



Meezan Bank

The Premier Islamic Bank

September 08, 2015

CS/HBON-01/095/2015

✓ **The General Manager**
Karachi Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Dear Sir,

NOTICE OF EXTRAORDINARY GENERAL MEETING

We enclose a copies of the "Notice of Extraordinary General Meeting to approve the Scheme of Amalgamation" to be held on September 29, 2015 at 9:00 a.m. at Meezan House C-25, Estate Avenue, SITE, Karachi, published today in daily "Business Recorder" Karachi and daily "Express" Karachi for your information and record.

Yours truly,

Tasnimul Haq Farooqui
Company Secretary

Encls.

The Director
Enforcement Division
Securities and Exchange Commission of Pakistan
NIC Building
Blue Area
Jinnah Avenue
Islamabad.

Meezan Bank Ltd.

Meezan House. C-25, Estate Avenue, SITE, Karachi - Pakistan.
Tel : (92-21) 38103500 Fax : (92-21) 36406049 www.meezanbank.com

DAILY "BUSINESS RECORDER" KARACHI (DATED: SEP-08-2015)

میں رہے ایک بی بی عام قادیان میں رہے۔
 2016ء تک 10، 50، 100 اور 1000 روپے کے نوٹوں
 ڈیزائن کے بینک نوٹوں کی وصولی اور ان تمام بینکوں کا اتنی
 ہی مالیت کے نئے ڈیزائن کے بینک نوٹوں اور بینکوں سے
 تبادلہ جاری رکھیں گے تاہم ایس بی بی بی ایس سی کے فیلڈ
 رقم 31 دسمبر 2021 تک حوام سے 10، 50، 100 اور
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 رقم 31 دسمبر 2021 تک حوام سے 10، 50، 100 اور

کام ہو اس موقع پر 12 میچوں نے اپنے متعلقہ شعبوں میں
 بہتری کی کوششوں کو نمایاں کیا جو کازن فلاحی (مسلح)
 کی بنیاد پر کی گئی تھیں، 22 ویں کیو سی کوشش
 2015 میں جیتنے والی ٹیم جاپان میں ہونے والے عالمی کیو
 کوشش میں آئی ایم کی کی نمائندگی کرے گی۔



میزان بینک
 بینک برائے اسلامی بینک

اطلاع برائے غیر معمولی جنرل میٹنگ

انضمام کی اسکیم کو منظور کرنے کے لیے

دستاویز فراہم کرنا: (v) انضمام کے لیے نسلٹ، انٹرنی، ایڈوکیٹ، وکیل اور
 کونسل مقرر کرنا: (vi) اسٹیٹ بینک آف پاکستان کی ہدایت پر اور ضرورت
 پڑنے پر انضمام کی اسکیم میں ترمیم یا تبدیلیاں کی جاسکتی ہیں: (vii) قرداد کے
 بعد ادارے کو چند دوسرے اقدامات اور دستاویزات فراہم کرنا ضروری ہیں: اور
 (viii) عام طور پر انضمام کی صورت میں اسٹیٹ بینک آف پاکستان کو درکار تمام
 دستاویز جمع کر دینا، انضمام کے سلسلے میں یا اس سے متعلق کسی دوسری کارروائی میں
 متعلقہ سرٹیفکیٹ، درخواستیں، نوٹس، رپورٹس، لیٹرز اور کوئی دستاویز یا کسی بھی
 ترمیم شدہ اسٹرمینٹ یا اس معاملے میں کسی اور متبادل ترمیم کو جمع کر دینا جو
 اس انضمام یا اس کے نتیجے میں درکار ہوں گی۔

3- اجلاس کے سربراہ کی اجازت سے کسی دیگر کارروائی پر غور و خوض۔

کمپنیز آرڈیننس 1984 کی سیکشن (b)(1) 160 کے تحت انضمام کی اسکیم کی کاپی متعلقہ نوٹس
 کے ساتھ تمام شیئر ہولڈرز کو فراہم کی جا رہی ہے۔

محکمہ بورڈ
 تسنیم الحق قاروقی
 سینیئر سیکریٹری

کراچی
 08 ستمبر 2015

نوٹس:

(i) میٹنگ میں شریک ہو کر ووٹ دینے کے حق دار ممبران کے ناموں کے تھیں کے لیے
 کمپنی کے ممبران کا رجسٹر 21 ستمبر 2015 سے 29 ستمبر 2015 تک بند رہے
 گا (ووٹوں ایام شامل ہیں)۔

(ii) اس میٹنگ میں شرکت اور ووٹ دینے کا حق دار کوئی بھی ممبر کسی شخص کی میٹنگ میں حاضر
 ہونے اور ووٹ دینے کے لیے اپنا/اپنی نمائندہ مقرر کر سکتا/کتی ہے۔ باضابطہ مقرر، دستخط
 اور گواہی کے حامل نمائندگی کے تقرر سے میٹنگ کے انعقاد سے کم از کم اڑتالیس (48) گھنٹے
 پہلے بینک کے رجسٹرڈ آفس میں موصول ہونے کی صورت میں موثر سمجھے جائیں گے۔

(iii) میٹنگ میں ووٹ دینے کا اہل سینٹرل ڈیپازٹری کمپنی سے استفادہ کرنے والا فراہمی
 شناخت ثابت کرنے کے لیے شرکت کے شناختی نمبروں اور سب اکاؤنٹ نمبروں
 کے ساتھ اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ ساتھ لائے گا۔ نمائندہ ہونے کی
 صورت میں اپنے کمپیوٹرائزڈ قومی شناختی کارڈ کی تصدیق شدہ نقل منسلک کرنی ہوگی۔
 کاروباری ممبران کے نمائندے کو کمپنی کی دستاویزات ہمراہ لانی ہوں گی جو اس
 طرح کے مقاصد کے لیے درکار ہوتی ہیں۔

تمام متعلقہ افراد کو مطلع کیا جاتا ہے کہ میزان بینک لمیٹڈ کے ممبران کی ایک غیر معمولی جنرل
 میٹنگ انشاء اللہ بروز منگل 29 ستمبر 2015ء بوقت صبح 9:00 بجے بمقام میزان ہاؤس،
 C-25، اسٹیٹ ایونیو، سائٹ، کراچی منعقد ہوگی جس میں درج ذیل کارروائی پر
 غور و خوض کیا جائے گا:

عمومی کارروائی

1- 27 مارچ 2015ء کو منظور شدہ 19 ویں سالانہ جنرل میٹنگ کی کارروائی کی توثیق۔

خصوصی کارروائی

2- غور و خوض کے بعد اگر ممبران مناسب سمجھیں تو HSBC بینک عمان S.A.O.G. پاکستان
 آپریشن کی میزان بینک لمیٹڈ ("بینک") میں اور میزان بینک کے ساتھ
 انضمام کے لیے بینکنگ کمپنیز آرڈیننس 1962ء سیکشن 48 کے تحت انضمام کی اسکیم
 منظور کریں اور درج ذیل خصوصی قراردادیں کسی ترمیم کے ساتھ یا ترمیم کے بغیر
 منظور کر لیں۔

(i) قرار پایا کہ تمام قانونی منظوریوں کے بعد جس میں اسٹیٹ بینک آف پاکستان
 اور کمپنیشن کمیشن آف پاکستان کی منظوریوں بھی شامل ہیں، HSBC بینک
 عمان S.A.O.G.، پاکستان آپریشن کو انضمام کی اسکیم کے تحت اور اسٹیٹ
 بینک کی منظوری کے مطابق میزان بینک میں اور میزان بینک کے ساتھ ضم کر دیا
 جائے، ("Merger")

(ب) مزید قرار پایا کہ بینک کے بینکنگ کمپنیز آرڈیننس 1962ء کی سیکشن 48 کے
 تحت انضمام کی اسکیم کے اس منصوبے کو جو ممبران میں تقسیم کیا گیا ہے منظور کیا
 جائے، جو مشروط ہوگا کسی ایسی ترمیم کے ساتھ جو اسٹیٹ بینک آف پاکستان کی
 ہدایت کے مطابق کی جائے گی جس کی ضرورت کسی غلطی کی تصحیح، وضاحت یا
 تفصیل کے لیے ضروری ہوگی۔

(ج) مزید قرار پایا کہ بینک کے صدر اور چیف ایگزیکٹو آفیسر کو اجازت دی جاتی ہے
 کہ وہ خود یا کچھ دیگر ایگزیکٹو یا کسی آفیسر یا دیگر ذیلی کے ذریعے وہ تمام متعلقہ
 یا چھٹی اقدامات کرے جو اس انضمام کے لیے درکار ہیں جن میں درج ذیل
 اقدامات (مگر ان کی حد تک) شامل ہیں۔ (i) انضمام کی اسکیم میں چند
 ترمیم اور ضروری تبدیلیاں متعلق کی مناسب سے کی جاسکتی ہے: (ii) انضمام کی
 اسکیم کی منظوری کے لیے قانون کے مطابق تمام ضروری اقدامات اور عمل کرنا؛
 (iii) اسٹیٹ بینک آف پاکستان سے منظوری سے پہلے انضمام کی اسکیم جمع
 کر دینا؛ (iv) انضمام کے لیے حلف نامہ، اقرارنامہ، درخواستیں اور قانونی متعلقہ



Meezan Bank

The Premier Islamic Bank

NOTICE OF EXTRAORDINARY GENERAL MEETING TO APPROVE THE SCHEME OF AMALGAMATION

Notice is hereby given that an Extraordinary General Meeting of the Members of Meezan Bank Limited will be held Insha-Allah on Tuesday, September 29, 2015 at 9:00 a.m. at Meezan House, C-25, Estate Avenue, SITE, Karachi to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of the 19th Annual General Meeting held on March 27, 2015 at Karachi.

SPECIAL BUSINESS

2. To consider and if thought fit, approve the Scheme of Amalgamation for the amalgamation of HSBC Bank Oman S.A.O.G. Pakistan Operations into and with Meezan Bank Limited ("Bank"), pursuant to Section 48 of the Banking Companies Ordinance, 1962 and pass the following special resolutions with or without modifications:
 - a. *Resolved that subject to all regulatory approvals required, including approval of the State Bank of Pakistan and the Competition Commission of Pakistan, HSBC Bank Oman S.A.O.G. Pakistan Operations be and is hereby approved to be amalgamated with and into the Bank in accordance with the Scheme of Amalgamation to be sanctioned by the State Bank of Pakistan ("Merger").*
 - b. *Resolved further that the Scheme of Amalgamation under the provisions of Section 48 of the Banking Companies Ordinance, 1962 as circulated to the members of the Bank be and is hereby approved, subject to any modification which may be carried out as per requirements of the State Bank of Pakistan and/or for purposes of rectifying any error, clarification or elaboration.*
 - c. *Resolved further that President and CEO of the Bank, be and is hereby authorized either by himself or by appointing the Company Secretary or any officer/ external lawyer, to take all steps necessary, ancillary and incidental of the Merger including but not limited to (i) making such modifications and alteration to the Scheme of Amalgamation as may be deemed expedient; (ii) take all necessary steps and do all acts, things and deeds, as may be required by the law, for the purpose of approval of the Scheme of Amalgamation; (iii) submit the Scheme of Amalgamation before the State Bank of Pakistan for sanction; (iv) execute and deliver affidavits, affirmations, petitions and or other documents as may be required in respect of the Merger; (v) appoint consultant, attorneys, advocates, pleaders and counsel in respect of the Merger; (vi) make such alteration and modification in the Scheme of Amalgamation as the State Bank of Pakistan may require; (vii) take such other steps and execute such other documents as may be necessary or expedient for the purpose of giving effect to the spirit and intent of above resolutions; and (viii) generally to submit all such documents as may be required by the State Bank of Pakistan in relation to the Merger, executing all such certificates, applications, notices, reports, letters and any other document or instrument including any amendments or substitutions to any of the foregoing as may be required in respect of the Merger or any action incidental thereto.*
3. To transact any other business with the permission of the chair.

A statement under section 160(1)(b) of the Companies Ordinance, 1984 and a copy of Scheme of Amalgamation are being sent to the Shareholders along with this notice.

By Order of the Board

Karachi
September 08, 2015


Tasnimul Haq Farooqui
Company Secretary

Notes:

- i) The Members' Register will remain closed from September 21, 2015 to September 29, 2015 (both days inclusive) to determine the names of members entitled to attend and vote in the meeting.
- ii) A member eligible to attend and vote at this meeting may appoint any person as proxy to attend and vote in the meeting. Proxies in order to be effective must be received at the Registered Office of the Bank, duly stamped, signed and witnessed, not less than forty eight (48) hours before the holding of the meeting.
- iii) An individual Beneficial Owner of the Central Depository Company, entitled to vote at this meeting must bring his/her Computerized National Identity Card alongwith the participant ID numbers and sub account numbers with him/her to prove his/her identity, and in case of proxy must enclose an attested copy of his/her Computerized National Identity Card. Representatives of corporate members should bring the usual documents required for such purposes.

STATEMENT UNDER SECTION 160 (1) (b) OF THE COMPANIES ORDINANCE, 1984

This statement sets out the material facts concerning the resolutions contained in item (2), of the Notice pertaining to the special business to be transacted at the Extraordinary General Meeting of the Bank to be held on September 29, 2015.

Scheme of Amalgamation:

The Bank has obtained approval of the Board of Directors and has also obtained in-principle approval of State Bank of Pakistan to proceed with the Merger in accordance with the provisions of Section 48 of the Banking Companies Ordinance, 1962, as a result of which the entire undertaking of HSBC Bank Oman S.A.O.G., Pakistan Branch including all properties, assets, receivables, liabilities and all other rights and obligations of HSBC Bank Oman S.A.O.G., Pakistan Branch shall stand amalgamated and merged with and into the Bank.

The merger shall be effected by way of a Scheme of Amalgamation in accordance with the provisions of Section 48 of the Banking Companies Ordinance, 1962 which is required to be approved by the shareholders of the Bank and sanctioned by the State Bank of Pakistan.

The Bank has entered into an Amalgamation Agreement dated June 25, 2015 with HSBC Bank Oman S.A.O.G pursuant to which the draft of the Scheme of Amalgamation has been agreed with HSBC Bank Oman S.A.O.G and the State Bank of Pakistan has given approval to process the Merger on the basis of approval from shareholders of the Scheme of Amalgamation and therefore the Special Resolutions are proposed to be passed by the shareholders.

As a consequence of the Merger, no additional/new shares of the Bank are contemplated to be issued to HSBC Oman S.A.O.G.

None of the Directors of the Bank have any personal interest in the aforesaid Special Resolutions except in their capacity as shareholders or Directors of the Bank.



Meezan Bank

The Premier Islamic Bank

**PROXY FORM
EXTRA ORDINARY GENERAL MEETING**

The Company Secretary
Meezan House C-25,
Estate Avenue, SITE,
Karachi, Pakistan.

I/We _____ of _____ being a member(s) of Meezan Bank Limited
and holder of _____ ordinary shares as per Share Register Folio No. _____
and/or CDC Participant I.D No. _____ and Sub Account No. _____
do hereby appoint _____ of _____
or failing him/her _____ of _____ as my/our proxy to vote and act for
me/us on my/ our behalf at the Extraordinary General Meeting of Meezan Bank Ltd. to be held on Tuesday,
September 29, 2015 at Meezan House C-25, Estate Avenue, SITE, Karachi, and at any adjournment thereof.

Signed this _____ day of _____ 2015.

Witness:

Signature _____

Name _____

Address _____

CNIC No. _____

Please affix
Rupees five
revenue stamp

Signature of Member(s)

Notes:

1. Proxies in order to be effective, must be received by the company not less than 48 hours before the meeting.
2. CDC Shareholders and their Proxies are each requested to attach an attested photocopy of their Computerized National Identity Card or Passport with this proxy form before submission to the company.

PLEASE
AFFIX
CORRECT
POSTAGE

The Company Secretary
Meezan Bank Limited
Meezan House C-25,
Estate Avenue, SITE,
Karachi, Pakistan.

**HBON BRANCH BUSINESS
AND
MEEZAN BANK LIMITED
AMALGAMATION SCHEME 2015
(for the transfer of Banking Business in Pakistan)**

SCHEME DOCUMENT

HBON BRANCH BUSINESS AND MEEZAN BANK LIMITED AMALGAMATION SCHEME

Under Section 48 of the Banking Companies Ordinance 1962 (LVII of 1962) of Pakistan:

1. NAME

This Scheme of Amalgamation shall be called the "HBON Branch Business and MBL Amalgamation Scheme 2015" (the **Scheme**).

2. DEFINITIONS

For the purposes of this Scheme:

- (a) **Amalgamation Consideration** is defined in clause 9;
- (b) **Business Day** means a day (other than a Friday or Saturday or Sunday or a legal holiday for financial institutions as announced by the State Bank or the Oman Central Bank) on which commercial banks in Karachi, Pakistan and Muscat, Oman are open for the transaction of normal banking business
- (c) **Business Names** means all trade and business names and marks (whether or not registered) and any other business, logo, device, format or style owned or used by HBON (or any member of HBON's Group) whether in connection with the HBON Branch business or otherwise;
- (d) **Capital Deposit** means the capital deposit amount of US\$39,964,224.58 deposited in USD by HBON with the State Bank for the purposes of Section 13 of the Ordinance;
- (e) **Effective Date** means close of banking business in Karachi, Pakistan on the date set out in the Scheme Effect Notice;
- (f) **Employees and Contracted Staff** means those: (i) employees; and (ii) staff retained through third party service providers of HBON or any member of HBON's Group who are wholly or mainly engaged in the HBON Branch Business (including those identified by HBON as supporting the HBON Branch Business) as at the Effective Date;
- (g) **Encumbrance** means any mortgage, charge, pledge, hypothecation, lien, option, restriction, right of first refusal, right of pre-emption, claim, right, power of sale, retention of title, or preference granted to any third party, or any other encumbrance or security interest of any kind have a similar effect to any

of them (or an agreement, arrangement or commitment to create any of the same);

- (h) **Fixed Assets, Software and Applications** means the fixed assets, software and applications that the parties agreed on or around the date of this Agreement will transfer to MBL;
- (i) **Head Office Related Assets** means the assets described in Part 1 of Annexure C attached hereto;
- (j) **Head Office Related Business** means any contracts, products or services (or any other banking or other business relationship) which any customer of the HBON Branch Business (excluding for the purposes of this definition, any reference to the 'Head Office Related Matters' in the definition of 'HBON Branch Business') has or receives with, or from, any offshore branch, or branch not located in Pakistan, of HBON or any other member of HBON's Group;
- (k) **Head Office Related Contracts** means contracts of the type described in Part 2 of Annexure C attached hereto;
- (l) **Head Office Related Matters** means the Head Office Related Assets, Head Office Related Contracts and the Head Office Related Business;
- (m) **HBON** means HSBC Bank Oman S.A.O.G, a company incorporated in Oman and having its registered office at P.O. Box 1727, Postal Code 111, CPO Seeb, Sultanate of Oman;
- (n) **HBON Branch Business** means the banking business and operations carried on by HBON at or through its branch offices in Pakistan (set out in Annexure B attached hereto) as at the Effective Date but does not include the Head Office Related Matters;
- (o) **HBON's Group** means HBON and each company which is a Subsidiary or Parent Company of HBON or any other Subsidiary of such Parent Company, in each case from time to time;
- (p) **Information Technology Assets** means all software and applications included in the Fixed Assets, Software and Applications and/or information technology infrastructure hardware exclusively used in the HBON Branch Business and owned by HBON, including any printers, cables, Uninterruptible Power Supply, modems, telephones, scanners, desktops, laptops, routers and generators situated at the Leased Properties;
- (q) **Intellectual Property** means copyrights, (including, without limitation, rights in computer software), patents, trademarks, trade names, service marks, business names (including, without limitation, internet domain names), design rights, database rights, semi-conductor topography rights, know-how, rights in undisclosed or confidential information, and all other intellectual property or similar proprietary rights of whatever nature (whether registered or not and

including, without limitation, applications to register or rights to apply for registration) which may now or in the future subsist anywhere in the world;

(r) **Intellectual Property Rights** means all:

- (i) patents, the registered trade and service marks, registered designs (and applications for any of them) and internet domain names;
- (ii) Business Names;
- (iii) copyright and unregistered design rights; and
- (iv) all other Intellectual Property which is owned or used by HBON (or any member of HBON's Group) whether or not used or enjoyed in connection with the HBON Branch Business;

(s) **Law** means any applicable treaty, law, regulation or ordinance or any applicable principle of common law, civil law or equity or any direction, instruction, codes, guidelines, pronouncement, requirement or decision of an applicable Relevant Authority which is binding;

(t) **Leases** means the leases, under which HBON holds the Leased Properties as tenant;

(u) **Leased Properties** means the properties leased to the HBON Branch Business, as detailed in **Annexure A** attached hereto;

(v) **Liabilities** means any and all debts, liabilities (including, for the avoidance of doubt, liabilities for or relating to Tax), commitments, Encumbrances and obligations of any kind, whether present or future, whether fixed, contingent or absolute, matured or unmatured, liquidated or unliquidated, accrued or not accrued, asserted or not asserted, known or unknown, determined, determinable, disputed, the subject matter of legal proceedings before any court or otherwise, and whether owed or incurred severally or jointly or as principal or surety, whenever or however arising (including whether arising out of any contract, common law, statute, tort based on negligence or strict liability or otherwise), and whether or not the same would be required by any relevant accounting standards to be reflected in financial statements or disclosed in the notes thereto;

(w) **MBL** means Meezan Bank Limited, a banking company incorporated in Pakistan whose registered office is at Meezan House, C-25 Estate Avenue, S.I.T.E., Karachi, Pakistan;

(x) **Ordinance** means the Banking Companies Ordinance 1962 (LVII of 1962) of Pakistan;

(y) **Pakistan** means the Islamic Republic of Pakistan;

- (z) **Parent Company** means any company which holds a majority of the voting rights in another company, or which is a member of another company and has the right to appoint or remove a majority of its board of directors, or which is a member of another company and controls a majority of the voting rights in it under an agreement with other members, in each case whether directly or indirectly through one or more companies;
- (aa) **PKR** means Pakistan Rupees, the lawful currency of Pakistan from time to time;
- (bb) **Retained IT Assets** means all information technology infrastructure and systems owned or used by HBON (or any member of HBON's Group), including hardware, software (in both object and source code), firmware, networks and connecting media, and all manuals and other documents relating thereto but excluding the Information Technology Assets and excluding the Fixed Assets, Software and Applications;
- (cc) **Relevant Authority** means any supervisory body, any banking or financial services or other regulatory authority, relevant securities commissions, listing authority, stock exchange authorities, foreign exchange authorities, foreign investment authorities, competition and anti-trust authorities or similar entities or authorities, any federal or local government, government department, or governmental, quasi-governmental, supranational, statutory, regulatory or investigative body, authority, agency, bureau, board, commission, court, association, institution, department, court of judicial authority, arbitrator, tribunal or instrumentality thereof in any applicable jurisdiction relevant to the Business and/or HBON, including a Tax Authority or any other such body to which the Parties are subject, the Securities Exchange Commission of Pakistan, Federal Board of Revenue, Sindh Revenue Board, Punjab Revenue Authority, Khyber Pakhtunkhwa Revenue Authority, Competition Commission of Pakistan, the Jersey Financial Services Commission, Central Bank of Oman and the State Bank;
- (dd) **Scheme Effect Notice** means a joint written notice by HBON and MBL notifying the State Bank of the Effective Date;
- (ee) **the State Bank** means the State Bank of Pakistan established under the State Bank of Pakistan Act, 1956;
- (ff) **Statutory Records** means all books, files, registers, documents, correspondence, papers and other records as are required by Law or by a Relevant Authority to be kept by HBON and retained in its possession;
- (gg) **Subsidiary and Subsidiaries** means any company in relation to which another company is its Parent Company;
- (hh) **Tax or Taxation** includes, without limitation, (a) taxes on gross or net income, profits and gains, and (b) all other taxes, levies, duties, imposts, charges and withholdings of any fiscal nature, including any excise, property, capital value, wealth, land transaction, value added, sales, use, occupation,

transfer, franchise and payroll taxes, any social security, workers welfare fund or social fund contributions, any zakat and any stamp duties and customs duties, and any payment whatsoever which the relevant person may be or become bound to make to any person as a result of the discharge by that person of any tax which the relevant person has failed to discharge, together with all penalties, fines, charges and interest relating to any of the foregoing or to any late or incorrect return in respect of any of them, and regardless of whether such taxes, levies, duties, imposts, charges, withholdings, penalties fines, and interest are chargeable directly or primarily against or attributable directly or primarily to the relevant person or any other person and of whether any amount in respect of them is recoverable from any other person;

- (ii) **Tax Authority** means any taxing or other authority competent to impose any liability in respect of Taxation or responsible for the administration and/or collection of Taxation or enforcement of any Law in relation to Taxation; and
- (jj) **USD** means United States Dollars, the lawful currency of the United States of America from time to time.

3. OBJECT OF THE SCHEME

The principal object of the Scheme is to effect an amalgamation of the HBON Branch Business with and into MBL by transferring to and vesting in MBL the HBON Branch Business, as of the Effective Date.

4. OPERATIVE DATE AND THE DATE OF COMING INTO FORCE OF THE SCHEME

The Scheme shall become operative and binding on the Effective Date, provided that the Scheme shall lapse and be of no legal effect unless the Effective Date occurs within 90 calendar days of the date on which the State Bank passes an order sanctioning the Scheme in terms of Section 48 of the Ordinance (or within such other time period as may be set out in such order by the State Bank).

5. AMALGAMATION

- (a) With effect from the Effective Date, the undertaking of the HBON Branch Business, including all the properties, assets, Liabilities, rights and obligations of the HBON Branch Business as at the Effective Date shall, without any further act, action or deed and notwithstanding the terms of any contract or other document or any rule of law, stand amalgamated with and into MBL and as a consequence the HBON Branch Business shall stand amalgamated with and into MBL.
- (b) Subject to clause 5(c), the undertaking of the HBON Branch Business shall include (without limitation):
 - (i) all rights, benefits and powers including those arising from or relating to any and all agreements, contracts, security and financing documents, guarantees, letters of credit, negotiable instruments, security interests (including without limitation mortgages, charges, promissory notes,

liens, rights of combination or set-off, pledges, indemnities, hypothecations and other security for the payment or discharge of any liability) executed by or in favour of the HBON Branch Business and rights, benefits and powers in respect of any leases, loans, advances, finances and/or other banking and credit facilities provided by the HBON Branch Business, the right to rely on representations, rights of estoppel, powers, authorities, privileges, licences, permits, authorisations, and other permissions whatsoever of the HBON Branch Business subsisting as at the Effective Date; and

- (ii) all properties and assets, movable or immovable (including the Leases) of whatsoever nature and all deposits, cash balances, reserves, revenue balances, investments and all title, rights or interest in or arising out of such property as may belong to or be in the possession (physical or constructive) of the HBON Branch Business as at the Effective Date; and
 - (iii) all books of account and documents of the HBON Branch Business as at the Effective Date; and
 - (iv) all debts, borrowings, Liabilities, commitments and other obligations of the HBON Branch Business of whatever kind as at the Effective Date (whether actual or contingent, disclosed and undisclosed).
- (c) The Head Office Related Matters and all contracts of personal service between HBON or any member of HBON's Group and any Employees and Contracted Staff do not form any part of the "undertaking" of the HBON Branch Business referred to in clause 5(a) above and are outside the purview of the Scheme.

6. MBL'S OBLIGATIONS

As of and after the Effective Date, MBL shall undertake, pay, satisfy, discharge, perform and fulfil all the Liabilities and any other debts, contracts, engagements, commitments and obligations whatsoever relating to the HBON Branch Business, and all agreements, contracts, deeds, bonds, powers of attorney, grants of legal representation, guarantees, letters of credit, outstanding cheques, demand drafts, pay orders, negotiable instruments and other recorded instruments of whatever kind subsisting or having effect as at the Effective Date, to which the HBON Branch Business is a party, shall have the same force and effect against MBL as they had against the HBON Branch Business before the Effective Date, and may be enforced or acted upon as fully and effectually as if, instead of the HBON Branch Business, MBL had been a party thereto or as if the same had been issued by or in favour of MBL. On and from the Effective Date, HBON shall stand discharged from all Liabilities in relation to the HBON Branch Business, regardless of the date on which such Liabilities arose or may arise.

7. LEGAL PROCEEDINGS

- (a) All tax assessments, suits, appeals and other legal proceedings (including arbitration proceedings) of whatsoever nature by or against the HBON Branch

Business and which shall be current or pending as at the Effective Date in or before any court, tribunal or other authority shall be continued prosecuted and enforced by or against MBL, and the same shall not abate, be discontinued or be in any way prejudicially affected by the provisions of the Scheme and any judgment, order or award obtained by or against the HBON Branch Business and not fully satisfied before the Effective Date shall, to the extent enforceable, be enforceable by or against MBL and any rights of action enforceable by, or available to the HBON Branch Business, shall become enforceable by or available to MBL.

- (b) All books and other documents which would have been evidence in respect of any matter, for or against the HBON Branch Business shall be admissible in evidence in respect of the same matter for or against MBL.
- (c) Where by virtue of the Scheme any claim or liability of the HBON Branch Business becomes a claim or liability of MBL, MBL shall have the same rights, claims, powers and remedies (and in particular the same rights, claims and powers as to taking or resisting legal proceedings or making or resisting applications to any authority) for ascertaining, perfecting or enforcing that claim or liability as if it had at all times been a claim or liability of MBL, and any legal proceedings or application to any authority by or against the HBON Branch Business may be continued by or against MBL.

8. EMPLOYEES AND CONTRACTED STAFF

The Employees and Contracted Staff shall not transfer automatically to MBL by virtue of this Scheme.

9. CONSIDERATION

The consideration for the amalgamation shall be an amount to be determined on the basis of the net asset value of the HBON Branch Business as at the Effective Date (the **Amalgamation Consideration**).

10. RELEASE OF CAPITAL DEPOSIT

Following the sanctioning of the Scheme and concurrently upon the receipt of the Scheme Effect Notice by the State Bank, the State Bank shall release and effect the transfer of HBON's Capital Deposit directly to HBON on terms advised jointly in writing by HBON and MBL.

11. BANKING AND BRANCH LICENCES

With effect from the Effective Date, all banking and branch licenses issued by the State Bank to the HBON Branch Business shall stand cancelled and the HBON Branch Business shall become the branches of MBL and shall be authorized to transact banking business.

12. AMENDMENT AND MODIFICATION

No amendment or modification of the Scheme shall be binding unless requested jointly by HBON and MBL and approved by the State Bank.

13. GOVERNING LAW

The Scheme shall be governed by and be construed in accordance with the substantive and procedural Laws of Pakistan.

14. STATE BANK OF PAKISTAN'S DIRECTIONS

For the purposes of giving effect to the objects of the Scheme and for removing any lacuna, doubt or ambiguity contained in the Scheme, the State Bank may issue directions, either generally or specially, to MBL and such directions shall be final and binding on it.

15. HEADINGS

Clause headings are not to be considered part of the Scheme, but are solely for convenience of reference, and shall not affect the meaning or interpretation of the Scheme or any of its provisions.

16. SEVERABILITY

If any provision of the Scheme is found to be unlawful and unenforceable by a competent court of law, then to the fullest extent possible all of the remaining provisions of the Scheme shall remain in full force and effect.

ANNEX A TO SCHEME OF AMALGAMATION

DETAILS OF LEASED PROPERTIES OF HBON BRANCH BUSINESS

List of Leased Properties owned by HBON Branch Business

Number	Description	Landlord/ Lessor	Tenant/ Lessee	Date of Tenancy Agreement/ Lease agreement	Term
1	Ground and mezzanine floor, "Nadir House", I.I Chundrigar Road, Karachi	Eduljee Dinshaw (Private) Limited	HBON	17 October 1995 (automatically renewed for a further 15 year term on 17 October 2010)	15 years
2	Tenement No. 8B(i), First floor, "Nadir House", I.I Chundrigar Road, Karachi	Eduljee Dinshaw (Private) Limited	HBON	16 February 1998 (automatically renewed for a further monthly term at the end of each term)	Monthly
3	Tenement No. 10, First floor, "Nadir House", I.I Chundrigar Road, Karachi	Eduljee Dinshaw (Private) Limited	HBON	10 January 2002 (automatically renewed for a further monthly term at the end of each term)	Monthly

ANNEX B TO SCHEME OF AMALGAMATION

DETAILS OF HBON'S BRANCHES IN PAKISTAN

BRANCH	ADDRESS
HBON Karachi Branch	I.I Chundrigar Road, Karachi

ANNEX C TO SCHEME OF AMALGAMATION

Part 1 - The Head Office Related Assets

1. All Intellectual Property and Intellectual Property Rights belonging to HBON or any member of HBON's Group, including those used by or in connection with the HBON Branch Business.
2. The benefit and burden of the Head Office Related Contracts.
3. The Statutory Records.
4. All Retained IT Assets.
5. Assets, rights and properties which relate in any way to the Head Office Related Business.
6. Such amount of the Capital Deposit to be remitted to HBON as advised to the State Bank of Pakistan, jointly in writing by HBON and MBL pursuant to clause 10 and the Scheme Effect Notice.

Part 2 - The Head Office Related Contracts

1. All policies and contracts of assurance, insurance, indemnity or as to credit risk at any time effected or maintained by HBON and in force at the Effective Date.
2. All guarantees, deposit contracts, bills of exchange and any other form of security whatsoever in each case used to secure obligations under loan agreements with customers of the Head Office Related Business.
3. All contracts, securities, guarantees, indemnities, risk allocation letters or letters of support, in each case whether written or unwritten, between HBON and any other member of HBON's Group (or, as the case may be, between HBON in its capacity as the Pakistan branch and HBON in another capacity), other than such contracts which relate to "nostro" or other deposit accounts which have a positive balance and which are held by HBON or any member of HBON Group with HBON in its capacity as the Pakistan branch.