned original meeting shall be given as in the case of an original meeting, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.



44. **HOW QUESTIONS TO BE DECIDED**

At a General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the show of hands) demanded:

- (a) by the chairman of the meeting; or
- (b) by at least five Members present in person or by proxy; or
- (c) by any Member or Members present in person or by proxy holding not less than one-tenth of the issued capital which carries voting rights.

Unless a poll be so demanded a declaration by the chairman of the meeting that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

45. **POLL HOW TAKEN**

If a poll is demanded it shall be taken in such manner as the chairman of the meeting directs. The votes given on a poll shall be scrutinised by the chairman or a scrutiner nominated by him and, where Members or proxies have demanded the poll, also by a scrutiner nominated by them. The result of the poll shall be announced by the chairman and shall be deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded.

46. **CASTING VOTE**

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.

47. **WHEN POLL TAKEN**

A poll demanded on the election of chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other questions shall be taken at such time, not being more than fourteen days from the day on which the poll is demanded, as the chairman of the meeting directs. The demand of a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which a poll has been demanded.

VOTES OF MEMBERS

48. **RIGHT TO VOTE**

On a show of hands every Member present in person shall have one vote. On a poll every Member present in person or by proxy shall have one vote in respect of each share held by him. Provided always that in the case of an election or removal of a Director, the provisions of Articles 65 & 66 respectively shall apply. Nothing contained in these Articles shall prevent a Member of the Company from binding himself by contract with any other Member or Members to vote his shares or other voting securities in any particular manner at an election of directors or otherwise in respect of any matter to be voted upon at any general meeting of the Company.

49. **VOTING SHARES ON POLL**

On a poll, a Member entitled to more than one vote may, if he votes, cast all his votes together or split them in any manner he chooses.



50. **JOINT HOLDERS**

In the case of joint holders, the vote of the senior present, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which their names stand in the Register.

51. **MEMBER OF UNSOUND MIND**

A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.

52. **OBJECTIONS TO VOTES**

No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

53. **VOTES BY PROXY**

On a poll votes may be given either personally or by proxy.

54. **PROXY TO BE IN WRITING**

The instrument appointing a proxy shall be in writing by letter under the hand of the appointer or of his attorney duly authorised in writing or if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised. A proxy need not be a Member of the Company.

55. **INSTRUMENT APPOINTING PROXY TO BE DEPOSITED**

The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarised and certified copy of that power or authority shall be deposited at the Office not later than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.

56. **FORM OF PROXY**

Any instrument appointing a proxy may be in the following form, or in any other form, which the Directors shall approve:

I, _____ of _____ in the district of _____ being a Member of MCB-ARIF HABIB SAVINGS AND INVESTMENTS LIMITED, hereby appoint _____ of _____ as my proxy to vote for me and on my behalf at the annual or extraordinary, (as the case may be) General Meeting of the Company to be held on the _____ day of _____ and at any adjournment thereof.

Signed this _____ day of _____.

57. **PROXY MAY DEMAND POLL**

Unless otherwise stated in the instrument appointing a proxy, such instrument shall confer authority to demand or join in demanding a poll.



58. **REVOCATION OF AUTHORITY**

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

59. **CORPORATION ACTING BY REPRESENTATIVE**

Any company or other corporation which is a Member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the company or corporation which he represents as that company or corporation could exercise if it were an individual Member of the Company, present in person. The production before or at the meeting of a copy of such resolution purporting to be signed by a director or the secretary of such company or corporation and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the validity of the appointment for such representative. A company or corporation which is a Member of the Company but which is not resident in Pakistan may appoint a representative as aforesaid by cable, telex message or telecopy which, if purporting to be sent by such company or corporation, need not be certified as a true copy as aforesaid.

DIRECTORS

60. **NUMBER OF DIRECTORS**

(1) The Company shall have at least seven Directors' including the chief executive, unless otherwise determined by the Directors themselves in the manner provided in this Article. Before every General Meeting at which Directors are to be elected, and not later than thirty-five days preceding the date of such meeting, the Directors shall fix the number of Directors that the Company shall have from the effective date of the election at such meeting and the number of such Directors who shall be elected Directors. Except with the prior approval of the Company in General Meeting, the number of Directors so fixed shall not be increased or reduced by the Directors so as to have effect before the effective date of election at the next such General Meeting at which directors are to be elected.

(2) The following are the first Directors

- (1) Muhammad Arif Habib, Chairman
- (2) Nasim Beg, Chief Executive
- (3) Amin Umer
- (4) Asadullah Khawaja
- (5) Muhammad Yousuf
- (6) Muhammad Rafiq Jangda
- (7) Abdus Samad

Each of the first Directors named in this Article shall hold office until the conclusion of the first Annual General Meeting unless he earlier resigns, becomes disqualified or otherwise ceases to hold office. At the first Annual General Meeting there shall be an election of Directors and the Directors elected at that meeting shall assume office on the conclusion of the meeting.



61. **PERIOD OF OFFICE OF ELECTED DIRECTORS**

A Director elected by the Members in General Meeting shall hold office for a period of three years following the date from which his election is effective unless he earlier resigns, becomes disqualified from being a Director or otherwise ceases to hold office.

62. **REPRESENTATIVE DIRECTORS**

Any Member who is the registered holder of at least such number of the voting shares or securities of the Company as would have enabled him to elect a director at the last preceding election of directors may with the consent of such director or directors at any time thereafter until the next election of directors, give notice to the Company that the person or persons named in such notice (being directors elected under Article 65) are to be deemed to be elected as Directors representing the notice-giver (hereinafter referred to as "Representative Director(s)") and any such Representative Director may by a like notice be removed and replaced by the notice-giver. Representative Directors shall require no share qualification but no Member may give notice under this Article in respect of more directors than his shareholding would enable him to elect at the last preceding election of Directors. Two or more Members may pool their votes for the purposes of this Article and Article 63.

63. **DIRECTORS MAY FILL UP CASUAL VACANCIES**

Any casual vacancy occurring among the elected Members may be filled up by the Directors, but a person so appointed shall hold office for the remainder of the term of the Director in whose place he is appointed. The Company shall prior to every such appointment secure and file with the Registrar of Companies as required by Section 184 of the Ordinance in the form prescribed for this purpose, the consent of the person concerned consenting to act as a Director. In case of vacation of office by a Director notified as a Representative Director under Article 62 the Member whom the vacating Director represented may give notice in writing to the Company of the name of a person selected by him to fill the vacancy and the Directors shall co-opt the person so notified.

64. **ELIGIBILITY FOR ELECTION AS DIRECTOR**

The Members in General Meeting shall elect the Directors from amongst persons who, not being ineligible in accordance with Section 187 of the Ordinance, not having been convicted of fraud or breach of trust, not having been adjudicated as insolvent or having suspended payment or having compounded with their creditors and being persons of means and integrity and having special knowledge and experience of matters with the Company may have to deal with offer themselves for election as Directors in accordance with this Article. Any person claiming to be eligible who desires to offer himself for election shall, whether he is a retiring Director or not, file with the Company not later than fourteen days before the date of the General Meeting at which Directors are to be elected, a notice that he, being eligible, intends to offer himself for election as a Director at that meeting. Every person notifying his intention to offer himself for election as a Director shall together with the notice aforesaid deliver to the Company his consent to act as a Director and requisite information about his means, special knowledge and experience. A person offering himself for election as a Director may withdraw his candidature at any time before the holding of the election and may do so by withdrawing the notice in which he offered himself for election. Not later than seven days before the date of the meeting the company will notify the Members of the persons offering themselves for election as Directors at such meeting and shall so notify the Members by publication in at least one issue each of a daily newspaper in the English language and a daily newspaper in the Urdu language having circulation in the Province in which each Stock Exchange listing the shares of the Company is situated.

- (a) Notwithstanding anything contained in these Articles, not more than 25% of the Directors of the Company, shall be appointed from one family, including spouse, blood ascendants and descendants and brothers and sisters, at any given time.



- (b) Notwithstanding anything contained in these Articles, no person shall be nominated, appointed or elected as a Director of the Company, if he/she is ineligible to be nominated, appointed or elected as a Director under the Rules.

65. **PROCEDURE FOR ELECTION OF DIRECTORS**

The Directors shall, unless the number of persons who offer themselves for election is not more than the number of directors fixed under Article 60, be elected by the Members of the Company in General Meeting in the following manner namely:

- (a) every Member present in person or by proxy shall have such number of votes as is equal to the product of the number of voting shares or securities held by him and the number of directors to be elected;
- (b) the number of votes calculated in accordance with the preceding clause (a) may be given to a single candidate or may be divided between any two or more candidates in such manner as the person voting may choose; and
- (c) the candidate who gets the highest number of votes shall be declared elected as Director and then the candidate who gets the next highest number of votes shall be so declared and so on until the total number of directors to be elected have been so elected.

Notwithstanding that the number of persons offering themselves for election as directors is not more than the number of directors fixed under Article 60 the number of votes cast in favour of each candidate and the name of the member casting such vote shall be recorded in the minutes of the meeting.

66. **REMOVAL OF DIRECTORS**

The Company in General Meeting may remove a Director from office by a resolution passed with the requisite number of votes determined in accordance with the provisions of Section 181 of the Ordinance.

67. **QUALIFICATION OF DIRECTORS**

Save as otherwise provided in Section 187(h) of the Ordinance, a Director shall be a member of the Company.

68. **REMUNERATION OF DIRECTORS**

The remuneration of a Director for attending meetings of the Board or any Committee of the Board shall from time to time be determined by the Directors provided that neither the Chief Executive nor any other Director in whole time remunerated service with the Company shall be entitled to any payment for attending meetings of the Board. A Director may also be paid all travelling, hotel and other expenses properly incurred by him in attending and returning from meetings of the Directors or any committee of Directors or General Meeting of the Company or in connection with the business of the Company.

69. **SPECIAL REMUNERATION**

Any Director who serves on any committee or who devotes special attention to the business of the Company, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration as the Directors may determine.



ALTERNATE DIRECTORS

70. ALTERNATE DIRECTORS

A Director who is about to leave or is absent for a period of three months or more from Pakistan may with the approval of the Directors appoint any person who is eligible under Section 187 of the Ordinance for appointment as a Director to be an alternate Director during his absence from Pakistan and such appointment shall have effect and such appointee, whilst he holds office as an Alternate Director, shall be entitled to notice of meetings of the Directors and to attend and vote thereat and to exercise in place of his appointer all the functions of his appointer as a Director of the Company but he shall ipso facto vacate office as and when his appointer returns to Pakistan or vacates office as a Director or removes the appointee from office. Any appointment or removal under this Article shall be effected by notice in writing under the hand of the Director making the same. Such Alternate Director may be one of the Directors of the Company. In such case he shall be entitled to act in both capacities including the right to vote on behalf of his appointer in addition to his own right to vote. An Alternate Director need not hold any share qualification.

BORROWING POWERS

71. BORROWING POWERS

- (1) The Directors may exercise all the powers of the Company to raise money and to mortgage or charge its undertaking or property or any part thereof and to issue debentures or redeemable capital and other securities whether outright or as security for any obligation or liability or debt of the Company or of any third party.
- (2) In exercising the powers of the Company aforesaid the Directors may, from time to time and on such terms and conditions as they think fit, raise money from banks and financial institutions and from other persons under any permitted system of financing, whether providing for payment of mark-up or some other form of return, and in particular the Directors may raise money on the basis of mark-up price, musharika, morabaha, modaraba, sale and lease back or any other permitted mode of financing, and without prejudice to the generality of the foregoing the Directors may exercise all or any of the powers of the Company arising under Section 196 of the Ordinance.
- (3) Subject to the provisions of Article 71(1), in regard to the issue of securities, the Directors may exercise all or any of the powers of the Company arising under Sections 87, 120 and 196 of the Ordinance and in particular the Directors may issue any security as defined in Section 2(1) (34) of the Ordinance or may issue any instrument or certificate representing redeemable capital as defined in Section 2(1) (30A) of the Ordinance or participatory redeemable capital as defined in Section 2(1) (25) of the Ordinance.

POWERS AND DUTIES OF DIRECTORS

72. GENERAL POWERS OF COMPANY VESTED IN DIRECTORS

Subject to the provisions of the Ordinance and of the Rules, the business of the Company shall be managed by the Directors, who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not by the Ordinance or any statutory modification thereof for the time being in force or by these Articles or by a Special Resolution required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the Ordinance, and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.



73. **MEETING NECESSARY TO EXERCISE CERTAIN POWERS**

A resolution at a meeting of the Directors duly convened and held shall be necessary for exercising the powers of the Company specified in Section 196(2) of the Ordinance.

74. **POWER OF ATTORNEY**

The Directors may from time to time and at any time, by power of attorney, appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience for persons dealing with any such attorney as the Directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.

75. **CONDITIONS ON WHICH DIRECTORS MAY HOLD OFFICE OF PROFIT**

A Director of the Company or a firm of which such director is a partner or a private company of which such director is a director may with the consent of the Company in General Meeting hold any office of profit under the Company provided that no such consent is required where the office held is that of Chief Executive or legal or technical adviser or banker.

76. **MAKING OF LOANS, ETC.**

In the matters of granting loans, giving guarantees and providing securities, the Company shall have due regard to the prohibitions and restrictions contained in Section 195 of the Ordinance.

77. **DIRECTORS MAY CONTRACT WITH COMPANY**

Subject to authorisation being given by the Directors in accordance with Article 73 and Section 196(2) of the Ordinance, a Director shall not be disqualified from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company with any company or partnership of or in which any Director of the Company shall be a member or otherwise interested be avoided nor shall any such Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

78. **DIRECTORS TO DISCLOSE INTEREST**

A Director who, or whose spouse or minor child, is in any way, whether directly or indirectly, concerned or interested in any contract or arrangement or proposed contract or arrangement with the Company shall disclose the nature of such concern or interest in accordance with Section 214 of the Ordinance.

79. **WHERE DIRECTOR'S INTEREST LIES IN APPOINTMENT OF CHIEF EXECUTIVE ETC.**

Where by any contract or resolution of the Directors an appointment or a variation in the terms of an existing appointment is made (whether effective immediately or in the future) of a Chief Executive, whole-time Director or Secretary of the Company, in which appointment any Director of the Company is, or after the contract or resolution becomes, in any way, whether directly or indirectly, concerned or interested, or where by any contract or resolution of the Directors an appointment or a variation in the terms of appointment is made (whether effective immediately or in the future) of a Chief Executive, the Company shall inform the Members of such appointment.



variation in the manner required by Section 218 of the Ordinance and shall comply with the requirements of that Section in regard to the maintaining of such contracts and resolutions open for inspection by Members at the Office, the provision of certified copies thereof and extracts therefrom and otherwise.

80. **PROHIBITION OF VOTING BY INTERESTED DIRECTORS**

Except as provided in Section 216 of the Ordinance, a Director shall not vote in respect of any arrangement in which he is either directly or indirectly concerned or interested nor shall his presence count for the purpose of forming a quorum at the time of any such vote, where a quorum cannot be achieved in respect of a matter to be considered and acted upon by the Board due to one or more Directors having a direct or indirect interest therein, the Directors of the Company shall, as soon as practicable, convene an Extraordinary General Meeting to act upon such matter in accordance with the provisions of Article 91.

81. **REGISTER OF CONTRACTS ARRANGEMENTS AND APPOINTMENTS**

The Company shall comply with the provisions of Section 219 of the Ordinance in regard to the keeping of a register and the entry separately therein of the particulars of all contracts and arrangements or appointments of the kind referred to in Section 214, 215, 216, or 218 of the Ordinance and in regard to the maintaining of such register open for inspection by Members at the Office, the provision of certified copies thereof and extracts therefrom and otherwise.

82. **DIRECTOR HOLDING OFFICE WITH COMPANIES IN, WHICH THE COMPANY IS INTERESTED**

A Director of the Company may be or become a director of any other company promoted by the Company or in which the Company may be interested as a vendor, shareholder or otherwise, and no such Director shall be accountable for any benefits received as a director or member of such other company.

83. **SIGNING OF CHEQUES, ETC.**

All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be in such manner as the Directors shall from time to time by resolution determine.

84. **DIRECTORS TO COMPLY WITH THE PROVISIONS OF THE ORDINANCE**

The Directors shall comply with the provisions of the Ordinance and of the Rules or any statutory modifications thereof for the time being in force, and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and to keeping a register of the Directors and Officers of the Company (including the Chief Executive, Secretary, Chief Accountant, Auditors and Legal Adviser), and to sending to the Registrar of Companies an annual list of Members and a summary of particulars relating thereto and notice of any consolidation or increase of share capital or any sub-division or cancellation of shares and copies of Special Resolutions and a copy of the register of the Directors and Officers of the Company and notifications of any changes therein. The Directors shall also comply with the provisions of the Ordinance with regard to the keeping of a register of the shareholding of certain persons specified in Section 220 thereof. The Directors shall further comply with the general or special orders from the Securities and Exchange Commission of Pakistan from time to time under the provisions of the Ordinance and of the Rules as may be applicable to the Company in regard to the submission of periodical statements of accounts, information and other reports as specified in such orders.



85. **MINUTES**

The Directors shall cause minutes to be made in books provided for the purpose and kept at the Office:

- (a) of the names of the Directors present at each meeting of the Directors and of any committee of Directors;
- (b) of all resolutions and proceedings at all meetings of the Company and of the Directors, and of any committee Directors;

and the Directors present at any meeting of Directors or any committee of Directors and all Members and proxies of Members present at any General Meeting shall sign their names in books to be kept for that purpose; and any such minutes of such a meeting if purporting to be signed by the chairman thereof, or by the chairman of the next succeeding meeting of the same body, shall be sufficient evidence without any further proof of the facts therein stated.

86. **PAYMENTS OF PENSION, ETC., TO DIRECTORS**

The Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director who has held any other salaried office or place of profit with the Company or to his widow or dependants and may make contributions to any fund and pay premiums for the purchase of provision of any such gratuity, pension or allowance.

DISQUALIFICATION OF DIRECTORS

87. **DISQUALIFICATION OF DIRECTORS**

A Director shall ipso facto cease to hold office if:

- (a) he becomes ineligible to be appointed as a director on any one or more of the grounds specified in Section 187 of the Ordinance, or
- (b) he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months, whichever is the longer, without leave of absence from the Directors, or
- (c) he or any firm of which he is a partner or any private company of which he is a director accepts a loan or guarantee from the Company in contravention of Section 195 of the Ordinance, or
- (d) he is convicted of fraud or breach of trust, or
- (e) he has been adjudicated as insolvent or has suspended payment or has compounded with his creditors, or
- (f) ceases to be a person of means or integrity,
- (g) becomes ineligible to be appointed or elected as a Director under the Rules.



PROCEEDINGS OF DIRECTORS

88. MEETINGS OF DIRECTORS

The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings, as they think fit; provided that the Directors shall meet at least four times in every calendar year. A Director may, and the Secretary on the requisition of a Director shall, at any time, summon a meeting of Directors. Seven days notice at least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) shall be given for a meeting of Directors, provided that, if all the Directors entitled to attend and vote at any such meeting so agree, in writing, a meeting may be held of which less than seven days notice has been given. It shall be necessary to give notice of a meeting of Directors to any Director for the time being absent from Pakistan unless such Director shall have appointed an alternate. The Chairman shall preside at all meetings of the Board but, if at any meeting the Chairman is not present within ten minutes after the time appointed for holding the same or is unwilling to act as chairman, the Directors present may choose one of their number to be chairman of the meeting. Questions arising at any meeting shall be decided by the affirmative vote of the majority of the directors present at the meeting. The following actions and/or business of the Company, among others, shall require authorisation and approval by the affirmative vote of the majority of at least two thirds of the Directors, including the affirmative vote of the Chief Executive, present at a meeting of the Board of Directors:

- (a) increase or decrease in the authorised capital of the AMC;
- (b) any change in the memorandum and Articles of Association or either of them;
- (c) merger or consolidation of the AMC with any other company or the amalgamation, reconstruction, consolidation or voluntary liquidation of the AMC other than pursuant to the terms of this Agreement;
- (d) the sales, transfer or disposal of all or substantially all of the assets of the AMC (other than in the normal course of business or for obtaining financial facility under the Islamic mode of financing);
- (e) investment in any associated company or undertaking or the formation of any subsidiary company;
- (f) any material change in the primary business of the AMC;
- (g) offer of Shares to the public or the application for listing of the Shares of the AMC on any stock exchange in Pakistan;
- (h) increase or decrease in the subscribed, issued and paid-up capital;
- (i) obtaining debt financing for the AMC if the total outstanding amount is cumulatively in excess of ten million rupees in one financial year;
- (j) each item of capital expenditure in excess of five percent of the shareholders equity ;
- (k) the determination of annual budget including operating, financial and expenditure budgets;
- (l) any variation in the terms of engagement or powers or duties and responsibilities of the chief executive;
- (m) the making of any loan or advance or the giving of any guarantees, indemnities or performance bonds other than for valuable consideration and in the normal course of the business of the AMC;



- (n) the granting of any power of attorney or the appointment of any trustee or agent;
- (o) the commencement of any litigation, arbitration or other proceedings which are material in the context of the business of the AMC;
- (p) approving the annual and half yearly accounts, including balance sheets, profit and loss accounts, level of dividends and payment thereof;
- (q) any major policy matter concerning any mutual fund or unit trust floated or managed by the AMC.

89. **QUORUM OF DIRECTORS**

The necessary quorum to constitute a meeting of the Board for the transaction of any business shall be the chief executive and three Directors, amongst whom must be at least one director representing the different interests party to any agreement mentioned in Article 9. If a meeting is adjourned more than once due to lack of quorum, then the directors present at the second adjourned meeting shall constitute a quorum. However, compulsory presence of the chief executive is not required when the office of the chief executive is vacant or where he is interested in the matter to be discussed at a meeting. An alternate Director whose appointment is effective shall be counted in a quorum.

90. **DIRECTORS MAY ACT NOTWITHSTANDING VACANCY**

The continuing Directors may act notwithstanding any vacancy in their body so long as their number is not reduced below the number fixed by or pursuant to these Articles as the minimum number of Directors.

91. **REFERENCE TO GENERAL MEETING WHERE NO QUORUM**

If as a consequence of the Directors or some of them being concerned or interested in any contract or arrangement a quorum is not available for the transaction of any business relating thereto on account of the provisions of Section 216 of the Ordinance, such business shall be referred to the Company in Extraordinary General Meeting whose decision shall be carried into effect.

92. **POWERS OF QUORUM**

A meeting of the directors at which a quorum is present shall be competent to exercise all or any of the powers for the time being vested in or exercisable by the Directors generally.

93. **POWER TO DELEGATE TO COMMITTEES**

The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any terms, conditions and procedures including as to quorum and decision making as may be agreed by the Directors.

94. **WHEN ACTS OF DIRECTORS OR COMMITTEE VALID**

All acts done at any meeting of the Directors or of any committee of Directors constituted pursuant to Article 93 or by any person acting as a Director, shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment or continuance in office of any such directors or person acting as aforesaid or in the constitution or operations of any committee of Directors or that such Directors or any of them were disqualified or had vacated office or were not entitled to vote or otherwise, be as valid as if every such person or committee, as the case may be, had been duly appointed or constituted or if such Director had duly continued in office and was



entitled and qualified and had continued to be a Director or if such committee had duly continued to function as constituted.

95. **RESOLUTION IN WRITING**

Subject to the provisions of Article 73 a resolution in writing initialled by the Chief Executive and signed by all the Directors (or in their absence their Alternate Directors) for the time being in Pakistan (not being less than the requisite quorum of Directors) or by all the members of a committee for the time being in Pakistan (not being less than the requisite quorum for such committee) shall be as valid and effectual as if it had been passed at a meeting of the Directors, or as the case may be, of such committee, duly called and constituted. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or members of the committee concerned. A cable, telex, facsimile, or telecopy message sent by a Director or a member of the committee shall be deemed to be a document signed by him for the purposes of this Article.

CHAIRMAN

96. **ELECTION OF CHAIRMAN**

The Directors may elect from among themselves a Chairman on such terms and conditions including as to remuneration and entrust such powers and responsibilities to him as they may deem fit.

CHIEF EXECUTIVE

97. **APPOINTMENT OF CHIEF EXECUTIVE**

The Company shall have an office of Chief Executive which shall be filled from time to time by the Directors who may appoint a person who is not ineligible to become a Director of the Company the Chief Executive of the Company for a period not exceeding three years (or prior to the first Annual General Meeting for period or periods not extending beyond the date of such meeting) and on such terms and conditions as the Directors may think fit. On expiry of such initial term of office, any Chief Executive so appointed shall be eligible for reappointment. The Chief Executive upon his retirement shall continue to perform his functions until his successor is appointed. The Company shall prior to each such appointment secure and file with the Registrar of Companies as required by Section 184 of the Ordinance in the form prescribed for this purpose, the consent of the person concerned to act as the Chief Executive of the Company. The Chief Executive in addition to or in substitution of such designation shall also be entitled to use the designation of Managing Director.

- (a) No person who is ineligible to be appointed as the Chief Executive under the Rules or the Ordinance or any other law for the time being in force, shall be appointed or continue as Chief Executive of the Company.

98. **REMUNERATION OF CHIEF EXECUTIVE**

The Chief Executive shall receive such remuneration as the Directors may determine and it may be made a term of his appointment that he be paid a pension or gratuity or provided with employee stock options.

99. **POWERS OF CHIEF EXECUTIVE**

The Chief Executive may exercise all such powers and do all such things on behalf of the Company as he is authorised or directed by the Board of Directors to do, except those required by Articles 73 and 88 to be exercised only by a meeting of the Directors, and shall report to the Board directly.



SECRETARY

100. APPOINTMENT

The Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them. Where there is no Secretary capable of acting the Directors may appoint an assistant or Deputy Secretary or any other officer of the Company to perform the duties of Secretary.

THE SEAL

101. COMMON AND OFFICIAL SEAL

- (1) The Directors shall provide for the safe custody of the common seal which shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf, and every instrument to which the common seal shall be affixed shall either be signed by one Director and countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose or be signed by the Chief Executive alone, but so that the Directors may by resolution determine, either generally or in any particular case, that the signature of the Chief Executive, any Director and/or Secretary may be affixed by some electronic or mechanical means to be specified in such resolution.
- (2) The Directors may provide for the use in any territory not situated in Pakistan of an official seal, which shall be a facsimile of the common seal with the addition on its face of the name of every territory where it is to be used. The provisions of Section 213 of the Ordinance shall apply to the use of the official seal.

DIVIDENDS AND RESERVES

102. DECLARATION OF DIVIDEND

The Company in General Meeting may declare dividends, but no dividends shall exceed the amount recommended by the Directors.

103. INTERIM DIVIDENDS

The Directors may from time to time pay to the Members such interim dividends as appear to the Directors to be justified by the profits of the Company.

104. DIVIDENDS PAYABLE OUT OF PROFITS

No dividends shall be paid otherwise than out of profits of the Company or any other undistributed profits and in the determination of the profits available to dividends the Directors shall have regard to the provisions of the Ordinance and in particular to the provisions of Sections 83, 235 and 241 of the Ordinance.



105. **RESERVE FUND**

The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for meeting contingencies, or for equalising dividends, or for any other purpose to which the profits of the Company may be properly applied, and pending such application, at the like discretion, either be employed in the business of the Company or be invested, subject to the provisions of the Ordinance, in such investments (other than shares of the Company) as the directors may from time to time think fit.

106. **APPROPRIATION OF PROFIT**

The Directors may also carry forward any profits, which they may think prudent not to distribute, without setting them aside as a reserve.

107. **EFFECT OF TRANSFER**

A transfer of shares shall not pass the right to any dividend declared thereon after such transfer and before the registration of the transfer.

108. **PAYMENT BY POST**

The dividend in respect of any share shall be paid to the registered holder of such share or to his banker or to a financial institution (as defined in Section 2(1)(15A) of the Ordinance) nominated by him for the purpose. Unless otherwise instructed in writing by the registered holder of a share, any dividend payable in cash in respect of such share may be paid by cheque or warrant sent by registered mail to the registered address of the holder or, in the case of joint holders, to the registered address of the joint holder first named on the Register or to such banker or financial institution as may have been nominated by the such holder. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipts for any dividends payable in respect of the shares held by them as joint holders.

109. **TIME FOR PAYMENT OF DIVIDEND**

All dividends shall be paid within the periods specified in Section 251 of the Ordinance.

110. **DIVIDEND NOT TO BEAR INTEREST**

No dividend payable in respect of a share shall bear interest against the Company.

111. **UNCLAIMED DIVIDENDS**

All dividends unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.

112. **PAYMENT OF DIVIDENDS IN SPECIE**

With the sanction of a General Meeting any dividend may be paid wholly or in part by the distribution of specific assets and in particular of paid-up shares or debentures of any other company or in any one or more of such ways. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and in particular may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to adjust the rights of all Members, and may vest any such specific assets in trustees upon trust for the Members entitled to the dividend as may seem expedient to the Directors.



ACCOUNTS

113. DIRECTORS TO KEEP ACCOUNTS

The Directors shall cause to be kept proper books of account with respect to:

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditures take place;
- (b) all sales and purchases of goods by the Company;
- (c) all assets of the Company; and
- (d) all liabilities of the Company.

114. WHERE ACCOUNTS TO BE KEPT

The books of account shall be kept at the Office or at such other place in Pakistan as the Directors may decide and shall be open to inspection by the Directors during business hours. If the Directors decide to keep the books of account at a place other than the Office they shall comply with the directions contained in the proviso to Section 230(1) of the Ordinance.

115. PERIOD FOR MAINTAINING BOOKS OF ACCOUNT

The Company shall preserve in good order the books of account of the Company in respect of any financial year for a period of ten years following the close of that year.

116. INSPECTION BY MEMBERS

The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors and no Member (not being a Director) shall have any right of inspecting any account or books or papers of the Company except as conferred by the Ordinance or authorised by the Directors or by the Company in General Meeting.

117. ANNUAL ACCOUNTS AND REPORTS

- (1) The Directors shall arrange to place before the Annual General Meeting of the Company in every year a duly audited balance sheet and profit and loss account, conforming to the requirements of Sections 234, 237 and 238 of the Ordinance and made up to date not more than six months before the date of such meeting and having the auditor's report attached thereto, and a report of the Directors, conforming to the requirements of Section 239 of the Ordinance.
- (2) As required by Section 241 of the Ordinance the balance sheet and profit and loss account shall first be approved by the Directors and when so approved shall be signed by the Chief Executive and at least one Director but if on account of his absence from Pakistan the signature of the Chief Executive cannot be obtained, the balance sheet and profit and loss account shall be signed by at least two Directors for the time being in Pakistan, and in every such case a statement signed by those two Directors shall be subjoined to the balance sheet and profit and loss account stating the reason why the signature of the Chief Executive was not obtained.
- (3) The Directors may authorise the Chairman or the Chief Executive to sign the report of the directors which may then be signed accordingly, but in the absence of any such authority

the report of the Directors shall be signed as required by Section 236(3) of the Ordinance in the same manner as the balance sheet and profit and loss account.

- 117 (a) The annual accounts, balance sheet and profit & loss accounts, financial statements and the reports of the Directors shall be in conformity with the provisions of the Ordinance and the requirements of the Rules.

118. COPIES OF ANNUAL ACCOUNTS AND REPORTS TO BE PROVIDED

- (1) A copy of the balance sheet, profit and loss account and the reports of the Directors and auditors shall be sent at least twenty-one days before the date of the Annual General Meeting to the Members and other persons entitled to receive notices of General Meetings in the manner in which notices are to be given hereunder and a copy thereof shall be kept for a period of at least twenty-one days before the meeting at the Office for inspection by Members. The Company shall also send to the Securities & Exchange Commission of Pakistan, each Stock Exchange listing the shares of the Company and the Registrar of Companies five copies each of the balance sheet, profit and loss account and the reports of the Directors and auditors at the same time as they are despatched to the Members and other persons in accordance with this Article.
- (2) After the balance sheet, profit and loss account and the reports of the Directors and auditors have been laid before the Annual General Meeting of the Company, five copies thereof (or such larger number as may be prescribed under Section 242(1) of the Ordinance) signed by the signatories thereto shall be filed with the Registrar of Companies within thirty days from the date of the meeting and the Company shall also comply with the provisions of Section 242(2) of the Ordinance where applicable.

119. HALF YEARLY ACCOUNTS

Within two months from the close of the first half of each year of account of the Company, the Directors shall send to the Members and each Stock Exchange listing the shares of the Company a copy of the profit and loss account for that half year and of the balance sheet as at the end of that half year. Such half yearly profit and loss accounts and balance sheets need not be audited but must be signed in the same manner as the annual profit and loss accounts and balance sheets are required to be signed. The Directors shall also send to the Securities & Exchange Commission of Pakistan and Registrar of Companies five copies each (or such larger number as may be prescribed for the time being under Section 245(1)(b) of the Ordinance) of such half yearly profit and loss accounts and balance sheets at the same time as they are sent to the Members in accordance with this Article.

120. DIRECTORS TO COMPLY WITH ORDINANCE

The Directors shall in all respects comply with the provisions of Sections 239 to 247 of the Ordinance, or any statutory modification thereof for the time being in force.

CAPITALISATION OF PROFITS

121. POWER TO CAPITALISE

The Company in General Meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and accordingly that such sum be set free for distribution amongst the Members who would be entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied in or towards paying up in full un-issued shares or debentures or redeemable capital of the Company to be allotted and distributed and

credited as fully paid up to and amongst such Members in the proportion aforesaid and the Directors shall give effect to such resolution; provided that a share premium account may, for the purposes of this Article, only be applied in paying up of un-issued shares to be allotted to Members as fully paid bonus shares.

122. **EFFECT OF RESOLUTION TO CAPITALISE**

Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions and also to authorise any person to enter on behalf of all the Members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up of any further shares or debentures or redeemable capital to which they may be entitled upon such capitalisation, and any agreement made under such authority shall be effective and binding on all such Members. The Directors may, if they think fit, make provision for the registration of any or all of such shares as aforesaid in the names of such persons as the Members entitled thereto may in writing request.

AUDIT

123. **AUDIT**

Auditors shall be appointed and their duties regulated in accordance with Sections 252 to 255 of the Ordinance. Nothing contained herein shall limit or restrict the right or power of Directors of the Company to approve from time to time any internal audit or loan or other examination of the financial condition of the Company and to authorise payment of any out-of-pocket costs and expenses incurred or sustained by the relevant auditors or examiners in connection therewith.

NOTICES

124. **NOTICES TO MEMBERS**

- (1) A notice may be given by the Company to any Member either personally or by sending it by post or international courier to him to his registered address or (if he has no registered address in Pakistan) to the address, if any, within Pakistan supplied by him to the Company for the giving of notices to him. In addition any member being a body corporate having its head office outside Pakistan shall be given notices by telex, telegram, facsimile or telecopy if a telex number, facsimile number or a telecopy number has been supplied by it to the Company for the purpose.
- (2) Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.

125. **WHEN NOTICE MAY BE GIVEN BY ADVERTISEMENT**

If a Member has no registered address in Pakistan and has not supplied to the Company an address within Pakistan for the giving of notices to him, a notice addressed to him or to Members generally and advertised in a newspaper circulating in the neighbourhood of the Office shall be deemed to be duly given to him on the day on which the advertisement appears. In all such cases the Company shall also comply with the requirement of the proviso to Section 50(3) of the Ordinance where applicable.



126. **NOTICE TO JOINTHOLDERS**

The Company may give a notice to the joint holders of a share by giving the notice to the joint holder named first in the Register in respect of the share.

127. **NOTICE TO LEGAL REPRESENTATIVE**

A notice may be given by the Company to the persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter or by international courier addressed to them by name, or by the title of representatives of the deceased, or assignee of the insolvent or by any like description, at the address (if any) in Pakistan supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.

128. **PERSONS ENTITLED TO RECEIVE NOTICES OF GENERAL MEETING**

Notice of every General Meeting shall be given in the manner hereinbefore authorised in Articles 123 and 124 to

- (a) every Member except those Members who (having no registered address within Pakistan) have not supplied to the Company an address within Pakistan for the giving of notice to them: Provided that the foregoing shall not apply to any member of the Company being a body corporate with its head office outside Pakistan;
- (b) every person entitled to a share in consequence of the death or insolvency of a Member, who but for his death or insolvency would be entitled to receive, notice of the meeting; and
- (c) the auditors of the Company.

129. **TRANSFEREES, ETC., BOUND BY PRIOR NOTICES**

Every person who, by operation of law, transfer, or other means whatsoever shall become entitled to any shares shall be bound by every notice in respect of such shares which previously to his name and address being entered on the Register shall have been duly given to the person from whom he derived his title to such shares.

WINDING-UP

130. **DISTRIBUTION OF ASSETS IN SPECIE**

If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Ordinance divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the Members or any of them as the liquidator with like sanction shall think fit, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.



SECRECY

131. NO SHAREHOLDER TO ENTER THE PREMISES OF THE COMPANY WITHOUT PERMISSION.

Save as otherwise provided in the Ordinance, no Member or other person (not being a Director) shall be entitled to visit and inspect any of the Company's premises or properties without the permission of the Directors of the Company for the time being or any person authorised in this behalf by the Directors or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the Members of the Company to communicate to the public.

INDEMNITY

132. INDEMNITY OF DIRECTORS, ETC.

Every Director or officer of the Company and every person employed by the Company as auditor shall be indemnified out of the funds of the Company against all liability incurred by him as such Director officer or auditor in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted, or in connection with any application under Section 488 of the Ordinance in which relief is granted to him by the Court.

ADDITIONAL PROVISIONS

133. ADDITIONAL PROVISIONS

It is intended that the shares of the Company will be listed on one or more recognised Stock Exchanges in Pakistan. After listing, the Code of Corporate Governance, the Listing Regulations of pertinent stock exchanges and other laws, rules and regulations applicable to listed companies shall apply to the Company, notwithstanding anything contained in these Articles and whether or not such provisions are included in these Articles. However, until such time as the Company qualifies as a listed company within the meaning of Section 2(1)(20) of the Ordinance, the provisions of the Articles mentioned below shall be deemed to have been modified to the extent specified against each of them:

- (a) Article 35: The Annual General Meeting of the Company shall be held at such place as the Directors may determine and such meetings need not be held in the town in which the Office is situated.
- (b) Article 38(1): Notices of General Meetings need not be given by publication in newspaper.
- (c) Article 64: Notice to Members of the names of the persons offering themselves for election, as Directors need not be given by publication in newspaper.
- (d) Article 84: The provisions of Section 220 of the Ordinance not being applicable to the Company, no register of the shareholding of the persons specified in that section need be kept by the Company.
- (e) Article 88: The requirements for holding a minimum number of meetings of the Directors in every calendar year shall not apply.



- (f) Article 90: This Article shall not apply. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles, the continuing Directors may act for the purpose of increasing the numbers of Directors to that number or for the purpose of summoning a General Meeting of the Company, but for no other purpose if at any time there be no Director or Directors able or willing to act any two Members may summon a General Meeting for the purpose of appointing Directors.
- (g) Article 118(1): Copies of the balance sheet, profit and loss account and the reports of the Directors and auditors need not be sent to the Securities & Exchange Commission of Pakistan or the Stock Exchange or the Registrar of Companies at the same time as they are despatched to the Members and other persons in accordance with Article 118(1).
- (h) Article 119: The provisions of Section 245 of the Ordinance not being applicable to the Company, the Directors need not send to the Members, the Securities & Exchange Commission of Pakistan, the Registrar of Companies or the Stock Exchanges a copy of the profit and loss account for the first half of each year of account of the Company or a copy of the balance sheet as at the end of that half year.
- (i) Article 125: The provisions of the proviso to Section 50(3) of the Ordinance not being applicable to the Company, notices mentioned in that proviso need not be published in the newspaper.
134. Notwithstanding anything contained in the preceding Articles, if any Article or any provision thereof is in conflict or inconsistent with any of the provisions of the Ordinance or of the Rules, the same shall not be given effect to and the pertinent provisions of the Ordinance and the Rules shall prevail.



We, the several persons whose names and addresses hereto subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of Shares in the capital of the Company set opposite our respective names;

Name and Surname in full	Father's Name in full	Nationality	Occupation	Residential address in full	Number of Shares	Signature
Muhammad Arif Habib	Habib Haji Shakoore	Pakistani	Business	86/2, 10 th Street Khayaban-e-Sehar, Defence Housing Authority, Karachi	One	Sd/-
Nasim Beg	Safdar Beg	Pakistani	Chartered Accountant	F 61/6, Block 4, Clifton, Karachi	One	Sd/-
Amin Umer	Haji Umer	Pakistani	Business Executive	118/11, Phase V, Khayaban-e-Badar, Defence Housing Authority, Karachi	One	Sd/-
Asadullah Khawaja	Khawaja Ataulah	Pakistani	Investment Banker /Fund Manager	81/2, Phase VI, Khayaban-e-Bahria, Defence Housing Authority, Karachi.	One	Sd/-
Muhammad Yousuf	Ahmed	Pakistani	Service	M.R. 3/42, Juma Building, Suleman Street, Bombay Bazar, Karachi	One	Sd/-
Muhammad Rafiq Jangda	Kassam Salman	Pakistani	Service	G.K-6/57, Apartment No. C-7 Taboot Lane, Kharadar, Karachi.	One	Sd/-
Abdus Samad	Arif Habib	Pakistani	Service	86/2, 10 th Street, Khayaban-e-Sehar, Defence Housing Authority, Karachi	One	Sd/-

Dated the 24th day of August 2000

Witness to the above signatures:

Sd/-
(Zafar Abdullah)

Occupation: Chartered Accountant
Nationality: Pakistani

Address: Engr. Iqbal Haidi Khalid & Co,
Chartered Accountants
Sheikh Sultan Trust Building No.2
Beaumont Road, Karachi.



Certified to be True Copy

Joint Registrar of Companies