NOTICE OF THE TENTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF SUMMIT BANK LIMITED

NOTICE is hereby given that the Tenth Annual General Meeting of the Shareholders (the **"Shareholders"**) of Summit Bank Limited (the **"Bank"**) will be held on March 30, 2016 at 11:00 a.m. at Serena Hotel, Islamabad to transact the following business:

AGENDA

Ordinary Business:

1. To confirm the minutes of the Ninth Annual General Meeting of the Bank held on March 30, 2015.

2. To receive, consider and adopt the audited financial statements of the Bank together with the Directors' and Auditors' Reports for the year ended December 31, 2015.

3. To appoint the new external auditors of the Bank for the year ending December 31, 2016 and fix their remuneration thereof.

   (The present auditors M/s. Ernst & Young Ford Rhodes Sidat Hyder, Chartered Accountants have completed their five years term of audit engagement services with the Bank and are not eligible for re-appointment in accordance with the requirements of the Code of Corporate Governance, 2012 as applicable on Banks in Pakistan).

4. To elect seven directors as fixed by the Board in accordance with the relevant provisions of the Companies Ordinance, 1984 for a period of three years commencing from April 1, 2016. The following retiring directors being eligible have offered themselves for re-election:

   I. Mr. Nasser Abdulla Hussain Lootah
   II. Mr. Husain Lawai
   III. Mr. Muhammad Zahir Esmail
   IV. Mr. Asadullah Khawaja
   V. Mr. Shehryar Faruque
   VI. Mr. M. Farid Uddin
   VII. Mr. Saleem Zamindar

Special Business:

5. To consider and if deemed fit, pass the following resolution as a 'Special Resolution' with or without modification, addition or deletion, authorizing the alteration in the object clause of the Memorandum of Association of the Bank by addition of clauses in terms of section 21 of the Companies Ordinance, 1984.

   'RESOLVED THAT subject to the approval of the Securities and Exchange Commission of Pakistan as required under section 21 of the Companies Ordinance, 1984, the Memorandum of Association of the Bank be and is hereby altered by addition of new clauses before the existing sub-clauses of the object clause of the Memorandum of Association.

‘FURTHER RESOLVED THAT after addition of the new clauses the existing sub-clauses in the object clause III of the Memorandum of Association of the Bank shall be renumbered accordingly as 2 to 26.

‘FURTHER RESOLVED THAT the Chief Executive Officer and/or the Company Secretary of the Bank be and hereby authorized singly to file a petition along with the other required documents and papers before the Securities and Exchange Commission of Pakistan and to undertake all such steps, acts and deeds necessary, ancillary and incidental for the purposes of altering the Memorandum of Association complying with other regulatory requirements so as to effectuate the alteration in the Memorandum of Association while implementing the aforesaid resolution’.

(The new clauses detailed below pertain to the Islamic Banking scope of business of the Bank and are necessitated in order to align the existing object clauses of the Bank with its long term strategic objective of conversion of whole of the Bank from Conventional to Islamic mode of banking in near future).

6. To consider and approve the increase in the Authorized Share Capital of the Bank together with the necessary changes in the relevant clauses of the Memorandum and Articles of Association of the Bank by passing the following resolutions, with or without modification, as a Special Resolution:

   ‘RESOLVED THAT in compliance with the section 92 of the Companies Ordinance, 1984 read with other applicable provisions, the Authorized Capital of the Bank be and is hereby increased from PKR 20,000,000,000/- (Rupees Twenty Billion Only) divided into 2,000,000,000 shares of Rs.10/- (Rupees Ten) each to PKR 25,000,000,000/- (Rupees Twenty Five Billion Only) divided into 2,500,000,000 shares of Rs.10/- (Rupees Ten) each and the Memorandum and Articles of Association be amended and read as under:

   <u>Clause V of the Memorandum of Association:</u>

   The Share Capital of the Bank is Rs.25,000,000,000/- (Rupees Twenty Five Billion Only) divided into 2,500,000,000 shares of Rs.10/- (Rupees Ten) each with power to the Bank from time to time increase, reduce or reorganize its capital or to sub-divide the shares in the capital for the time being into several classes. The share capital shall comprise of one or more kinds of shares and different classes of shares under each kind as permitted by the Companies Share Capital (Variation in Rights and Privileges) Rules, 2000 as amended from time to time, with such rights and privileges attached thereto as may be approved by the members from time to time by a Special Resolution.

   <u>Article 6 of the Articles of Association:</u>

   The Capital of the Bank is PKR 25,000,000,000/- (Rupees Twenty Five Billion Only) divided into 2,500,000,000 shares of PKR 10/- (Rupees Ten) each with power to increase or reduce the capital and to divide the share in the capital and to divide the share in the capital for the time being into several classes provided however, that rights as between various classes of ordinary shares (if any) as to profits, votes and other benefits shall be strictly proportionate to the paid-up value of the shares.

(A statement under section 160(1)(b) of the Companies Ordinance, 1984 pertaining to the Special Business referred to above is annexed to this Notice of Meeting.)

Other Business:

7. To transact any other business with the permission of the chair.

By order of the Board

Place: Karachi
Date: March 9, 2016

Syed Muhammad Talib Raza
Company Secretary

Notes:

1. The share transfer books of the Bank will be closed from March 24, 2016 to March 30, 2016 (both days inclusive). Transfers received by our Shares Registrar's, M/s. Technology Trade (Pvt.) Ltd at Dagia House, 241-C, Block-2, P.E.C.H.S, Off. Shahrah-e-Quaideen, Karachi at the close of business i.e. March 22, 2016 shall be treated in time for the purpose of entitlement to attend the said AGM.

2. Any member desirous to contest the election of directors shall file with the Company Secretary of the Bank the following documents not later than fourteen days before the Annual General Meeting.

    a. His/her intention to offer himself/herself for the election in terms of section 178(3) of the Companies Ordinance, 1984 wherein he/she should confirm that:
        i. He/she is not ineligible to become a director of the Bank under any applicable laws and regulations (including Listing Regulations of the Pakistan Stock Exchange)
        ii. Neither he/she nor his/her spouse is engaged in the business of brokerage or is a sponsor, director or officer of a corporate brokerage house.
        iii. He/she is not serving as a director in more than seven listed companies simultaneously. Provided that this limit shall not include the directorships in the listed subsidiaries of a listed holding company.
    b. Consent to act as a director on Form-28 under section 184 of the Companies Ordinance, 1984.
    c. Affidavits, Annexure and Questionnaire in terms of State Bank of Pakistan's BPRD Circular No. 04 dated April 23, 2007 and BPRD Circular No.05 dated March 12, 2015.

    A copy of relevant documents may be downloaded from the websites of the Securities and Exchange Commission of Pakistan and State Bank of Pakistan or may be obtained from the office of the Company Secretary of the Bank.

3. A member entitled to attend and vote at this meeting may appoint another member as his / her proxy to attend and vote on his / her behalf. The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarially certified copy of the power of attorney must be valid and received at the office of the Share Registrar of the Bank, M/s. Technology Trade (Pvt.) Ltd., Dagia House, 241-C, Block-2, P.E.C.H.S., Off. Shahrah-e-Quideen, Karachi duly stamped, signed and witnessed no later than 48 hours before the meeting.

4. Shareholders whose shares are deposited with Central Depository Company of Pakistan Limited (CDC) are requested to bring their computerized National Identity Card (CNIC) along with their CDC Account Number for verification. In case of corporate entity, the Board's resolution / power of attorney with specimen signatures of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting. For appointing proxies, 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 CDC Regulations, shall submit the proxy form accordingly. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form. The proxy shall produce his/her original CNIC or original passport at the time of the meeting. In case of corporate entity, the Board's resolution / power of attorney with specimen signatures shall be submitted along with proxy form to the company.

5. Members are requested to notify any change in their addresses immediately.

6. In accordance with SECP's directives, it is mandatory for all the shareholders to have their valid CNIC number recorded with the company. Members who have not yet submitted photocopies of their CNICs to the Registrar are requested once again submit a valid attested copy of their CNICs with our Share Registrar M/s. Technology Trade (Pvt.) Ltd.

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

This statement is annexed to the Notice of the Tenth Annual General Meeting of the Bank to be held on March 30, 2016 at which certain special business items are to be transacted, and the purpose of this statement is to set out all material facts concerning such special business in terms of section 160(1)(b) of the Companies Ordinance, 1984.

FOR AGENDA ITEM NO.5

The change in the Memorandum of Association by addition of below mentioned clauses is necessitated for aligning the object clauses of the Bank with its long term strategic objective of conversion of whole of the Bank from Conventional to Islamic mode of banking. The proposed clauses are:

1.

a) To commence Islamic Banking business by establishing Islamic Banking Branches / Windows, opening of Islamic Banking subsidiaries and/or through conversion of existing conventional banking branches into Islamic Banking Branches as decided by the Bank from time to time subject to the approval of the concerned regulatory authorities.

b) To conduct Islamic Banking Business by way of accepting deposits in the shape of current accounts on the basis of Qard, Wadiah and savings and Investments or accounts on the basis of Modarbah, general or specific/ special Modarabah, Musharaka, Wakalah or through other permissible modes, in accordance with the avenues, products, investments and procedures under the directives issued by the regulatory authorities from time to time.

c) To establish setups in the bank for Sharia Advisory services and other segments as per the directives, provisions and permissions whether provided in the constitution, laws and/or through act(s) of legislative bodies and/ or other regulatory authorities.

d) To undertake the business of commencement and acquisition of any Islamic Banking institution performing business of funds management, Modaraba Company and Asset Management Company duly approved by regulatory authorities.

e) To enter into the trading activities of buying for the purpose of reselling as permissible under law for any banking business in Pakistan or anywhere else, whether named and styled in any manner including but not limited to Islamic banking, Sharia-Compliant banking and/or ethical banking etc.

f) To enter into contracts, arrangements, undertakings on behalf of depositors of the bank or for its own sake, independently or in participation, including syndicate arrangements established on the basis and in order to invest or enter into financing arrangements in the Sharia Compliant banking business through permissible modes of investment & finance.

g) To undertake the business of such undertakings, exposures, businesses permissible under law of the land and as applicable on banking companies operating with the provision and recognized in the name including but not limited to Modarbah, Musharkah, Running &/ or Term Musharkah, Diminishing Musharkah, Istijrar, Ijarah, Istisnah, Salam, Tijarah, Bai Muajjal, commodity Murabaha, Tawarruq etc.

h) To perform recovery, collection & distribution of charitable funds collected on the basis and allowed provisions of Islamic Banking operations as per procedure and manner permitted by the regulatory authorities.

Therefore in view of the above, it has been decided to alter the object clause of the Memorandum of Association of the Bank with the approval of the shareholders and the concerned regulators as required under section 21 of the Companies Ordinance, 1984 by the addition of the above new clauses which explicitly clarifies the object of the Bank to convert from Conventional to Islamic mode of Banking enabling it to attain its objectives more efficiently and advantageously. The existing sub-clauses in the object clause III of the Memorandum of Association of the Bank shall be renumbered as 2 to 26 accordingly.

FOR AGENDA ITEM NO.6

The increase in authorized capital of the bank is necessitated to facilitate the absorption of any future issue of further share capital to the paid-up capital of the Bank in accordance with the upcoming Capital Injection Plans of the Board of Directors.

The proposed increase in the authorized capital of the bank shall be followed with the changes in the relevant capital clauses of the Memorandum and Articles of Association of the Bank.

All of the above proposed amendments have the recommendation / approval of the Board of Directors.

Interest of Directors

The directors of the bank have no direct or indirect interest in the Special Resolution, except and to the extent of their shareholding in the Bank.

Inspection of Documents

The copies of the Memorandum and Articles of Association and Statement under section 160 (1)(b) of the Companies Ordinance, 1984 may be inspected / procured during the business hours on any working day from the registered office / head office of the Bank from the date of publication of the accompanying notice till the conclusion of the Annual General Meeting.