

March 3, 2020

The General Manager
Pakistan Stock Exchange Limited (PSX)
Stock Exchange Building,
Stock Exchange Road,
Karachi.

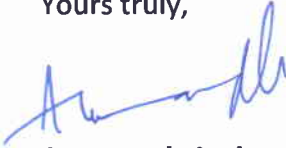
Dear Sir,

Sub: Notice of 25th Annual General Meeting (AGM) of Faysal Bank Limited

In compliance of the Regulation No. 5.6.4(b) of the PSX, we enclose herewith a Notice of 25th AGM of Faysal Bank Limited along with Statement of Material Facts under Section 134 (3) of the Companies Act, 2017 will be held on March 26, 2020 at 9:00 a.m. at Karachi.

You may please inform the TRE Certificate holders of the Exchange accordingly.

Yours truly,



Aurangzeb Amin
Company Secretary &
Head of Legal

Encl: as above

NOTICE OF THE TWENTY FIFTH ANNUAL GENERAL MEETING

Notice is hereby given that the 25TH Annual General Meeting of Faysal Bank Limited (“FBL”) will be held on March 26, 2020 at 9:00 a.m. at Zaver Hall, Pearl Continental Hotel, Karachi to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the 24th Annual General Meeting held on March 28, 2019.
2. To confirm the minutes of Extra Ordinary General Meeting held on October 24, 2019.
3. To receive and adopt Unconsolidated & Consolidated Financial Statements and Statement of Compliance with Code of Corporate Governance of FBL for the year ended December 31, 2019 together with the Directors’ and Auditors’ Reports thereon.
4. To elect Ten (10) Directors of FBL for a period of three years commencing from March 26, 2020 in accordance with the provisions of the Companies Act, 2017 and Memorandum and Articles of Association. The names of retiring Directors are as under:

1. Mr. Farooq Rahmatullah Khan
2. Mr. Ahmed Abdulrahim Mohamed Abdulla Bucheery
3. Mian Muhammad Younis
4. Mr. Imtiaz Ahmad Pervez
5. Mr. Juma Hasan Ali Abul
6. Mr. Abdulelah Ebrahim Mohamed AlQasimi
7. Mr. Abdulla Abdulaziz Ali Taleb
8. Mr. Fuad Azim Hashimi
9. Mr. Ali Munir

The Board of Directors has fixed the number of Directors to be elected at this meeting held on February 13, 2020. The retiring Directors shall be eligible to offer themselves for re-election in accordance with applicable Regulations.

5. To appoint External Auditors for the ensuing financial year 2020 at Rs.12,800,000/- (excluding out of pocket expenses and sales tax) for the audit fee, review and certifications. The present Auditors, A.F. Ferguson & Company, Chartered Accountants, being eligible, offer themselves for reappointment.
6. Any other business with the permission of the Chair.

SPECIAL BUSINESS:

7. To Consider and approve the amount of remuneration paid to the Non-Executive/Independent Directors of FBL during the year 2019 for attending the Board/Sub-Committees Meetings and in that connection to pass the following resolution as Special Resolution, with or without modification, addition or deletion.

“RESOLVED that the remuneration paid to the Chairman, Non-Executive and Independent Directors of Faysal Bank Limited for attending Board meetings and meetings of the Board Committees i.e. Recruitment, Nomination and Remuneration Committee; Board Risk Management Committee; Board Audit & Corporate Governance Committee; Board Strategy Committee and Board IT Committee as disclosed in Note No. 38 of the Annual Audited Unconsolidated Financial Statements of the Bank for the year ended December 31, 2019 is submitted to the shareholders for approval on a post facto basis, be and is hereby approved.”

8. To consider and approve Directors Remuneration Policy for Non-Executive/Independent Directors of FBL for attending the Board and Sub-Committees Meetings, which enumerates the scale of remuneration amongst other matters, and in that connection to pass the following resolution as Special Resolution, with or without modification, addition or deletion

“RESOLVED that in terms of the BPRD Circular No. 03 dated 17-08-2019 by the State Bank of Pakistan, the Directors Remuneration Policy of the Board of Directors of Faysal Bank Ltd., including the scale of remuneration for attending board and committee meetings, as circulated to the members along with the Notice of the 25th Annual General Meeting, be and hereby is approved:

9. To approve revised Memorandum & Articles of Association (MOA) of the Bank as per Companies Act, 2017 and Code of Corporate Governance 2019 and in that connection to pass the following resolutions as Special Resolutions, with or without modification, addition or deletion.

“RESOLVED that the revised Memorandum & Article of Association of Faysal Bank Limited are being made in line with Companies Act, 2017 and Code of Corporate Governance 2019 are submitted herewith be and is hereby approved, subject to all Regulatory approvals”.

FURTHER RESOLVED "that the Chief Executive Officer/Company Secretary /Chief Financial Officer of the Bank be and are hereby singly authorized and empowered to give effect to the above resolution and to do all acts, deeds and things that may be necessary or required and to sign such documents and take such steps from time to time as and when necessary".

10. To transact any other Business with the permission of the Chairman.

By the order of the Board

Karachi dated: March 4, 2020

Aurangzeb Amin

Company Secretary & Head of Legal

Notes:

1. The Directors of the Company have fixed, under sub-section (1) of Section 159 of the Companies Act, 2017, the number of elected directors of the Company at Ten (10).
2. The Share Transfer Books of the Bank shall remain closed from **March 19, 2020 to March 26, 2020** (both days inclusive). Transfer received at the Share Registrar of the Bank, by the close of business on March 18, 2020 will be treated in time.

3. A member entitled to attend and vote at the Meeting may appoint another Member as per his/her proxy to attend and vote for him/her provided that a corporation may appoint as its proxy a person who is not a member, but is duly authorized by the corporation. Proxies must be received at the Registered Office of the Bank not less than 48 hours before the time of the holding of the Meeting.
4. Members are required to timely notify any change in their address to Bank's Shares Registrar M/s. CDC Share Registrar Services Limited , CDC House, 99-B, Block-B, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi.
5. CDC Account Holders will further have to follow the under mentioned guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

A. For attending the Meeting:

- i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration detail are uploaded as per the regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the Meeting.
- ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of Meeting.

B. For appointing proxies:

- i) In case of individuals, the account holder or sub-account holder and /or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall submit the proxy form as per the above requirement.
- ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv) The proxy shall produce his/her original CINC or original passport at the time of the Meeting.
- v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

6. Availability of Audited Financial Statements on Company's Website

The Company has placed the Audited Annual Financial Statements for the year ended December 31, 2019 along with Auditor's and Director's Reports thereon on its website: www.faysalbank.com

7. Transmission of Financial Statements to the Members through e-mail

In pursuance of SECP notification S.R.O 787 (I)/2014 dated September 08, 2014, the companies have been allowed to circulate their Annual Balance Sheet and Profit and Loss Account, Auditor's Report and Director's Report (Annual Financial Statements) along with Notice of Annual General Meeting (Notice) through e-mail to the members of the Company. Members desiring to avail this facility may provide the requisite information to the Company Share Registrar, M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block-B, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi for which form may be downloaded from the Company's website: www.faysalbank.com

8. Post Ballot:

Pursuant to the Companies (Postal Ballot) Regulations 2018, for the purpose of election of directors, where in case number of contestants are more than the number of directors to be elected member will be allowed to exercise their right to vote through postal ballot, that is voting by post in accordance with the requirements and procedures contained in the aforesaid regulations.

9. Consent for Video Conference Facility:

Members can also avail video conference facility. In this regard, please fill the following and submit the registered address of the Company 10 days before holding of the AGM.

If the Company receives consents from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the Meeting through video conference at least 10 days prior to date of the Meeting, the Company will arrange video conference facility in the city subject to availability of such facility in that city.

The Company will intimate members regarding venue of the video conference facility at least 10 days before the date of AGM along with complete information necessary to enable them to access such facility.

"I/We _____ of _____ being a member of Faysal Bank Limited, holder of _____ Ordinary Shares as per registered Folio # CDC ID & A/C No. _____ hereby opt for video conference facility at _____. My email address _____"

Signature of Shareholder

For any query/problem/information, members may contact our Share Registrar M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block-B, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi.

STATEMENTS UNDER SECTION 166 (3) OF THE COMPANIES ACT, 2017 IN RESPECT OF ELECTION OF DIRECTORS UNDER AGENDA ITEM NO.4

The term of office of the present Directors of the Company will expire on March 26, 2020. In terms of Section 159 (1) of the Companies Act, 2017 ("Act"), the Board of Directors have fixed the number of elected directors at Ten (10) to be elected in the Annual General Meeting for the period of three years.

The present Directors are interested to the extent that they are eligible for re-election as Directors of the Company.

Any person who seeks to contest election to the office of director shall, whether he is a retiring director or otherwise, file his/her consent with the Company at its Registered Office, Faysal Bank Limited, Faysal House, St-02, Commercial Lane, Main Shahrah-e- Faisal, Karachi not later than fourteen (14) days before the day of the meeting, along with the following documents:

- A. Notice of his / her intention to offer him / herself for the election to the Office of Director in terms of section 159(3).
- B. Consent to act as director of the Company along with consent on Form 28 prescribed under the Act.
- C. A detail profile along with office address as required under SECP' SRO 634(1)2014 dated July 10, 2014.
- D. A director must be a member of the company at the time of filing of his/her consent for contesting election of directors except a person representing a member, which is not a natural person.
- E. Declaration under Clause 3 of the Listed Companies (Code of Corporate Governance) Regulations 2019.
- F. Declaration that he/she is not ineligible to become a director of FBL in terms of Section 153 of the Act.
- G. Independent Director(s) will be elected through the process of election of director in terms of section 159 of the Act and they shall meet the criteria laid down in Section 166 of the Act, and the Companies (Manner and Selection of Independent Directors) Regulations 2018, accordingly the following additional documents are to be submitted by the candidates intending to contest election of directors as an independent director:
 - Declaration by Independent Director(s) under Clause 6(3) of the Listed Companies (Code of Corporate Governance) Regulation 2019.
 - Undertaking on non-judicial stamp paper that he / she meet the requirements of sub-regulation (1) of Regulation 4 of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 IN RESPECT OF SPECIAL BUSINESS

Agenda Item No. 7:

To Consider and approve the amount of remuneration paid to the Non-Executive/Independent Directors of FBL during the year 2019 for attending the Board/Sub-Committees Meetings and in that connection to pass the following resolution as a Special Resolution, with or without modification, addition or deletion.

***RESOLVED** that the remuneration paid to the Chairman, Non-Executive and Independent Directors of Faysal Bank Limited for attending Board meetings and meetings of the Board Committees i.e. Recruitment, Nomination and Remuneration Committee; Board Risk Management Committee; Board Audit & Corporate Governance Committee; Board Strategy Committee and Board IT Committee as disclosed in Note No.38 of the Annual Audited Unconsolidated Financial Statements of the Bank for the year ended December 31, 2019 is submitted to the shareholders for approval on a post facto basis, be and is hereby approved."*

Agenda Item No. 8:

To consider and approve Directors Remuneration Policy for Non-Executive/Independent Directors of FBL for attending the Board and Sub-Committees Meetings, which enumerates the scale of remuneration amongst other matters, and in that connection to pass the following resolution as Special Resolution, with or without modification, addition or deletion.

Keeping in view the BPRD Circular No. 03 dated 17-08-2019, issued by the State Bank of Pakistan, a policy pertaining to the remuneration of the Board has been drafted and the same has been approved by the Board of Directors of Faysal Bank Ltd., The Policy amongst other things also enumerates the scale of remuneration to be paid to the directors of Faysal Bank Ltd., for attending the Board and Committee meetings. Accordingly, the members are requested to consider and approve the said policy by adopting the below mentioned special resolution.

***"RESOLVED** that in terms of the BPRD Circular No. 03 dated 17-08-2019 by the State Bank of Pakistan, the Directors Remuneration Policy of the Board of Directors of Faysal Bank Ltd., including the scale of remuneration for attending board and committee meetings, as circulated to the members along with the Notice of the 25th Annual General Meeting, be and hereby is approved:*

Agenda Item No. 9:

To approve revised Memorandum & Articles of Association (MOA) of the Bank as per Companies Act, 2017 and Code of Corporate Governance 2019 and in that connection to pass the following resolutions as Special Resolutions, with or without modification, addition or deletion.

The Board of Directors recommend the amendments in the Memorandum and Articles of Association to bring the Company's Memorandum & Articles of Association in line with the provisions of the Companies Act, 2017 and other legal and regulatory requirements. Certain amendments in the Memorandum &

Articles were necessitated for the reason that Fayal Bank Ltd., is in the process transforming into a full fledged Shariah compliant Islamic Bank.

In accordance with Section 32 of the Companies Act, 2017, approval of the shareholders in a General Meeting is required by way of a special resolution to alter the Company's Memorandum and Articles of Association.

The proposed amendments in Memorandum & Articles of Association have been approved by the Board of Directors at its meeting held on February 13, 2020 subject to all Regulatory and shareholders approvals with changes, if any, as may be suggested by the Regulators and accepted by the Board of Directors. The revised Memorandum & Articles of Association are submitted herewith.

A copy of the Memorandum & Article of Association of the Bank as on date and also indicating the proposed amendments is available for inspection at the registered office of the Bank from 9:00 am to 5:00 pm on any working day, upto last working day before the date of AGM

The Directors of the Company have no personal interest in the business except in their capacity as shareholders of the Bank to the extent of their respective shareholding.

For the purpose aforesaid, it is proposed to consider and, if thought fit, to pass the following resolutions as Special Resolutions with or without modifications, to amend the Memorandum & Article of Association of the Bank and adopt a new set of MOA of the Bank.

"RESOLVED that the revised Memorandum & Article of Association of Faysal Bank Limited are being made in line with Companies Act, 2017 and Code of Corporate Governance 2019 are submitted herewith be and is hereby approved, subject to all Regulatory approvals".

FURTHER RESOLVED "that the Chief Executive Officer/Company Secretary /Chief Financial Officer of the Bank be and are hereby singly authorized and empowered to give effect to the above resolution and to do all acts, deeds and things that may be necessary or required and to sign such documents and take such steps from time to time as and when necessary"

Memorandum

Draft Remuneration Policy for the Members of the Board of Directors of Faysal Bank Limited

1. Objective

- 1.1 This Remuneration Policy (“**Policy**”) for the Board of Directors of Faysal Bank Limited (“**FBL**” or the “**Bank**”), is intended to prescribe the requirements and methodology for the determination of the remuneration of the members of the Board of Directors of FBL (the “**Board**”) and the members of the committees thereof.
- 1.2 The Policy is intended to account for the amount of time devoted by Directors not only in attending meetings of the Board and the committees thereof but also in preparation for the same.
- 1.3 The Policy is further intended to account for industry standards and regulatory prescriptions in relation to the remuneration of members of the board of directors for banks in Pakistan.
- 1.4 The Policy shall at all times remain in accordance with, and subject to, the provisions of BPRD Circular No. 03 of 2019 of the State Bank of Pakistan (“**Circular**”).

2. Remuneration of the Members of the Board of Directors

- 2.1 The Board, and never an individual member of the Board, shall, from time to time, determine and approve such level of remuneration for the members of the Board, for attending the meetings of the Board or the meetings of the committees thereof, as may be within the limits for such remuneration as prescribed by the State Bank of Pakistan (“**SBP**”) and determined to be an adequate measure of remuneration for the performance of relevant duties by such members.
- 2.2 The Board shall ensure that such remuneration is determined subject to applicable laws and regulations including the guidelines and/or instructions of SBP.
- 2.3 The Board shall ensure that such remuneration is not determined in any manner that may undermine the independence of the independent members of the Board.
- 2.4 The members of the Board shall, in addition to the aforementioned remuneration, also be paid travel, lodging and all other expenses as may be ancillary;
 - (a) to the attendance of the respective meetings of the Board;
 - (b) to the attendance of General Body Meetings; and

(c) any business relating and/or ancillary to the fulfillment of their respective duties with respect to the Bank.

2.5 The Board may determine additional and/or specific remuneration for any member of the Board performing additional duties and/or services in relation to the Bank.

2.6 The Board may determine additional and/or specific remuneration for the Chairman of the Board.

3. Remuneration of the members of the Committees of the Board of Directors

3.1 The Board shall, from time to time, determine and approve such level of remuneration for the members of the committees of the Board, for attending the meetings of such respective committees of the Board, as may be within the limits for such remuneration as prescribed by the State Bank of Pakistan (“SBP”) and determined to be an adequate measure of remuneration by the Board.

3.2 The Board shall ensure that such remuneration is determined subject to applicable laws and regulations including the guidelines and/or instructions of SBP.

3.3 The Board shall ensure that such remuneration is not determined in any manner that may undermine the independence of the independent members of the respective committees of the Board.

3.4 The members of respective committees of the Board shall, in addition to the aforementioned remuneration, also be paid travel, lodging and all other expenses as may be ancillary to the attendance of the respective meetings of respective committees of the Board.

3.5 The Board may determine additional and/or specific remuneration for any member of the respective committees of the Board performing additional duties and/or services in relation to the Bank.

4. Limits prescribed by the State Bank of Pakistan

4.1 FBL is authorized to determine remuneration of their board members, including the Chairman, taking into consideration their own governance structure and the level of responsibility & expertise of the concerned directors.

4.2 As per the Circular those banks/DFIs which have above PKR 500 billion assets size **or** above PKR 1 billion after tax profit, (as per last audited annual accounts), which includes FBL, have a prescribed maximum limit of remuneration for a single board/ committee meeting up to PKR. 800,000. Whilst , the Chairman of the Board or the Chairmen of committees may be paid an additional 20% keeping in the additional responsibilities and the work required at the said position.

4.3 Accordingly, each director will be paid PKR 800,000/- for attending a board meeting and PKR 700,000/- for attending committee meeting, and the Chairman Board and the Chairmen of the Committees will get 20% additional.

4.4 The scale of remuneration shall be applicable for all the committees including committees which are formed for certain specific assignment or for a limited time period.

5. Travel and Expense Policy for Non-Executive Directors and the Chairman

The Bank will bear the Non-Executive Director's expenses for attending each Board and Board Committee meeting or for any other travel undertaken in connection with Bank work or engagement

5.1 **Domestic Travel:** For (a) Board and/or Board Committee meetings (b) business related meetings and/or Bank related engagements:

- a. Full fare Business class air travel; first class rail travel and full reimbursement for car/rental/fuel/driver in relation to any road travel.
- b. Five star or equivalent hotel stay with full cost coverage for meals, telephone calls, car rental, other stay related and hotel costs/charges and/or any miscellaneous charges incurred on account of stay, meals, transportation and other related daily expenses within a reasonable range on actual basis.

5.2 **International Travel:** For Board meetings and/or Board Committee meetings:

- a. Full fare Business class air travel; first/business class rail travel and full reimbursement for car/rental/fuel/driver in relation to any road travel.
- b. Five star or equivalent hotel stay with full cost coverage for meals, telephone calls, car rental, other stay related and hotel costs/charges and/or any miscellaneous charges incurred.

5.3 **For other meetings/ engagements:**

For (a) Board and/or Board Committee meetings (b) business related meetings and/or Bank related engagements.

- a. Full fare business class air travel, first/business class rail travel and full cost coverage for car/rental/fuel/driver involving any road travel.
- b. Five star or equivalent hotel stay with full coverage for meals, telephone calls, car rental, other stay related and hotel costs/ charges and/or any miscellaneous charges incurred on account of stay , meals, transportation and other related daily expenses within a reasonable range on actual basis.. (Tax implications?)

5.4 Tax if applicable will be deducted and a challan evidencing deduction of tax will be provided.

6. Chairman Office's Administrative Expenses

6.1 In accordance with SBP Circular of May 6, 2015 (BPRD Circular No.9 of 2015) the administrative expenses pertaining to the office, staff, logistic support, transport and security allocated to the Chairman of the Board shall be borne by FBL as detailed herein:

6.2 Security and Vehicle for the Chairman:

- a. Place security guards for the Chairman on a 24-hour basis. An appropriate Bank maintained vehicle with driver as per Bank's Policy.

7. Performance and Conduct:

7.1 Board Members are senior level professional with considerable experience as a Board Member and at the time of their election or nomination as regulatory requirement they confirm their awareness and compliance of the relevant laws and regulations along with the Code of Corporate Governance, Memorandum and Articles and the code of conduct of the Bank.

7.2 Accordingly, the Board Members are expected to ensure full compliance with the relevant laws, regulations, Memorandum and Articles and the Code of Conduct of the Bank and maintain the requisite level of performance and proficiency as a board or as a committee member.

7.3 In this context it is recognized and appreciated that the underlying principle is that the members of the board or of a board committee acts and performs as a body i.e., the board or a committee, and not individually.

7.4 In case of any issue with respect to the performance or conduct of a particular director the matter will be referred to the Chairman and to RNRC (the Recruitment, Nomination & Remuneration Committee) for a more detailed consideration. RNRC after necessary deliberations will give its recommendations to the Chairman and if so required, the Chairman will refer the matter for necessary deliberations by the Board.

8. Approvals, Exceptions and Periodic Review

8.1 The Policy, including the Scale of Remuneration shall be approved by the Board and the same shall be submitted for the approval of the Shareholders on pre or post fact basis.

8.2 The Policy will be reviewed by RNRC every years if necessary and its recommendations will then be submitted to the Board for consideration and approval.

8.3 Once the Policy is approved by the Shareholders of the Bank then going forward any change in the scale of remuneration or other facilities of the board having a financial impact shall require

the approval of the shareholders on a pre or post fact basis. Whereas, for any other amendment (where there is no financial impact) the Board shall be the final approving authority.

8.4 Any change in the relevant laws and/or the regulations or any regulatory direction shall become effective immediately and shall override the provisions of the Policy.

8.5 Any exception or exemption to the Policy except the scale of remuneration shall be submitted for the RNRC's consideration and for onward recommendation to the Board for approval.

**THE COMPANIES ACT, 2017
(COMPANY LIMITED BY SHARES)**

MEMORANDUM OF ASSOCIATION

OF

FAYSAL BANK LIMITED

NAME

1. The name of the Company is "FAYSAL BANK LIMITED"

REGISTERED OFFICE

2. The Registered Office of the Company shall be situated in the Province of Sindh.

OBJECTS

3. (i) The principle line of business of the Company shall be to carry on the business of banking and undertake financial transactions as permitted under the applicable laws of Pakistan including, but not limited to, the Banking Companies Ordinance 1962, the Companies Act, 2017, the Financial Institutions (Recovery of Finances) Ordinance, 2001 (including any amendment and/or re-enactment of any such Ordinances) and all other applicable laws, rules and regulations, and the rules, directions and circulars of the State Bank of Pakistan as in force from time to time. Without limiting in any manner the generality of the aforesaid, the Company shall carry out all banking business including but not limited to commercial banking and/or Islamic banking, including opening of stand alone Islamic banking and/or commercial banking branches in terms of the relevant Laws and applicable Regulations of State Bank of Pakistan promulgated and/or amended from time to time and subject to relevant licencing requirements of the State Bank of Pakistan for such purposes. The said stand- alone Branches for Islamic Banking shall conform to the Islamic Shariah principles and injunctions and its all financial and banking transactions as are specifically intended to be undertaken in accordance with applicable Laws and Regulations. Within the above broad parameter, the objects for which the Company is established are to undertake all or any of the following businesses in and outside Pakistan.

(ii) Except for the businesses mentioned in sub-clause (iii) hereunder, the Company shall engage in all the lawful businesses and shall be authorized to take all necessary steps and actions in connection therewith and ancillary thereto.

(iii) Notwithstanding anything contained in the foregoing sub-clauses of this clause, unless otherwise permitted by the Banking Companies Ordinance 1962 and/or under the license(s) issued by the State Bank of Pakistan to the Company, nothing contained herein shall be construed as empowering the Company to undertake or indulge, directly or indirectly in the business of a Non-banking Finance Company (Mutual Fund, Leasing Company, Investment Company, Investment Advisor, Real Estate Investment Trust management company, Housing Finance Company, Venture Capital Company, Discounting Services, Microfinance or Microcredit business), Insurance Business, Modaraba management company, Stock Brokerage business, forex, real estate business, managing agency, business of providing the services of security guards or any other business restricted under any law for the time being in force or as may be specified by the Commission.

(iv) It is hereby undertaken that, the Company shall not :

- a) engage in any unlawful operation;
 - b) launch multi-level marketing (MLM), Pyramid and Ponzi Schemes, or other related activities/businesses or any lottery business; and
 - c) engage in any of the permissible business unless the requisite approval, permission, consent or license is obtained from competent authority as may be required under any law for the time being in force.
4. The liability of the members is limited.
5. The authorised share capital of the company is Rs.22,000,000,000/- (Rupees Twenty Two Billion Only) divided into 2,200,000,000 (Two Billion Two Hundred Million only) Ordinary Shares of Rs. 10/- each (Rupees ten each) with power to increase or reduce the capital and to divide the shares in the capital for the time being into several classes.

We, the several persons whose names and addresses are subscribed hereto 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:

S No.	Present And Former Name And Surname	Father's/Husband's Name in full	Nationality	Occupation/ Residential Address in Full	No. of Shares taken by each Subscriber	Signature	Date and Place
1.	MR. AHMED SALAH JAMJOOM	Mr.Mohammad Salah Jamjoom	Saudi	Businessman/ POB 1247, Jeddah 21431. Saudi Arabia	500 (Five Hundred)		
2.	MR. NABIL NASSIEF	Mr. Abdul Elah Nassief	Saudi	Banker/ Villa 25. Aldouh Al Sate'.A Street (Al Nahda) Dist. Jeddah Saudi Arabia	500 (Five Hundred)		
3.	MR. MOZZAM ALI	Mr. A lam Ali	Pakistani	Banker/21. South Acre, Hyde Park Crecent London W2 2QB	500 (Five Hundred)		
4.	H.H. PRINCE AMR BIN MOHAMMED AL-FAISAL AL-SAUD	H.R.H. Prince Mohammed Al-Faisal Al-Saud	Saudi	Businessman/ Queen Building, King Abdul Aziz Street, P.O. Box 10324 Jeddah-29444 Saudi Arabia	500 (Five Hundred)		
5.	MR. OMAR ABDI ALI	Mr. Abid Ali	Somalian	Service/14 Ch. Hameau, 1255 Veyrieh, Geneva, Switzerland	500 (Five Hundred)		
6.	MR. IMTIAZ ALAM HANFI	(Late) M.S.A. Hanfi	Pakistani	Banker/ D60, Block "F" North Nazimabad, Karachi (Pakistan)	500 (Five Hundred)		
7.	MR. IMTIAZ A PERVEZ	Sheikh Ghulam Mohammad Ahmed	Pakistani	Banker/ Villa # 5, Delmon Gardens, 959, Road 1728. Area 517, Saar, Bahrain	500 (Five Hundred)		
8.	MR.MAHMOOD FARUQUI	(Late) Justice A.S. Faruqui	Pakistani/ British	Corporate Lawyer/ 13 WoodHall Drive Dulwich, London SE 21, 7HJ, United Kingdom.	500 (Five Hundred)		
9.	MR. MOHAMMED ABDULLAH EL-KHEREIJI	Mr. Abdullah Abdul Karim El-Khereiji	Saudi	Businessman/POB: 8632 Jeddah 21492 Saudi Arabia.	500 (Five Hundred)		
Witness to above signature:				Date:-			
Full Name		Father's Name	Occupation	Full Residential Address	Signature		
MUHAMMAD IQBAL		HAJI IBRAHIM	Chartered Accountant'	R-1240 Block 17, F.B. Are Karachi (Pakistan)			

**THE COMPANIES ACT, 2017
(COMPANY LIMITED BY SHARES)**

ARTICLES OF ASSOCIATION

OF

FAYSAL BANK LIMITED

PRELIMINARY

1. **Company to be governed by these Articles:** Regulations for management of the Company and observance of members and their representatives shall (Subject to any exercise of statutory powers of the Company in reference to repeal or alteration of or additions to its regulations by Special Resolution, as prescribed by the Companies Act) be such as are contained in these Articles, shall be read with the Companies Act, Banking Ordinance and provisions of any other law for the time being in force. The Regulations contained in the table marked "A" in the First Schedule to the Companies Act Shall not apply to the Company except so far as the same are repeated, contained or expressly made applicable in these Articles or by the Act.
2. **Interpretation:** In these Articles unless there be something in the subject or context inconsistent therewith:
 - (a) **"Act"** means the Companies Act, 2017 as amended from time to time.
 - (b) **"Articles"** means these Articles of Association as originally framed or as from time to time altered by Special Resolution.
 - (c) **"Banking Ordinance"** means the Banking Companies Ordinance, 1962 or any modification or re-enactment thereof for the time being in force.
 - (d) **"Central Depository"** means a central depository as defined in sub-section (vi) of section 2 of the Securities Act, 2015 and licensed by the Commission under the said act.
 - (e) **"Central Depositories Act"** means the Central Depositories Act, 1997.
 - (f) **"Central Depository Register"** means a computerized electronic register maintained by a Central Depository in respect of book-entry securities.

- (g) **“Central Depository Regulations”** mean the Central Depository Company of Pakistan Limited Regulations made pursuant to section 35 (l) of the Central Depositories Act.
- (h) **“Chairman”** means the Chairman of the Board of Directors of the Company appointed for the time being.
- (i) **“Chief Executive Officer”** means the Chief Executive Officer for the time being of the Company.
- (j) **“Company”** means **FAYSAL BANK LIMITED**, except where the subject or context means otherwise.
- (k) **“Commission”** means the Securities and Exchange Commission of Pakistan constituted under the Securities and Exchange Commission of Pakistan Act, 1997.”
- (l) **“Directors”** means the Directors for the time being of the Company or the Director assembled at the Board or acting through resolution passed by circulation Under Article 128.
- (m) **“Dividend”** includes bonus shares.
- (ia) **“Executive Director”** means a Director of the Company who is a paid employee or executive of the Company or, where the State Bank Requirements so require, of a company/group where the sponsor shareholders of the Company have substantial interest in terms of the State Bank Requirements.
- (n) **“Member”** means a person whose name is for the time being entered in the Register 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 voting right in the Company.
- (o) **“Month”** means calendar month according to the Gregorian Calendar.
- (ka) **“Non Executive Director”** means a Director of the Company who is not an Executive Director.
- (p) **“Office”** means the Registered Office for the time being of the Company.
- (q) **“Ordinary Resolution”** means a resolution passed at a general meeting when 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 exceed the votes, if any cast against the resolution.

- (r) **“Proxy”** includes any attorney duly constituted under a power of attorney.
- (s) **“Redeemable Capital”** has the meaning assigned to it by Section 2 (55) of the Act.
- (t) **“Register”** means the Register of Members to be kept in pursuant to Sections 119 and 120 of the Act and the Central Depository Register.
- (u) **“Registrar”** means the Registrar of Companies.
- (v) **“Seal”** means the Common Seal of the Company.
- (w) **“Secretary”** means any person for the time being occupying the position of the Secretary of the Company.
- (x) **“Special Resolution”** has the meanings assigned thereto by Section 2 (66) of the Act.
- (y) **“State Bank”** means the State Bank of Pakistan.
- (va) **“State Bank Requirements”** means the rules, prudential and other regulations, circulars, directives, notifications and orders issued by the State Bank from time to time for compliance by banks in Pakistan.”
- (z) **“In Writing”** and **“Written”** shall include printing and lithography and any other mode or modes or representing or re- producing words in visible form.
- (aa) Words imparting persons shall include corporations.
- (bb) Words imparting the masculine gender only shall include the feminine gender.
- (cc) Words imparting the singular number only shall include the plural number and vice versa.
- (dd) Subject as aforesaid any words or expressions defined in the Act shall, except where the subject context forbids, bear the same meanings in the Articles.
- (ee) **‘Islamic Branches’** means stand alone Branches for Islamic Banking opened by the company under applicable Laws and existing Regulations of SBP and amendments made thereto from time to time.

COMMENCEMENT OF BUSINESS

3. **Commencement of business:** The Company shall not commence business or exercise any borrowing powers until the requirements of Section 19 of the Act have been complied with. Besides, before commencing business, the Company shall obtain a license from the State Bank in accordance with the Banking Ordinance.
4. **License from State Bank:** The Company shall obtain a license from the State Bank under Section 27 of the Banking Ordinance before the commencement of its banking business.

CAPITAL AND SHARES

5. **Capital:**
 - (a) The authorised share capital of the Company is Rs.22,000,000,000/- (Rupees Twenty Two Billion Only) divided into 2,200,000,000 (Two Billion Two Hundred Million only) Ordinary Shares of Rs. 10/- each with power to increase or reduce the capital and to divide the shares in the capital for the time being into several classes.
 - (b) Out of the above, capital may be issued by the Director from time to time, as the Directors may deem necessary.
6. **Issue of shares at discount:** With the prior grant by the Company in General Meeting and of the Commission and upon otherwise complying with the provisions of Section 82 of the Act it shall be law full for the Directors to issue shares in the capital of the Company at a discount.
7. **Register of members:** The Company shall cause to be kept a Register and Index of Members in accordance with Section 119 and 120 of the Act, which shall include the Central Depository Register.
8. **Inspection of Register:** The Register shall be open to inspection of member gratis and to inspection of any other person on payment of ten rupees for each inspection. Any such members or persons may take extracts therefrom. The Company shall send to any member or person on request, extracts of the Register or of the list of any summary required under the Act. The extract shall be sent within a period of ten days, exclusive of non working days, after the day on which the member's request is received by the company.
9. **Company to determine terms and conditions for further issue:** In addition to and without derogating from the powers for that purpose conferred on the Directors under the Act and these Articles (in particular Article 41) and to any exercise of such powers, the Company may, in General Meeting, determine, subject to Section 83 of the Act, that any shares (whether forming

part of the original capital or of any increased capital of the Company) shall be offered to any persons and at a premium or at par or, subject to compliance with the provisions of Section 82 of the Act, at a discount as such General Meeting shall determine and with full power to give to any person the option to call for the allotment of the shares of any class of the Company either at a premium or at par or, subject as aforesaid, at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting, and may make any other provisions whatsoever for issue, allotment or disposal of any shares. In accordance with Section 83 of the Act, the Company may reserve a certain percentage of further issue for its employees under an "Employees Stock Option Scheme" to be approved by the Commission in accordance with the procedure and on such conditions as may be specified.

10. **Company not bound to recognize any interest in shares other than that of the registered holder:** Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognize any by name, trust or equity or equitable contingent or other claim to or interest in such share on the part of any person whether or not it shall have express or implied notice thereof.
11. **No purchase of or loan on the Company's Shares:**
 1. No part of the funds of the Company shall be employed in the purchase of the shares of the Company other than in accordance with Section 88 of the Act.
 2. The Company shall not provide any loan or guarantee or security, whether directly or indirectly, to any person for the purchase of the shares of the Company or for the purchase of the shares of the holding company of the Company, except for the purchase of any shares under an employees stock option scheme introduced by the Company, subject to the proviso to sub-section (3) to section 86 of the Act.
12. **Trust not recognized:** Except as required by law, no person shall be recognizes 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 recognize (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 of (except only as by these Articles or by law otherwise provided or under any 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.
13. **Who may be registered as share holders:** Shares may be registered in the name of any individual, limited company or other corporate body. Not mere than four person shall be registered as joint holder of any shares.

14. **Joint Shareholders:** 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 to be the sole holder.
15. **Death of joint Shareholders:** In the case of death of any one or more of the persons named in the Register as the joint holders of any shares, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to or interest in such shares.
16. **Shares at the Disposal of Directors:** Subject to the provisions of these Articles, the shares shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons, on such terms and conditions, and at such times, as the Directors deem fit and give to any person the right of any issue of shares either at par or at a premium or at a discount (subject to the provisions of section 82 of the Act) and for such time and for such consideration as the Directors deem fit, provided that upon the issue of any further shares, to the extent applicable the Directors shall comply with the provisions of Sections 67 to 70 and 83 of the Act.
17. **Conversion of loans, etc. into shares:** The Company may issue ordinary shares or grant option to convert into shares the outstanding balance of any loans, advances or credit, as defined in the Banking Ordinance or other non-interest bearing securities and obligations in accordance with the provision of Section 83 of the Act.
18. **Shares for consideration other than cash:** Shares of the Company may be allotted as payment or part payment for any property sold or transferred, goods or machinery supplies or for services rendered to the Company in or about formation or promotion of the Company or conduct of its business or by way of bonus shares, and any shares which may be so allotted may be issued as fully paid-up, otherwise than in cash, and if so issued shall be deemed to be fully paid-up shares as aforesaid.
19. **Issue of redeemable capital and other instruments:** The Company may issue to one or more scheduled banks, financial institutions or such other persons, as are specified for the purpose by the Federal Government by notification in the official gazette, any instrument or certificate representing of redeemable capital in any or several forms as further defined in Section 2 (55) of the Act and in accordance with the provisions of Section 66 of the Act including but not limited to instruments of any nature for investment in and issuance of Tier 1, Additional Tier 1 and Tier 2 capital, Sukuks by the Company . The Company may issue instruments in the nature of perpetual capital whether convertible into Ordinary Shares or otherwise.

PLACEMENT AND UNDERWRITING SHARES AND SECURITIES

20. Placement and underwriting of shares and securities:

- (i) The Company may at any time pay or receive commission and/or fee for placement of shares or other securities and/or for procurement of subscribers for any shares or other securities and/or for or in connection with the underwriting of any issues of shares or other securities and/or for agreeing to do the same. The Company may also pay brokerage in respect of any subscription for shares or other securities.
- (ii) In respect of commission or brokerage on shares and securities paid or payable, whether out of capital or otherwise, the statutory conditions and requirements shall be complied with, including conditions as to the amount or rate of commission or brokerage under the rules and regulations set out in the Act and/or framed by the regulatory authorities.

CERTIFICATES

21. **Certificates of shares:** The certificates of title to shares and duplicate thereof shall be issued under the Seal of the Company and signed by two Directors. The Directors may authorize inscription of facsimile signatures by mechanical or electrical means and countersigned by an officer or officers of the Company authorized by the Directors. In accordance with the applicable laws, the certificates of title (such expression shall hereinafter be deemed to include book-entry security as defined in the Central Depositories Act and the Central Depository Regulations) to shares and duplicates thereof when necessary shall be issued under the Seal of the Company and signed by 2 (two) Directors or 1 (one) Director and the company secretary, or 1 (one) Director and such other person as may be authorized by the Board for the purpose, if so required. Every member shall be entitled, free of charge, to one certificate issued under the Seal of the Company for all the shares of any one class registered in his name within thirty (30) days after allotment (including a book entry security under the Central Depositories Act and the Central Depository Regulations) for all the shares of each class registered in his name, or if the Board so approves to several certificates each for 1 (one) or more of such Shares.
22. **Members' rights to certificate:** Every member shall be entitled, without payment, to one certificate for all the shares of each class registered in his name or, after public issue of the shares of the Company, to one certificate for every marketable lot (or part thereof) of the shares held by such member or if the Directors so approve (upon payment of such fee as the Directors may from time to time determine) to several certificates each for one or more shares. Every certificate of shares shall specify the number and denote numbers of the shares in respect of which it is issued and the amount paid thereon and shall be in such form as the Directors shall prescribe or approve.

23. **Certificate in the case of joint holders:** 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 joint holders shall be sufficient delivery to all.
24. **Time for issue of certificates:** Unless the conditions of issue of any shares, debentures, debenture stock or redeemable capital of the Company otherwise provided the Company shall, within thirty (30) days after the allotment and within forty five (45) 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 certificates of all shares, debentures and 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.
25. **Lost or worn out certificates:** If any certificate be worn out, defaced, mutilated, torn or rendered useless, then upon production of the same to the Directors they may order the same to be cancelled and may issue a new certificate in lieu thereof and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Directors, and on such indemnity as the Directors deem adequate being given, new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate(s), against payment of such sum, as the Director may fix from time to time. A new certificate shall be issued within 30 (thirty) days from the date of completion of all requisite requirements by the applicant for the issuance of a duplicate certificate and such date shall be considered as the date of the application.

TRANSFER AND TRANSMISSION OF SHARES

26. **Directors' right to refuse transfer:** The Directors shall not refuse to transfer any shares unless the transfer deed is for any reason defective or invalid, provided that the Company shall within fifteen (15) days from the date on which the instrument of transfer was lodged with it, or when the transferee is a Central Depository, within five (5) days, or such other period as may be required by the applicable laws, notify the defect or invalidity to the transferee, who shall, after removal of such defect or invalidity, be entitled to relodge the transfer deed with the Company. The Directors may decline to register any instrument of transfer unless the duly stamped instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer.

27. Transfer of shares:

- (i) Shares in the Company shall be transferred in accordance with the Central Depositories Act and the Central Depository Regulations. If the shares of the Company are not registered in the Central Depository, the same may be transferred either pursuant to the process in these Articles or pursuant to a process approved by the Board.
- (ii) An application for the registration of the transfer of shares may be made either by the transferor or the transferee.
- (iii) It shall not be lawful for the Company to register transfer of any shares unless the proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the scrip. Provided that where it is proved to the satisfaction of the Directors of the Company that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Directors think on an application in writing made by the transferee and bearing the stamp required to an instrument of transfer, register the transfer on such terms as to indemnity as the Directors may deem fit.
- (iv) The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof.
- (v) If the Company refuses to register the transfer of any shares the Company shall, within 15 (fifteen) days or where the transferee is a Central Depository, within five days from the date on which the instruments of transfer is lodged with the Company, send to the transferee notice of the refusal.
- (vi) No transfer shall be made to an infant or insolvent or a person of unsound mind.
- (vii) Nothing contained in clause (ii) of this Article shall prejudice any power of the Company to register as member any person to whom the right to any share has been transmitted; by operation of law.

28. Register of transfer: The Company shall keep a book to be called the "Register of Transfer" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares.

29. Form of transfer: The instrument of transfer of any shares, signed by both the transferor and the transferee, shall be in writing in the following form or such other usual or common form:

TRANSFER DEED

I/We, _____ of _____ in consideration of the _____ sum of _____ Rs. _____ (Rupees _____) paid to me/us by of (the "Transferee") do hereby transfer to the Transferee the share(s) numbered to inclusive, in FAYSAL BANK LIMITED to hold unto the Transferee, his executors, administrators and assigns, subject to the several conditions on which I/we hold the same at the time of the execution thereof, 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 _____, 20_____

TRANSFEROR

Signature

Full Address

Witness

Signature

Occupation

Full Address

TRANSFeree

Signature

Full Name, Father's/
Husband's Name

Nationality

Occupation

Full Address

Witness

Signature

Occupation

Full Address

30. **Retention of transfer deeds:** The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. Directors may cause to destroy all transfer deeds lying with the Company after such period as they may determine.
31. **Closure of transfer books:** The Directors shall have powers on giving a minimum of seven (7) days' notice by advertisement as required by Section 125 of the Act to close the Register of

Transfer of the Company for such period or periods of time not exceeding thirty (30) days at a time as the Directors may deem fit.

32. **No transfer to minor, etc:** No transfer shall be made to a minor or person of unsound mind or to an insolvent.
33. **Evidence of title:** Every instrument of transfer shall be presented to the Company duly stamped and accompanied by the certificate of the shares to be transferred and such evidence (if any) as the Directors may require to prove the title of the transferor. Upon such evidence being produced, the Company shall within fifteen (15) days, subject to the provisions of Section 74 of the Act, register the transferee as member.
34. **Nomination:** In accordance with the provisions of Section 79 of the Act, 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 such Member, may be entered in the Register as the holder of such number of shares specified in the nomination for such nominee in accordance with the provisions of Section 79 of the Act. A person shall be eligible for nomination for the purposes of this Article only if he/ she is a relative of the member namely a spouse, father, mother, brother, sister, and son or daughter of the concerned Member 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 varying any nomination already made by him in pursuant to this Article.
35. **Person entitled on death of a Member:** In the case of the death of a Member who was a joint holder of shares, the surviving joint holder shall be the only person automatically recognized by the Company as having any title to the deceased's interest in the shares. If the deceased Member was a sole holder of shares, the legal heirs of the deceased (where no such nomination under Articles 34 has been made) shall be the only persons recognised by the Company as having any title to his interest in the shares, subject to the receipt of a succession certificate / order issued by a competent court of law. Having said that, the Board of Directors shall have the right to waive the requirement of the legal heirs to procure a succession certificate provided that the Board is satisfied that all legal requirements have been fulfilled. If the Member has appointed a nominee in accordance with Article 34, the nominee will be recognized as having title to the shares (on behalf of and in trust for the legal heirs) until the shares can be transferred to the legal heirs.
36. **Proof of title:** In the event of the death of a Member, the Directors may require proof of legal title or legal representation and evidence establishing the death of the Member from any person nominated by the deceased Member including but not limited to a Court order validating his right. Such nominated person 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, including the account or sub-account holder of a Central Depository, 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. Provided that any person becoming entitled to a share in consequence of the death of a Member may upon such evidence being produced as may from time to time properly be required by the Directors, 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 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.

37. **Person entitled on insolvency or lunacy of Member:** Any person becoming entitled to share in consequence of the insolvency, bankruptcy, or lunacy of a Member shall, upon such evidence being produced as may from time to time be required by the Directors, have the right either to be registered as a Member in respect of the share or instead of being registered himself, to make such transfer of the share as the insolvent, lunatic or bankrupt 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 the insolvent, lunatic or bankrupt person before the insolvency, lunacy or bankruptcy as stated heretofore.
38. **Effect of election:** If the person becoming entitled to share, as provided in Articles 35 and 37, 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 transfer 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.
39. **Right of person entitled by transmission:** A person/ legal heir 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/ they 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.

ALTERATION OF CAPITAL

40. **Power to increase:** The Directors may with the approval of the Members in a General Meeting increase the share capital by such sum, to be divided into shares of such amount as the Special Resolution shall prescribe.
41. **Offer of new shares:** Where the Directors decide to increase the capital of the Company by the issue of further shares, such shares shall be offered, subject to the first proviso to Sub-

section (1) of Section 83 of the Act, to the Members strictly in proportion to the existing shares held by each Member, and such offer shall be made by notice specifying the number of shares to which the offer, if not accepted, will be deemed to be declined. The further issue of capital shall be in accordance with provisions of Section 83 of the Act and the Companies (Further Issue of Shares) Regulations, 2018.

42. **Decline of offer within prescribed time:** Where the offer of new shares made to the Member in pursuance of Article 41 is declined or not subscribed either in whole or in part within the prescribed time the Directors shall offer the unsubscribed part to one or more institutions as may be specified by the Authority. If such institutions do not subscribe to the whole or any part of the offer, such whole or part shall be allotted and issued in such manner as the Directors may deem fit.
43. **Fractional shares:** The fractional shares shall not be offered to the Members becoming entitled to such fractional shares on the issue of new shares. All fractions less than a share shall be consolidated and disposed of by the Company, through the Company Secretary, and all the proceeds from such disposition shall be paid to Charitable Institution-“Waqf Faisal”, or to such other charitable institution as the Directors may determine.
44. **Conditions for issue of new shares:** Subject to any special rights or privileges for the time being attached to any issued shares the new shares shall be issued upon such terms and conditions, and with such rights and privileges annexed thereto as the resolution creating the same shall direct, and if no direction be given, as the Directors shall determine subject nevertheless to the provisions of the Act.
45. **Provisions relating to the new issue:** Before the issue of any new shares, the Directors may make provisions as to the allotment and issue of the new shares, and in particular may determine that the same shall be issued either at par or at a premium or, subject to the provisions of Section 82 of the Act, at a discount.
46. **New shares to rank pari passu with 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 the transfer and transmission, and otherwise. All new shares issued by the Company shall rank pari passu with the existing shares of the class to which the new shares belong in all matters including the right to such bonus or right issue and dividend as may be declared by the Company subsequent to the date of issue of such new shares.
47. **Rights amongst various classes of shares:** The right as amongst various classes of shares, if any, as to profits, votes and other benefits shall be strictly proportionate to the paid up value of shares, provided this is permissible under Islamic Sharia'a as determined by the Company's Shariah Board.

48. **Reduction of capital:** The Company may (subject to the provisions of Sections 85 and 86 to 97 of the Act) from time to time by Special Resolution cancel shares, which at the date of the resolution in that behalf, have not been taken or agreed to be taken by any person or reduce its capital by paying off capital or canceling capital which has been lost or is unrepresented by available assets or otherwise as may seem expedient.
49. **Reorganization of share capital:** The Company may by Special Resolution and subject to compliance with the requirements of Section 85 of the Act:
- (a) increase its authorized capital by such amount as it thinks expedient;
 - (b) Consolidate and divide its share capital into shares of larger amount than its existing shares;
 - (c) sub-divide its existing shares, or any of them, into shares of smaller amount than that fixed by the Memorandum of Association of the Company; and
 - (d) cancel any shares which at the date of passing of the resolution have not been taken or agreed to be taken by any person.
50. **Variation in rights on subdivision:** The resolution whereby any share is subdivided may determine that, as between the holders of the shares resulting from such subdivision, one or more of such shares shall have some preference or special advantage as compared with the others or other, subject to the provisions of Section 85 of the Act.
51. **Surrender of shares:** Subject to the provisions of Sections 86 to 97 (both inclusive) of the Act, the Directors may accept from any Member the surrender on such terms and conditions as shall be agreed, of all or any of his shares.
52. **Power of the Company to Purchase its Own Shares:** Subject to compliance with the provisions of Section 88 of the Act and the Listed Companies (Buy Back of Shares) Regulations, 2019, the Company may purchase its own shares.

POWERS TO OBTAIN FINANCE

53. **Power to obtain finance:** The Directors may from time to time at their discretion obtain finance or borrow any sum or sums of money for the purposes of the Company, subject to the Memorandum of Association and all applicable laws.
54. **Conditions on which finance may be obtained:** The Directors may secure the repayment or payment of any sum or sums in such manner and upon such terms and conditions in all respects as they think fit, and in particular:

- (i) by the creation of any mortgage or charge on the undertaking or the whole or any part of the property, present or future;
 - (ii) by the issue of redeemable capital or other securities of the Company charged upon all or any part of the property of the company, both present and future;
 - (iii) issue of promissory notes, bills of exchange and issuance bills;
 - (iv) furnishing guarantees and undertakings, depositing securities, shares and documents of title; and
 - (v) appointing attorneys giving them powers of executing documents, having them registered, selling and managing all the Company's properties, undertakings and business and furnishing or creating such other securities as may be considered expedient and for all or any of the purposes aforesaid or otherwise execute, complete and deliver such agreements and documents as may be required.
55. **Security may be assignable free from equities:** Debentures, debenture stock, bonds / sukuk, redeemable capital, participation term certificates, term finance certificates and other securities issued by the Company may be made assignable free from any equities between the Company and the person to whom the same may be issued.
56. **Issue at discount etc. with special privileges:** Debentures, debenture stock, bonds / sukuk, redeemable capital, participation term certificates, term finance certificates or other securities may be issued at discount, premium or otherwise and with any special privileges as to redemption, surrender, drawing, allotment of shares, attending and voting at General Meetings of the Company, appointment of Directors or otherwise as may be permissible by law.
57. **Bonds, etc. to be subject to control of Directors:** Any bonds, participation term certificates, term finance certificates or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be in the interest of the Company.
58. **Indemnity may be given:** If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due for the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

59. **Register of mortgage:** The Directors shall cause a proper register to be kept in accordance with the provision of Section 112 of the Act of all mortgages and charges specially affecting the property of the Company, and shall comply with the requirements of Sections 100 to 112 and 124 of the said Act in regard to the registration of mortgages and charges.
60. **Instruments of transfer:** Subject to the provisions of Section 74(1) and 74(5) of the Act, no transfer of registered debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the debentures.
61. **Notice of refusal to register transfer:** If the Directors refuse to register the transfer of any debenture, they shall, within fifteen (15) days from the date on which the instrument of transfer was lodged with the Company send to the transferee and the transferor notice of the refusal.
62. **Inspection of copies of mortgages:** The Company shall comply with the provisions of Section 112 of the Act as to allowing inspection of copies kept at the office in pursuance of Section 107 of the Act and as to allowing inspection of the Registers of Mortgages to be kept at the office in pursuance of Section 112 of the Act.
63. **Supplying copies of trust-deed to debenture holders:** The Company shall comply with the provisions of Section 63 of the Act as to supplying copies of any register of holders of debentures or of any trust-deed for securing any issue of debentures, on payment of the statutory fee.
64. **Right of debenture holders to accounts, etc:** Holders of debentures shall have the same right to receive and inspect the financial statements of the Company and the reports of the auditors and other reports as are provided to the ordinary shareholders of the Company.

STATUTORY AND GENERAL MEETINGS

65. **Statutory Meeting:** The Statutory Meeting of the Company shall be held at such place and time, within a period of 180 days from the date at which the Company is entitled to commence business or 9 months from the date of its incorporation , as the Directors may determine and in connection therewith the Directors shall comply with the provisions of Section 131 of the Act.
66. **Annual General Meeting:** Subject to Section 132 of the Act, an Annual General Meeting of the Company shall be held once at least in every calendar year, within a period of 120 (one hundred twenty) days following the close of the financial year at such time and place as may be determined by the Directors

66.A The member holding aggregate of 10% or more shareholding residing in a geographical location to participate in the General meeting can attend through Video link subject to 7 (seven) days prior notice to Company.

67. **Business at the Annual General Meetings:** The following business shall be transacted at an Annual General Meeting as ordinary business:

- (i) the approving of a dividend, if any;
- (ii) the consideration of the accounts and the financial statements;
- (iii) the reports of the Directors and the auditors;
- (iv) the appointment and fixation of remuneration of the auditors: and
- (v) the election of Directors.

Any other business transacted at an Annual General Meeting with the permission of the Chairman of the meeting and all business transacted at an Extraordinary General Meeting shall be special business.

68 **Other meetings and special matters:** All General Meetings other than Annual General Meetings and the Statutory Meeting shall be called Extraordinary General Meetings. The following special matters shall be decided only in a General Meeting of the Company:

- (i) any amendment to or change in the Memorandum and Articles of Association or any by-laws of the Company, including inter alia, recapitalization, increase or decrease of the capital or shares of the Company (except any increase or decrease of redeemable capital issued by the Company to obtain any Islamic mode of financing), any change in the number of Directors to be elected or any change in, or addition to, the business or purposes of the Company;
- (ii) any dissolution or liquidation of the Company; and
- (iii) the fixing of the compensation, direct or indirect, of Directors of the Company.

69. **Extraordinary General Meeting:** The Directors may whenever they think fit, call an Extraordinary General Meeting at such time and place as may be determined by them. An Extraordinary General Meeting shall also be called on requisition of the Members, as provided by Section 133 of the Act and Article 70 hereof.

70. **Calling of Extraordinary General Meeting:** The Directors may, whenever they deem fit, and they shall, on the requisition made by the Members representing not less than One tenth of the

voting power of the Company, forthwith proceed to convene an Extraordinary General Meeting and in the case of such requisition the following provisions shall have effect.

- (i) The requisition shall state the objects of the meeting and shall be signed by the requisitionists and deposited at the Office and may consist of several documents in like form each signed by one or more requisitionists.
- (ii) If the Directors of the Company do not proceed within twenty-one days from the date of the requisition being so deposited to cause a meeting to be called, the requisitionists or a majority of them in value may themselves convene the meeting, but any meeting so convened shall be held within 90 (ninety) days from the date of the deposit of the requisition.
- (iii) Any meeting convened under these Articles by the requisitionists shall be convened in the same manner as nearly as possible as the meetings are to be convened by the Directors but shall be held at the Office.
- (iv) A requisition by joint-holders of shares shall be signed by all such holders.

NOTICE OF GENERAL MEETINGS

71. Notice of Meetings:

- (i) Notice of every General Meeting shall be sent in the manner hereinafter mentioned at least twenty one days (but not more than 35 days) before the date of which the meeting is to be convened, to all such persons as are under these Articles or the Act entitled to receive such notices from the Company and shall specify the place and 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 the Stock Exchange listing the shares of the Company is situated.
- (ii) 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 the 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 in accordance with Section 134 (3) 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.

- (iii) Where a resolution is intended to be proposed for consideration at a General Meeting as a Special Resolution, a copy thereof shall be annexed to the notice convening such meeting.
 - (iv) If a Special Resolution is intended to be passed at a General Meeting, the notice convening that meeting shall specify the intention to propose the resolution as a Special Resolution.
 - (v) A notice for a General Meeting convened for the election of the Directors shall state the number of the Directors to be elected at that meeting and the names of the retiring Directors.
 - (vi) 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 137(3) of the Act.
72. **Omission to give notice not to invalidate a resolution passed:** In case in which notice of a meeting called by the Directors is given to the shareholders individually, the accidental omission to give notice to any of the shareholders or the non-receipt thereof shall not invalidate any resolution passed at any such meeting.

PROCEEDINGS AT THE GENERAL MEETINGS

73. **Quorum at the General Meetings:** Subject to the provisions of Section 135 (1) (a) of the Act, not less than ten (10) Members present personally or by video link who represent not less than twenty five per cent of the total voting power either of their own account or as proxies shall be a quorum for a General Meeting and no business shall be transacted at any General Meeting unless the quorum is present at the commencement of the meeting.
74. **Chairman of General Meeting:** The Chairman shall be entitled to take the chair at every General Meeting. If there be no Chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act as Chairman, any one of the Directors present may be elected as a Chairman and, if no Directors present be willing to take the chair, the Members present shall choose one of the Members to be the Chairman of the meeting.

- 75 **Proceedings when quorum is not present:** If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of the Members shall be dissolved; in any other case, it shall stand adjourned to the same day in the following week and at the same time and place. If at such adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the Members present personally or through video-link, being not less than two, shall be the quorum and may transact the business for which the meeting was called.
- 76 **Chairman may adjourn meeting:** The Chairman, with the consent of the meeting, may adjourn any meeting from time to time and from place to place.
- 77 **Business at adjourned meeting:** Except as provided by the Act in the case of the Statutory Meeting, no business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place.
- 78 **Notice of adjournment of meeting:** When a meeting is adjourned for ten (10) 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.
- 79 **Resolution how decided:** Every question submitted to a meeting shall be decided by a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded, in accordance with the provisions of the Act. A declaration by the Chairman that a resolution by show of hands, unless poll has been demanded, has been carried, or carried by a particular majority, or lost or not carried, by a particular majority, and an entry to that effect in the books 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.
- 80 **Evidence of Resolution where poll not demanded:** At any General Meeting resolutions 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 result of the show of hands) demanded by at least 10% of the members having the right to vote on the resolution present in person or by proxy or the Chairman of the Meeting or any Member or Members holding not less than one tenth of the issued capital carrying voting rights and unless a poll is so demanded, a declaration by the Chairman that a resolution has been carried or carried by a particular majority or lost or not carried by a particular majority and an entry to that effect in the books of the proceedings of the meetings shall be conclusive evidence of the fact without further proof or proportion of the votes recorded in favour of or against such resolution.
- 81 **Time for taking poll:** A poll demanded on the election of the Chairman or on a question of adjournment shall be taken forthwith and a poll demanded on any other question shall be taken

at such time, not more than fourteen days from the day on which it is demanded as the Chairman of the meeting may direct.

- 82 **Poll how taken:** A poll shall be taken in such manner as the Chairman of the meeting directs and the result of such poll shall be deemed to be the resolution of the Company in the General Meeting in which the poll was demanded. The demand for the poll may be withdrawn at any time by the person or persons who made the demand.
- 83 **Motion how decided in case of equality of votes:** In the case of equality of votes, whether on 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 casting vote in addition to his own vote or votes to which he may be entitled as a Member.
- 84 **Demand for poll not to prevent transaction of other business:** The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- 85 **Minutes of the General Meeting:** Minutes shall be made in books provided for the purpose of all resolutions and proceedings at General Meetings and any minutes, if signed by any one purporting to have been the Chairman of the meeting to which it relates or by the Chairman shall be receivable as evidence of the facts therein stated without further proof.
- 86 **Inspection of Minutes Book:** The books containing minutes of proceedings of General Meeting of the Company shall be kept at the Office and shall during business hours (subject to reasonable restriction as the Directors may from time to time or the Company in General Meeting impose so that not less than two hours each day be allowed for inspection) be open to the inspection of any Member without charge.
- 87 **Copies of Minutes Book:** Any Member shall at any time after seven days from the meeting be entitled to be furnished, within seven days after he has made a request in that behalf to the Company, with a copy of any minutes referred to above.

VOTES OF MEMBERS

88. **Votes:** Upon a show of hands every Member entitled to vote and present in person or by an agent duly authorized under a power of attorney shall have one vote and upon a poll every Member entitled to vote and present in person or by an agent duly authorized under a power of attorney or by proxy shall have one vote for every share held by such Member; provided that, subject to any exemption granted by the Federal Government under Section 93 of the Banking Ordinance, the voting rights of any one shareholder shall not exceed 5% of the total voting rights of all shareholders.

89. A Members may exercise voting rights at General Meetings through Electronic means, if the Company receives the requisition demand for poll in accordance with the Companies (e-voting) Regulation, 2016 and any amendment made from time to time, hereinafter refer to as E-Voting. The Company shall provide E-voting facility in accordance with the mandatory requirements prescribed under the said Regulation and amendments made to then from time to time by the Commission irrespective of anything contained in any other provision of their Articles and anything contradictory therein.
90. **Validity of vote:** No objection will be made to the validity of any vote except at the meeting or poll at which vote shall be rendered; any vote not disallowed at such meeting or poll, and whether given personally or by proxy, shall be deemed valid for all purposes whatsoever. In case of any dispute as to the admission or rejection of a vote, the Chairman shall determine the same and such determination shall be final and conclusive.
91. **Vote in respect of shares of deceased and bankrupt Members:** Any person entitled under the transmission clause to the transfer of any shares may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares provided that at least forty-eight hours before the time of holding the meeting, or adjourned meeting, as the case may be, in which he proposes to vote, he shall satisfy the Directors of his right to the transmission of such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
92. **Appointment of proxy:** Every proxy shall be appointed by an instrument in writing under the hand of the appointer or by an agent authorized under a power of attorney or if such appointer is a company or corporation under the common seal of the company or corporation or the hand of its attorney who may be appointer.
93. **Deposit of instruments of appointment:** No person shall act as proxy unless the instrument of his appointment or the power of attorney, if any, which is duly signed, shall be deposited at the office of the Company at least forty-eight hours before the time for holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, but no instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its extension, or in the case of the adjournment of any meeting held previously, on the expiration of such time.
94. **Custody of instruments:** If any such instrument of appointment be confined to the object of appointing proxy or substitute for attending at meetings of the Company it shall remain permanently or for such time as the Directors may determine, in custody of the Company, if embracing other objects, a copy thereof, examined with the originals shall be delivered to a Company to remain.

95. **Form of proxy:** Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form or to the effect following, or in the form set out in regulation 42 of Table "A" in the First Schedule to the Act.

FAYSAL BANK LIMITED

FORM OF PROXY

I, _____, a member of FAYSAL BANK LIMITED appoint
_____ of _____ whom failing
_____ of _____ as my proxy to vote
and act for me and on my behalf of the Annual/
Extraordinary General Meeting of the Company to be held on the _____ day of
_____, 20____ and at every adjournment thereof.

Dated _____ day of _____, 20____.

Signature

Address

96. **Validity of votes given by proxy notwithstanding death of member etc:** A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or of any power of attorney under which such proxy was signed, provided no intimation in writing of the death or revocation shall have been received at the office before the meeting.
97. **Vote in the case of joint owners of a share:** In the case of joint owners of a share, the Member whose name stands first in the Register, and no other joint owner, shall be entitled to vote in respect of such share.
98. **Chairman to be the judge of validity of any vote:** The Chairman of any meeting shall be the sole judge of the validity of every notice tendered at such meeting. The Chairman present at the meeting at which a poll is taken shall be sole judge of the validity of every vote tendered at such poll.
99. **Representation of corporation and company:** Any company or other corporation which is a Member of the Company may by resolution of its directors or other governing body authorize such person as it deems fit to act as its representative at any meeting of the Company, and the person so authorized shall be entitled to exercise the same powers on behalf of the Company or corporation which he represents, as that the Company or corporation could exercise if it were an individual Member of the Company. 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, fax, or radiogram which, if purporting to be sent by such company or corporation, need to be certified as a true copy as aforesaid.

DIRECTORS

100. **Number of Directors:** The Company shall have at least seven Directors other than the Director, if any appointed by the State Bank under Section 15-A of the Banking Ordinance or a Director or Directors, if any, nominated under Section 164 or 165 of the Act. The Directors shall fix the number of the elected Directors of the Company not later than thirty five (35) days before the convening of the General Meeting at which the Directors are to be elected, and the number so fixed shall not be changed except with the prior approval of the General Meeting of the Company.

101. **First Directors:** The following shall be the first Directors of the Company:

1. Mr. Ahmed Salah Jamjoom
2. Mr. Nabil Nassief
3. Mr. Moazzam Ali
4. H. H. Prince Amr Bin Mohammed Al-Faisal Al-Saud
5. Mr. Omar Abdi Ali
6. Mr. Imtiaz Alam Hanfi
7. Mr. Imtiaz Ahmed Pervez
8. Mr. Mahmood Faruqui
9. Mr. Mohammed Abdullah El-Khereiji

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

102. **Eligibility of the Director:** No person shall be appointed as a Director of the Company if he:

- (a) is a minor;
- (b) is of unsound mind;
- (c) has applied to be adjudicated as an insolvent and his application is pending;
- (d) is an un-discharged insolvent;
- (e) has been convicted by a court of law for an offence involving moral turpitude;

- (f) has been debarred from holding such office under any provision of the Act;
- (g) has betrayed lack of fiduciary behavior and a declaration to this effect has been made by the court under Section 212 of the Act at any time during the preceding five years;
- (h) is not a Member provided this clause shall not apply where the person:
 - (i) represents the government or an institution including multinational corporation or body corporate or an authority which is a member;
 - (ii) or is a whole time director who is an employee of the Company;
 - (iii) or represents the creditors;
 - (iv) is the Chief Executive
- (i) has been convicted by a Court of competent jurisdiction as defaulter in repayment of loan to a financial institution, a banking company, a Development Financial Institution or a Non-Banking Financial Institution.
- (j) is a member of a Stock Exchange engaged in the business of brokerage, or is a spouse of such member.
- (k) is a person whose name is not borne on the register of National Tax Payers except where such person is a non-resident.
- (l) does not meet the criteria of "Fit and Proper Test" as prescribed from time to time by the State Bank of Pakistan for appointment of President/Chief Executive Officer and Directors of a bank.

103. **Term of office of the Directors:** A Director including the Chairman shall hold office for a period of three years following the date from which his election or appointment is effective unless he earlier resigns becomes disqualified from being a Director or otherwise ceases to hold office.

104. **Qualification of the Directors:** Save as provided in Section 15B of the Banking Ordinance or Section 153 of the Act, the qualification of an elected Director of the Company. In addition to his being a Member, shall be holding of shares in the Company of the aggregate nominal value of Rs. 5000 (Rupees five thousand only) at least in his own name. A Director may act before acquiring his qualification shares, but shall acquire the same within two months from his appointment.

105. **Remuneration of the Directors:** Subject to the State Bank Requirements and approval of the shareholders in a General Meeting on a pre or post facto basis, the remuneration of a Director other than the Chief Executive Officer or an Executive Director for attending meetings of the Board and Committees of Directorsⁱ shall be such sum as may be fixed by the Directors.
106. **Remuneration of Chief Executive / Directors:** Subject to the State Bank Requirements, the terms and conditions and remuneration of the Chief Executive Officer and of whole time working Directors shall be determined by the Directors.
107. **Representative Directors:** In addition to the Directors elected or deemed to be elected by shareholders, the company may have directors nominated by the Company's creditors or other special interests by virtue of contractual arrangements.
108. **Directors may fill up casual vacancies:** Any casual vacancy occurring among the elected Directors may be filled up within by the Directors within the prescribed time frame as may be set by the Commission, but a person so appointed shall hold office maximum for the remainder of the term of the Director in whose place he is appointed.
109. **The Directors vacating office:** The office of a Director shall be vacated If:
- (a) he becomes ineligible to be appointed a Director on any one or more of the grounds specified in Section 153 of the Act, or
 - (b) he fails to obtain within two months of his appointment or at any time thereafter ceases to hold the qualification share, if any, necessary for his appointment; or
 - (c) he or any firm of which he is a partner or any private company of which he is a Director without the approval of the Company in General Meeting accepts or holds any office of profit under the Company other than that of a Chief Executive Officer or a legal or technical adviser or a banker; or
 - (d) 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 longest, without leave of absence from the Directors; or
 - (e) he or any firm in 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 182 of the Act; or
 - (f) he suspends payment to or compounds with his creditors; or
 - (g) he resigns his office by notice in writing addressed to the Company or to the

Directors, or

- (h) he is removed from the office by the Company in the General Meeting; or
 - (i) he suffers from any of the disabilities or disqualifications mentioned in Section 15-C and Section 20 of the Banking Ordinance.
110. **Power to appoint Alternate Director:** Any Director not permanently resident in Pakistan or any Director so resident but intending to be absent from Pakistan for a period of not less than three months may appoint any person with the approval of the Board of Directors to be an Alternate Director of the Company to act for him. Every such appointment shall be in writing under the hand of the Director making the appointment. An Alternate Director so appointed shall not be entitled to appoint another Director, but shall otherwise be subject to the provisions of the Articles with regard to Directors, but he shall not require any share qualification. An Alternate Director shall be entitled to receive notices of all meetings of the Board of Directors, and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally to perform all the functions of his appointer as Director in the absence of such appointer. An Alternate Director shall ipso facto cease to be an Alternate Director if his appointer comes or returns to Pakistan, or if the appointee is removed from office by notice in writing under hand of the appointer.

ELECTION AND REMOVAL OF DIRECTORS

111. **Eligibility for election and removal of Directors:** Any person until and unless disqualified in terms of condition herein set out in these Articles, who desires to offer himself for election shall, whether he is 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. 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.
112. **Procedure for election of Directors:** The provisions of this Article shall apply for the election of Directors by the Members in General Meeting from amongst the candidates eligible for election, namely:

- (a) Every Member present in person or by proxy or by virtue of E-voting shall have (subject to the provisions of Section 14 (1) (iv) of the Banking Ordinance and subject to any exemption granted by the Federal Government from such provisions in respect of any shareholder) 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 declared and so on until the total number of Directors to be elected has been so elected.
113. **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 subject to the provisions of Section 163 of the Act and Section 15-C and 41-A of the Banking Ordinance.

POWERS AND DUTIES OF THE DIRECTORS

114. **Powers of company vested in the Directors:** Subject to the provisions of Section 183 or any other provision of the Act, the business of the Company shall be managed by the Directors, who may pay all costs, charges and expenses incurred in setting up, promoting and registering the Company and expenses preliminary and incidental to the promotion formation establishment and registration of the Company and may exercise all such powers of the Company as are not by the Act and Banking 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 Act and Banking 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. The Directors may delegate to any employee of the Company or any other person, such of the powers exercisable by the Directors as they may deem fit and on such terms and conditions as they think expedient.
115. **Conditions on which the Directors may hold office of profit:** Subject to the State Bank Requirements, a Director of the Company or any 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, accept or hold any office of profit under the Company other than that of a Chief Executive Officer or a legal or technical advisor or a banker. Notwithstanding the

foregoing, except for any remuneration paid to the Non Executive Directors or the Chairman for attending meetings of the Directors or of Committees of Directors, no additional payment or perquisites shall be paid to any Non Executive Director or the Chairman. Furthermore, no consultancy or allied work will be awarded to the Non Executive Directors or to the firms/institutions/companies etc. in which they hold substantial interest (as described in the State Bank Requirements)

116. **Making of loans, etc.:** The Company shall not make any loan or provide any guarantee to any Director or any firm of which such Director is a partner or any private company of which such Director is a director except in accordance with the provisions of Section 182 of the Act, and Section 24 of the Banking Ordinance and any other direction, notification and / or circular issued by the State Bank of Pakistan from time to time.
117. **Directors may contract with the Company:** Subject to authorization being given by the Directors in accordance with these Articles and Section 183 (2) of the Act, 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 in which any Director of the Company shall be a member or partner 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 realized by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.
118. **The Directors' interest in contracts:** 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 205 of the Act. Except as provided in Section 207 of the Act, a Director shall not vote in respect of any arrangements 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 provision of Articles.
119. **The Directors' interest in appointment of the 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 of any Director of the Company is, in any way, whether directly or indirectly concerned or interested, and the Company shall inform the Members of such appointment or variation in the manner required by Section 213 of the Act 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 there from and otherwise.

120. **The Directors may be directors of a subsidiary, etc.:** A Director of the Company may be or become a director of any company promoted by the Company or in which it 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 company.
121. **The 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.

CHIEF EXECUTIVE

122. **Term of office of the subsequent Chief Executive:** Within fourteen days from the date of election of the Directors or the office of the Chief Executive Officer falling vacant, as the case may be, the Directors shall, subject to the State Bank Requirements, appoint any person, including an elected Director, to be the Chief Executive Officer, but such appointment shall be for a period not exceeding three years from the date of appointment.
123. **Eligibility of the Chief Executive:** No person who is ineligible to become a Director shall be appointed or continue as the Chief Executive Officer except as permitted by Section 153 of the Act and no person who is ineligible to be a Chief Executive Officer under the State Bank Requirements shall be appointed or continue as the Chief Executive Officer of the Company.
124. **Removal of the Chief Executive:** The Directors by resolution passed by not less than three fourths of the total number of the Directors for the time being, or the Company by a Special Resolution, may remove the Chief Executive Officer before the expiration of his term of office notwithstanding anything contained in these Articles or in any agreement between the Company and such Chief Executive Officer.

PROCEEDINGS OF DIRECTORS' MEETINGS

125. **Meeting of the Directors:** The Chairman may on his own motion and shall on the written request of at least two Directors, convene a meeting of the Directors, for the dispatch of business, and the Directors may adjourn and otherwise regulate their meetings and proceedings as they think fit. The Directors' meetings shall be held as per the provisions of the Act, directives and circulars of the Commission, State Bank Requirements and other applicable Laws and Regulations.

126. **The Chairman of the Board of Directors:** The Directors may elect a Chairman of their meetings and determine the period for which he is to hold office, or if no such Chairman is elected or if at any meeting the Chairman is not present at the time appointed for holding the same, the Directors present shall choose one of their number to be the Chairman of the meeting.
127. **Questions at meetings - how decided:** Questions arising at any meeting shall be decided by a majority of votes, and in case of an equality of votes the Chairman shall have a second or casting vote.
128. **Quorum:** The quorum for the meeting of the Directors shall be one third of their number or four, whichever is greater. An Alternate Director whose appointment is effective shall be counted in a quorum.
129. **Resolution by Circulation:** A resolution passed by circulation without any meeting of Directors, and signed by all the Directors, shall, subject to provisions of Section 179 of the Act , be as valid and effectual as a resolution duly passed at a meeting of the Directors called and held in accordance with the provisions of these Articles.
130. **Acts of Directors valid notwithstanding defect in appointment:** All acts done by any meeting of the Directors, or by any committee of Directors or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.
131. **Minutes, Executive Committee and Secretary:**
- (a) All minutes of the proceedings of the Directors shall be duly recorded and shall be signed by the Chairman of the meeting as recorded, or by the person who shall preside as the Chairman at the next succeeding meeting and all minutes purporting to be so signed shall for all purposes whatsoever be prima facie evidence of the actual passing of the resolution recorded and the actual and regular transaction or occurrence of the proceedings so recorded and of the regularity of the meeting at which the same shall appear to have taken place.
 - (b) The Directors may, as the business of the Company require and in accordance with the State Bank Requirements, constitute specialized committee(s) composed of a minimum of two Directors, fix the terms of reference of such specialized committee(s) and delegate powers thereto as the Directors may deem fit. These specialized committee(s) may be reconstituted by the Directors whenever deemed fit by them.
 - (c) The Directors may appoint a secretary for such term, at such remuneration and upon such conditions as they may deem fit and the secretary so appointed may be removed

by them. In the absence of the secretary, whether by appointment or otherwise, the Directors may appoint an assistant or deputy secretary or any other officer of the Company to perform the duties of the Secretary until such time that the secretary is appointed or assumes his responsibilities.

SHARIAH BOARD

132. Appointment of Shariah Board:

The Directors:

- (a) may appoint a Shariah Board as per the guidelines of Shariah Governance Framework issued by State Bank of Pakistan All members of Shariah Board will be sufficiently knowledgeable in Islamic principles,
- (b) may approve the terms of reference of the Shariah Board;
- (c) may at any time remove any member of Shariah Board and appoint another in his place; and
- (d) shall fill a casual vacancy in the office of a Shariah Board.

133. Other Procedures: The Shariah Board may adopt procedures to govern the holding of meetings, records, notices of meetings and other matters related to the affairs of the Religious Board. Remuneration of members of the Religious Board shall be decided upon and approved by the Directors.

THE SEAL

134 The Company Seal: The Directors shall provide a common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal, in lieu thereof, and the Directors shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by or under the authority of the Directors or a committee of the Directors and in the presence of at least one Director who shall sign every instrument to which the Seal is affixed.

135 Official Seal outside Pakistan: 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 provision of section 203 of the Act shall apply to the use of the Official Seal.

DIVIDENDS AND CAPITALIZATION OF PROFITS

- 136 **Dividend to be declared in the General Meeting:** Subject to the provisions of section 19 of the Banking Ordinance or section 240 of the Act and Article 141, the Company in General Meeting may declare a dividend to be paid to the Members according to their rights and interests in the profits, but no dividend shall exceed the amount recommended by the Directors.
- 137 **Payment of dividend:** No dividend shall be paid otherwise than out of profits of the year or any other undistributed profits. No dividend shall bear interest against the Company.
- 138 **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.
- 139 **Discharge by shareholders:** If several persons are registered as joint holders of any share, any one of them may give effectual receipts for any dividends payable on the share. Dividend may be paid by Cheque or warrant sent through post to the registered address of the Member or person entitled thereto, or in the case of joint holders, to the registered address of that one whose name stands first on the Register in respect of the joint holding. Several executors or administrators of the deceased Member in whose sole name any share stand shall, for the purposes of this Article, be deemed to be joint holders. Dividends to non- resident shareholders shall be remitted subject to any permission required from the State Bank-of Pakistan or any other authority. The Company shall not be liable or responsible for any Cheque or warrant lost in transmission or for any dividend lost to the Member or person entitled thereto by the forged endorsement of any Cheque or warrant or the fraudulent or improper recovery thereof by any other means.
- 140 **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.
- 141 **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.

Where shares of the Company have been issued or where dividend has been declared by the Company which remain unclaimed or unpaid for a period of three years from the date it is due and payable, the same shall vest with the Federal Government and the Company shall follow the procedure laid down in the Unclaimed Shares, Modaraba Certificates, Dividend, Other Instruments and Undistributed Assets Regulations, 2017 issued by the Commission, or any subsequent modification thereof.

- 142 **Payment of dividends in specie:** With the approval of the 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.

143 **Capitalization of profit:** Subject to the provisions of the Act any General Meeting may, upon the recommendation, of the Directors, resolve that any sum or sums representing the whole or any part of the profits of the Company for the time being undivided standing at the credit of 'its accounts or any sum or sums standing at the credit of any Reserve Account (including any Capital Reserve Account) or any sum or sums at any time received as premium upon the issue of any shares, debentures or debenture stocks of the Company or any amount or amounts arising by reason of any sale or other disposition of assets of the Company be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend on the shares and in the same proportions on the footing that they become entitled thereto as capital and that such capitalized fund be applied on behalf of such shareholders in paying up in full any un-issued shares or debentures or debenture stocks of the Company which shall be distributed accordingly and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum.

144 **Bonus shares etc.:** Subject to section 83 of the Act, whenever such a resolution as stated in Article 145 shall have been passed, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issue 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 provisions by the consolidation of fractional shares and disposing of them by payment in cash from the proceeds of such disposition, as they think fit in the case of shares or debentures becoming distributable in fractions, and also to authorize 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 to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized.

RESERVES

145 **Reserve Fund:** The Company shall create and maintain a reserve fund in accordance with Section 21 of the Banking Ordinance. In addition thereto, 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 equalizing dividends, or for any other purposes to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in

the investments (other than shares of the Company) as the Directors may, subject to the provisions of the Act, from time to time think fit.

- 146 **Cash Reserve:** Until the Company is declared a scheduled bank by the State Bank; the Company shall maintain cash reserve in accordance with Section 22 of the Banking Ordinance.

ACCOUNTS AND AUDIT

- 147 **Books of account:** The Company shall maintain and keep proper books of account and other records subject to section 34 of the Banking Ordinance and section 220 of the Act, which shall give a true and fair view of its state of affairs.
- 148 **Inspection of books:** The books of account and other documents shall be opened to inspection by the Directors during business hours. 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 the Members (not being Directors) and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Directors or by the Company in General Meeting.
- 149 **Annual Accounts:** The Directors shall, as required by the Act, cause to be prepared Annual Accounts and to be laid before the Members in General Meeting a Profit and Loss Account, Balance sheet and reports (including Directors' and auditors' reports and any other documents as are required to be attached to the Balance Sheet by the State Bank Requirements or any other law, rules and/or regulations), made up to a date not earlier than the date of the meeting by more than three months or as may be required by any Law or regulations, giving a true and fair view of the state of affairs of the Company.
- 150 **Dispatch of accounts to the Members:** A printed copy of every Profit and Loss Account, Balance Sheet and reports shall at least twenty one days before the meeting be sent to the registered address of every registered holder of shares of the Company and a copy shall also be deposited at the Office for the inspection of Members of the Company during a period of at least twenty one days before the meeting.
- 151 **Authentication of Accounts:** The Balance Sheet and the Profit and Loss Account of the Company shall be approved by the Directors and signed in the manner provided in Section 34 of the Banking Ordinance and Section 232 of the Act.
- 152 **Quarterly Accounts:** The Company shall prepare a profit and loss account for and balance sheet as at the end of the first, second and third quarter of its financial year and shall transmit the same to the Members and to the Stock Exchanges in which the shares of the Company are listed within such period as is prescribed by the Act and any other applicable legal requirements including posting of Accounts on Bank's Website.

- 153 **Audit:** Auditors shall be appointed and their duties regulated in accordance with sections 246 to 249 of the Act and section 35 of the Banking Ordinance.

NOTICE

154 **Notice to the Members:**

- (a) A notice may be given by the Company to any Member either personally or by courier or by sending it by post 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 giving of notices to him.
- (b) 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 court of post.

- 155 **Notice to Members having no registered address:** 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 the shareholders generally and advertised in a newspaper circulating in the place where the Office of the Company is situated, shall be deemed to be duly given to him on the day on which the advertisement appears.

- 156 **Publication in Newspaper:** Notice of all General Meetings shall in addition to its being dispatched in the normal course and as provided in Article 70, be also published at least in one issue each of a daily newspaper in English language and daily newspaper in Urdu language having circulation in the Province in which the Stock Exchange on which the Company is listed is situated. Any notice given by advertisement shall be deemed to have been given on the day on which the advertisement shall first appear.

Notice to joint holders: A notice may be given by the Company 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.

- 157 **Notice on persons acquiring share on death or insolvency of Members:** 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 addressed to them by name or by any like description, at the address (if any) in Pakistan supplied for the purpose by the persons claiming to be entitled, or (until such an address has been supplied) by giving notice in any manner in which the same might have been given if the death or insolvency had not occurred.

- 158 **Persons entitled to notice of General Meetings:** Subject to section 132 of the Act, notice of every General Meeting shall be given in such manner herein before authorized to:

- (a) every Member of the Company except those Members who (having no registered address within Pakistan) have not supplied to the Company an address within Pakistan for the giving of notices to them;
 - (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) to the auditors of the Company.
- 159 **Validity of notice:** Any notice or document delivered or sent by post to or left at the registered address of any Member in pursuance of these Articles shall, notwithstanding whether such Member be then deceased and whether or not the Company have notice of his demise be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member, until some other persons be registered in his stead as the holders or joint holders thereof and such service shall for all purposes of these Articles be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators, and all persons, if any, jointly interested with him in any such share.

WINDING UP

- 160 **Distribution of Assets:** Subject to the provisions of the Act, if the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital subscribed by them respectively at the commencement of the winding up; and if in, a winding up the assets available for distribution shall be more than sufficient to repay whole of the capital paid up at the commencement of the winding up, the excess shall be distributed among the Members in proportion to the capital subscribed by them respectively at the commencement of the winding up. However, this Article is to be without prejudice to the rights of the holders of shares issued, if any, upon special terms and conditions.
- 161 **Rights of the Members in case of sale:** Subject to the provisions of the Banking Ordinance and to section 356 of the Act, a Special Resolution sanctioning a sale to any other company duly passed may in like manner as aforesaid determine that any shares or other consideration receivable by the liquidator be distributed amongst the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said section.

SECRECY

- 162 **Secrecy:** Every Director, Manager, Auditor, Trustee, Member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by any General Meeting or by any Court of law and except so far as may be necessary in order to comply with any of the provisions in these Articles.
- 163 **The Members not entitled to inspect:** No Member shall be entitled to inspect any record of the Company without the permission of the Directors or to require disclosure of any matter or information respecting any details of the Company's business or any matter which is or may be in the nature of trade secret or mystery of trade which may relate to the conduct of business of the Company.

INDEMNITY AND RESPONSIBILITY

- 164 **Right to indemnity:** Contingent upon good faith and:
- (a) subject to the provisions of section 180 of the Act, every Director, Chief Executive, Manager, Secretary or other Officer or Employee of the Company shall be indemnified by the Company against any liability which any such Director, Chief Executive, manager, secretary or other officer or employee may incur or become liable by reason of any contract entered into or act done by him as such in the discharge of his duties and it shall be the duty of the Directors to pay, out of the funds of the Company, all such liability, costs, losses and expenses (including traveling expenses); and
 - (b) subject as aforesaid, every Director, Chief Executive, manager, secretary or other officers or employees of the Company shall be indemnified against any liability incurred by any of them in defending any proceedings whether civil or criminal, arising out of his dealings in relation to the affairs of the Company, except those brought by the Company against him, in which Judgment is given in his favour or in which he is acquitted, or in connection with any application under Section 492 of the Act in which relief is granted to him by the Court.
- 165 **The Directors not responsible for neglect or default of other Director:** Subject to the provisions of the Act, no Director or Directors or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for

or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposit or for any loss occasioned by any error of judgment or over sight on his part or for any other loss or damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto, unless the same shall happen through his own dishonesty.

ARBITRATION

- 166 **Differences to be referred to arbitrator:** Whenever any difference arises between the Company on the one hand and any of the Members, their executors, administrators or assigns on the other hand, touching the true intent or construction, or the incident or consequences of these Articles or of the statutes, or touching anything there or thereafter done, executed, omitted or suffered in pursuance of these Articles or of the statutes or touching any breach or alleged breach of these Articles, or any claim on account of any such breach or alleged breach, or otherwise relating to the premises, or to these Articles or to any statute affecting the Company or to any of the affairs of the Company, every such difference shall, as a condition precedent to any other action in law be referred, in conformity with the Arbitration Act, 1940, or any statutory modification thereof and any rules made there under, to the decision of an arbitrator to be appointed by the parties in difference or if they cannot agree upon a single arbitrator to the decision of two arbitrators of whom one shall be appointed by each of the parties in difference, or in the event of the two arbitrators not agreeing, then of an umpire to be appointed by the two arbitrators, in writing, before proceeding on the reference, and such decision, including a decision as to costs, if any, shall be final and binding on the parties.

AMENDMENTS AND MODIFICATIONS

- 167 **Amendments and Modifications:** These Articles may be amended from time to time in accordance with the provisions of Act and directions /circulars of the State Bank of Pakistan . Any reference to a specific provision of law (including, act, ordinance, order, regulation, rule, circular etc.) in these Articles shall be deemed to be automatically substituted and replaced by any corresponding replacement / modification of relevant provision of law to the extent not repugnant to the context of the relevant Article.

We, the several persons whose names and addresses are subscribed hereto 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:

S No.	Present And Former Name And Surname	Father's/Husband's Name in full	Nationality	Occupation/ Residential Address in Full	No. of Shares taken by each Subscriber	Signature	Date and Place
1.	MR. AHMED SALAH JAMJOOM	Mr.Mohammad Salah Jamjoom	Saudi	Businessman/ POB 1247, Jeddah 21431. Saudi Arabia	500 (Five Hundred)		
2.	MR. NABIL NASSIEF	Mr. Abdul Elah Nassief	Saudi	Banker/ Villa 25. Aldouh Al Sate' A Street (Al Nahda) Dist. Jeddah Saudi Arabia	500 (Five Hundred)		
3	MR. MOZZAM ALI	Mr. A lam Ali	Pakistani	Banker/21. South Acre, Hyde Park Crecent London W2 2QB	500 (Five Hundred)		
4.	H.H. PRINCE AMR BIN MOHAMMED AL-FAISAL AL-SAUD	H.R.H. Prince Mohammed Al-Faisal Al-Saud	Saudi	Businessman/ Queen Building, King Abdul Aziz Street, P.O. Box 10324 Jeddah-29444 Saudi Arabia	500 (Five Hundred)		
5.	MR. OMAR ABDI ALI	Mr. Abid Ali	Somalian	Service/14 Ch. Hameau, 1255 Veyrieh, Geneva, Switzerland	500 (Five Hundred)		
6.	MR. IMTIAZ ALAM HANFI	(Late) M.S.A. Hanfi	Pakistani	Banker/ D60, Block "F" North Nazimabad, Karachi (Pakistan)	500 (Five Hundred)		
7.	MR. IMTIAZ A PERVEZ	Sheikh Ghulam Mohammad Ahmed	Pakistani	Banker/ Villa # 5, Delmon Gardens, 959, Road 1728. Area 517, Saar, Bahrain	500 (Five Hundred)		
8.	MR.MAHMOOD FARUQUI	(Late) Justice A.S. Faruqui	Pakistani/ British	Corporate Lawyer/ 13 WoodHall Drive Dulwich, London SE 21, 7HJ, United Kingdom.	500 (Five Hundred)		
9.	MR. MOHAMMED ABDULLAH EL-KHEREIJI	Mr. Abdullah Abdul Karim El-Khereiji	Saudi	Businessman/POB: 8632 Jeddah 21492 Saudi Arabia.	500 (Five Hundred)		
Witness to above signature:							Date:-
Full Name		Father's Name	Occupation	Full Residential Address	Signature		
MUHAMMAD IQBAL		HAJI IBRAHIM	Chartered Accountant	R-1240 Block 17, F.B. Are Karachi (Pakistan)			