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THE COMPANIES ORDINANCE, 1984
(A COMPANY LIMITED BY GUARANTEE)

AND

ESTABLISHED UNDER SECTION 42 OF
THE COMPANIES ORDINANCE, 1984

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

PAKISTAN BRIDGE FEDERATION
(PBF)



(17)

THE COMPANIES ORDINANCE, 1984
(A COMPANY LIMITED BY GUARANTEE)

AND

ESTABLISHED UNDER SECTION 42 OF THE COMPANIES ORDINANCE, 1984

**MEMORANDUM OF ASSOCIATION
OF
PAKISTAN BRIDGE FEDERATION
(PBF)**

NAME

- ✓ 1. The name of the Company shall be the "Pakistan Bridge Federation" (hereinafter also called "PBF" or Federation)

REGISTERED OFFICE

- ✓ 2. The Registered Office shall be situated in the province of Sindh.

AIMS & OBJECTS

- ✓ 3. The objects of the Company are:

- ✓ a) To foster, encourage, stimulate interest in, promote and develop the sport of Contract Bridge in Pakistan.
- ✓ b) To be the sole national organization controlling the sport of Contract Bridge in Pakistan.
- ✓ c) To be open to all national and bonafide residents of Pakistan, either directly or through its subsidiary and affiliated member organizations, subject to meeting its requirements.
- ✓ d) To arrange and manage the National and International Bridge Championships and such other tournaments and matches as the company may consider desirable and to make and publish the Rules and Regulations for conducting the same and to fix the dates and places where such championships, tournaments or matches shall be held.
- ✓ e) To make similar arrangements for International Championships, or Tournaments and/or Matches when held in Pakistan or in any other territories of the affiliated associations or bodies or in which the Company is competing.
- ✓ f) To provide for the registration of tournaments dealing with the sport of Bridge held in any form by any regional association or body affiliated with the Company.
- ✓ g) To subscribe to and to remain affiliated as a member of the World Bridge Federation (WBF), Bridge Federation of Asia and the Pacific (BFAP) and any bridge organization / federation of the South Asian Bridge Federation (SABF) and any bridge organization / federation of the South Asian Bridge Federation (SABF) and any bridge organization / federation of the South Asian Bridge Federation (SABF).



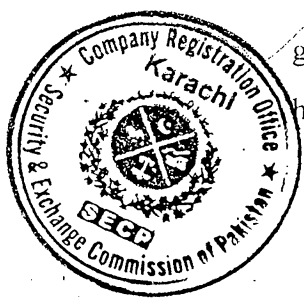
- h) Upholding an image of integrity and enforce a standard of ethics acceptable to the WBF, to exercise Contract Bridge activity in Pakistan and internationally, in particular by organizing and participating in competitions and implementing bridge education and training programs for the bridge players.
- i) To comply with all applicable rules and regulations, constitution and bye – laws of the WBF governing its bridge competition and conduct its activities in compliance with the Olympic Charter and rules and regulations of the WBF.
- j) To dedicate its efforts to ensuring that in bridge contests spirit of fair play prevails and to fight against doping in sport and to take measures the goal of which is to prevent endangering the health of bridge player.
- k) To arrange, facilitate, supervise, and regulate visits of foreign teams/players to Pakistan.
- l) To arrange, supervise and regulate tours of national teams and players of foreign countries.
- m) To collect funds for the purpose of the Company and to utilize such funds in such manner as the company may deem desirable for the fulfillment.
- n) To provide for the affiliation of other town or sector association, or bodies dealing with the sport of Bridge.
- o) To receive subscriptions and other fees from the associating units and to receive donations and contributions from members or the bodies dealing with the Company.
- p) To purchase, take on lease or hire or otherwise acquire any movable or immovable property or any rights or privileges necessary or convenient for the purpose of carrying out the objects of the Company on such terms as the company may in its discretion deem fit and expedient.
- q) To invest monies and funds of the Company in such securities and in such manner as may be decided upon by the company from time to time.
- r) To sell, manage, mortgage, exchange, dispose off or otherwise deal with any part or all of the properties or funds of the Company as the company may deem fit.
- s) To borrow or raise or secure the payment of moneys in such manner and on such terms as may be expedient and in particular open Bonds, Promissory Notes or other obligations or securities of the Company or by mortgaging for charges the properties of the Company or by issue of Debentures, Debenture Stock, perpetual or otherwise, on any or all the properties of the Company and to purchase, redeem and pay off any securities.



- t) To undertake and execute any Trust the undertaking of which may seem desirable either gratuitously or otherwise.
- u) To obtain and accept donations, grants, placements, loan with or without markup from Government, bequests and Trusts from any person, firm or company or by any other body and to give prizes and monetary assistance for furthering or maintaining any one of the objects of the Company.
- v) To do all or any of the aforesaid acts by or through agents, branches or otherwise and alone or in conjunction with others and to propose and assist, if necessary the formation of an International Bridge Federation or any other body of such nature in Pakistan to carry out any object which may seem directly or indirectly beneficial to the Company or to assist promotion of the aforesaid objects or any of them and to do all such other things as are incidental or conducive to attaining all or any of those objects.
- w) To contribute funds to sports organizations or to any other organization which promotes the objects of the Company.

4. It is hereby declared that:

- a) All income of the Company shall be utilized towards the promotions of the aims and objects of the Company.
- b) The Company shall apply all its profits and other income from its business, activity or from any of its property, howsoever derived, solely towards the promotion of the objects of the Company as set forth in this Memorandum of Association and the Company is hereby specifically prohibited to pay any dividend to its members in accordance with the requirements of Section 42 of the Companies Ordinance, 1984.
- c) The Company is being formed as public company.
- d) No member of the Board of Directors or Board of Directors of the Company shall be appointed to any salaried office of the Company or any office of the Company paid by fees and that no remuneration shall be given by the Company to any member of such Board of Directors or Board of Directors except repayment of out of pocket expenses and interest on money lent/borrowed or rent of the premises demised to the Company.
- e) No change in the Memorandum and the Articles shall be made except with the prior approval of the Securities and Exchange Commission of Pakistan, Islamabad.
- f) Patronage of any government or authority, express or implied shall not be claimed unless such government or authority has signified its consent thereto in writing.
- g) The liability of the members is limited.
- h) In the event of the Company being wound up, every member of the Company presently being a member or within one year afterwards, undertakes to contribute to the assets of the Company for payment of the debts and



- ✓ liabilities of the Company and for the costs, charges and expenses of winding up, such amounts as may be required but not exceeding Rs. 10,000/- (Rupees Ten thousand, only).
- ✓ i) Payment of remuneration for services or otherwise to its members, whether holding an office in the company or not, shall be prohibited.
- ✓ j) The Company shall not itself setup or otherwise engage in industrial and commercial activity(s) or in any manner function as a trade organization.
- ✓ k) The Company shall provide to the Authority such returns periodically or otherwise as prescribed by the Authority from time to time.
- ✓ l) The Company shall not exploit or offend the religious susceptibilities of the public.
- ✓ m) No foreigner shall be employed by the Company.
- ✓ n) The limit of liability of its members shall not be less than a reasonable amount having regard to all the circumstances of the case.
- ✓ o) If upon winding up and dissolution of the Company there remains, after satisfaction of all debts and liabilities, any property whatsoever the same shall not be paid to or distributed amongst the members of the Company but shall be given or transferred to some other institution(s) having purpose(s) similar to the purposes of the Company, such institution(s) to be determined by the members of the Company at or before the time of dissolution under intimation to the Government.
- ✓ p) The company shall keep books of accounts in terms of section 230 of Companies Ordinance.
- ✓ q) It is hereby undertaken that the Company shall not engage in banking, leasing or the business of any investment company, or as investment advisor, insurance company or the business of financial institution, managing agency or construction business or in any unlawful business and that nothing in the object clauses shall be construed to entitle is to engage in such business.



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We several persons whose names and addresses are subscribed herewith are desirous of being formed into an Association in pursuance of the Articles of Association

Name and surname with Father's/husband's name (present and former) in full and block letters	Nationality with any former Nationality	Occupation	Residential Address in full	Signature
Mr. Khurshid Hadi S/o Late M. Hafiz Nabi Hadi	Pakistani	Business	First Leasing Corporation Limited, Finance & Trade Centre, 5th Floor, Shahrah-e-Faisal, Karachi.	
Mr. Ihsan Qadir S/o Ch. Ahmed Khan	Pakistani	Business	Flat 12-B, Sherpao Bridge Colony, Lahore Cantt.	
Mr. M. A. Ansari S/o Late Ehsan Ahmed	Pakistani	Business	78, Lane 6, Khayaban-e-Bader, DHA, Karachi.	
Mr. Muhammad Ismail S/o Mr. Ismail Ahmed	Pakistani	Business	21, Hussaini Society, Near National College, Karachi.	
Mr. M. Azwerul Haque S/o Mr. M. Azherul Haque	Pakistani	Business	F-16, Block 8, Clifton, Karachi 75600.	
Mr. Tahir Masud S/o Late K. Salahuddin	Pakistani	Business	1-B2, Khayaban-e-Shujaat. DHA, Karachi.	
Mr. Ashfaq Yousuf Tola S/o Yousuf Abdul Karim	Pakistani	Business	B-7, Saad Haven Apartments, 22/3, Frere Town, Karachi 75530.	
Mrs. Fehmina Shauq W/o Mirza Shauq Hussain	Pakistani	Housewife	6/7, College Road, GOR-1, Lahore.	
Mr. Mazhar Jafri S/o Fazal Ellahi Jafri	Pakistani	Consultant	217-218, Central Hotel Annexe, Abdullah Harood Road.	
Mrs. Qudsia Dossa W/o Mohd Hussain Dossa	Pakistani	Housewife	F-11, Block 7, Clifton, Karachi	
Mrs. Rehana Saigol W/o Shakil Saigol	Pakistani	Housewife	41, Khayaban-e-Ghazi, Phase V, DHA Karachi	

Dated 27th day of NOV 2001

WITNESS TO ABOVE SIGNATURES

Full Name M. A. Ansari

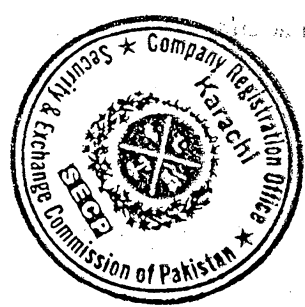
Signature

Father's Name A. Rehman Khan

Occupation Character of Accountant

Full Address 600 Blue Shopping Centre

B-132 P. 4
Pakistan Bridge Securit



10/11/01
Certified to be a true copy
Joint Registrar of Companies

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THE COMPANIES ORDINANCE, 1984
(A COMPANY LIMITED BY GUARANTEE)

AND

ESTABLISHED UNDER SECTION 42 OF THE COMPANIES ORDINANCE, 1984

**ARTICLES OF ASSOCIATION
OF
PAKISTAN BRIDGE FEDERATION
(PBF)**

PRELIMINARY

1. Whereas it has been agreed by the several persons whose names are hereunto subscribed to establish and incorporate a Company limited by guarantee not having a share capital under the provisions of Section 42 of the Companies Ordinance 1984 (hereinafter referred to as "the said Ordinance") and being an organization not for profit within the meaning of section 42 of the said Ordinance, in the name of **Pakistan Bridge Federation**, (hereinafter referred to as "company") in accordance with the provisions of the Memorandum of Association of the company and subject to the several regulations hereinafter contained, which shall be the regulations for the management of the company and for the observance of the members thereof and their representatives and the same shall, subject to any exercise of the powers of the company, in reference to the repeal or alteration of, or addition to, its regulations by special resolution, as prescribed by the said Ordinance, be such as are contained in these Articles.

INTERPRETATION

2. The marginal notes hereto shall not affect the construction hereof, and in these presents, unless there be something in the subject or context inconsistent therewith:

I. "The Ordinance" means the Companies Ordinance, 1984 or any statutory modification of re-enactment thereof for the time being in force.

II. "The Chairman" means the Chairman of the company from time to time duly elected under the provisions of these presents.

III. "The Company" means PBF

IV. "Sport" means the sport of Contract Bridge as played under international rules.

V. "Rules" shall mean the rules, regulations, bye-laws, standing orders of the Company for the time being in force.



- VI. "Force of the rules" mean every member of the Company shall be bound to conform to the rules, regulations and bye-laws of the company as may be from time to time in force.
- VII. "Government" means the Government of the Islamic Republic of Pakistan
- VIII. "PBF volunteers" means volunteers enrolled by the PBF.
- IX. "Branch" means PBF branch at provincial level and below.
- X. "The Board" means the Board of Directors for the time being.
- XI. "The Directors" means the Directors for the time being of the company or including alternate directors for the time being of the company.
- XII. "The Managing Director" means the Chief Executive and / or President of the company, by whatever named called appointed pursuant to Section 198 of the Ordinance.

XIII. **Class of Members:** The Company will consist of Ordinary Members.

XIV. **Ordinary Members:** The Ordinary Member shall includes:

- a) All Life Members who are desirous of forming themselves into Pakistan Bridge Association and / or Pakistan Bridge Federation, the predecessor of Pakistan Bridge Federation.
- b) Any person subject to the satisfaction and approval of Board of Directors of PBF
- c) Provincial Contract Bridge Organization (PCBOs) of each province of Pakistan subject to the satisfaction and approval of the Board of Directors of the PBF.
- d) City Contract Bridge Organizations (CCBOs) of the cities of Pakistan subject to the satisfaction and approval of Board of Directors of PBF.
- e) Any Autonomous Bodies, Semi Autonomous Bodies, Armed Forces and Private Institutions including but not restricted to Clubs, Gymkhana.
- f) Any person who may honored by the 2/3rd majority at a General Meeting on account of his / her meritorious services to the sport of Bridge.

PRINCIPLES

Membership: Any person, be it natural or artificial legal, may apply for membership of the Company and be elected thereto by the affirmative vote of a majority of the whole committee.



Providing that any of the aforesaid artificial legal person, to be eligible to apply for PBF membership, shall;

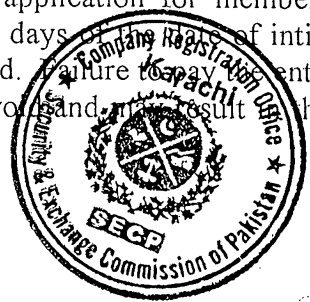
- a) In case a PCBOs / CCBOs, the total membership of all such districts is not less than 25 with such district.
- b) Have an appropriate register of its members, open to inspection by the PBF.
- c) Be open to all bridge players who are residents of the affiliated districts of particular Province.
- d) Undertake to comply with the Memorandum and Articles of the Company.
- e) Uphold an image of integrity and enforce a standard of ethics in its tournaments, acceptable to the PBF.
- f) Comply with all applicable rules and regulations of the PBF governing its bridge competitions.
- g) Organize playing of bridge according to the International Code as prescribed by the World Bridge Federation from time to time.
- h) Having entered in a PBF competition, its representative players shall agree to play against all those from other PBF members, who are invitees to such competitions.

Providing further that while the aforesaid artificial legal persons may frame their own rules and bye-laws, subject to such rules and/or bye-laws are not derogatory or inconsistent within the rules, principles and objectives of the Company and are not prejudicial to the interests of the Company. In addition, PBF will exercise its inherent rights and powers to hear and decide appeals against decisions of an Ordinary Member in relation to matters pertaining to discipline and non-acceptance of membership application of an seeking to be a member of an Ordinary Member.

An Member that fails to fulfill the conditions set out herein to the satisfaction of the Board of Directors shall be liable to lose its membership.

4. **Capitation Fee:** For every sanctioned/approved tournament /contest, conducted and organized by an Ordinary Member, for which master points (Red points) are awarded by the PBF, Capitation Fee payable to PBF shall be Rs. 100 per team and Rs. 50 per pair or as determined from time to time by the Committee.

5. **Entrance Fee:** The entrance fee payable by the artificial legal person shall be Rs. 12,000/= or as revised by the Committee, whereas in case of natural legal person the entrance fee will be Rs. 2000/= or as revised from time to time by the Board of Director which should be paid with the application for membership. The annual subscription should be paid within 15 days of intimation that such membership had been granted or extended. Failure to pay entrance fee in time would render the membership null and void and result in the forfeiture of the entrance fee.



6. **Subscription :** The annual subscription payable by artificial legal person shall be Rs.12,500/= or as revised by the Committee. The subscription for the ensuing year shall become due on the 1st day of January of each year and must be paid to Hon. Secretary or Honorary Treasurer of the Company on or before the 31st day of January of the same year. Members shall be held liable for subscription for the succeeding year, if they have not given notice of withdrawal from the Company 15 days before the annual subscription falls due. However if the number of members of any association increases from 25, then the additional payments to the above would be made according to the following schedule or any revised schedule:-

Members	26 to 50	Rs. 400.00 per person
Members	51 to 100	Rs. 300.00 per person
Members	101 to 200	Rs. 200.00 per person

7. **Arrears:** If the annual subscription remains unpaid for more than 3 calendar months after it had become due, the Board of Directors may at its discretion strike off the name of the defaulting member from the list of members. No member who is in arrears shall be permitted to either attend or vote at any meeting under these rules or be entitled to nominate or be elected to any post to any post of office bearers and Board of Directors or to participate in any tournament or any other sub-committee.

8. Any member desirous of resigning from the membership of the Company shall give written information thereof to the Hon. Secretary, and the Committee will accept the resignation. However, the liability of a member to pay arrears shall not cease on his resignation.



Expulsion or suspension: Any member who willfully refuses to abide by rules and bye-laws of the Company and is guilty of conduct such as the Committee deems or considers likely to endanger the harmony or adversely affect the character and stability or interest of the Company, shall be liable to expulsion or suspension for such period as the Committee may fix by a Resolution. The Resolution for such expulsion or suspension will be considered at the usual or a specially convened meeting of the Board of Directors and the resolution will be considered passed or carried if not less than 25 % of the voting members present shall have voted at least 21 days notice of the meeting of the Committee at which such resolution of expulsion or suspension is to be considered. Further, the member concerned shall have had reasonable opportunity to give explanation in writing or to present his defence in writing before such resolution for expulsion or suspension is put to vote at such specially convened meeting of the Committee. The notification of such resolution shall be sent to the member concerned by registered post by the Committee. On the passing of such a resolution expelling or suspending a member, the member concerned shall forthwith cease to be a member of the Company. No appeal shall lie against the decision of the

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Committee and such decision of the Committee expelling or suspending a member shall be binding and final.

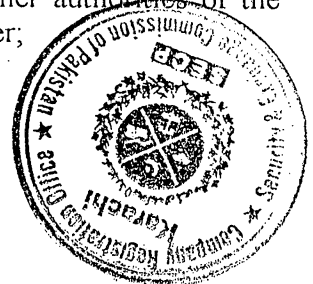
10. **Re: Admission:**

- a) Any member removed from membership under Rule 12 may be re-admitted by the Committee if the amount of arrears due together with fresh entrance fee is paid in full.
- b) If expelled or suspended under Rule 7, a member may be re-admitted by the Committee by a 2/3rd majority. Such readmission shall, however, not be effected until six months after the date of expulsion or suspension.

11. **BUSINESS OF THE COMPANY**

The business of the Company shall include all or any of the objects enumerated in Memorandum of Association and can be commenced immediately after the Incorporation of the Company as the Directors may think fit.

- 11.1 The Company shall be managed by the Board of Directors appointed by the Company in accordance with the provisions of the Company Ordinance, 1984 and will be headed by the Chief Executive appointed by the Board.
- 11.2 The Board of Directors shall appoint one of the members to be the Chief Executive of the Company.
- 11.3 The Chairman of the company shall preside over all meetings of the General Body.
- 11.4 The Chairman of the Company may invite any person other than a member to attend a meeting of the General Body. Such invitee, to be known as special invitee, shall not, however, be entitled to vote at the meeting.
- 11.5 The functioning of the Company shall be as proposed in the law. The Board of Directors shall have the following powers and functions, namely.
 - a) To give overall policy guidance and direction for the efficient functioning of the company;
 - b) To approve the annual budget of the company
 - c) To consider the financial statements of the company
 - d) To consider the annual report
 - e) To amend these presents, if deemed necessary, by way of addition alteration, modification or substitutions with the prior approval of SECP.
 - f) To perform such other functions are entrusted to it;
 - g) To delegate such of its powers and functions to other authorities of the company as it may considered at necessary and proper;
 - h) To admit new members of the company;
 - i) To terminate membership of any member.



12. GENERAL MEETINGS

A General Meeting to be called annual general meeting shall be held, in accordance with the provisions of Section 158, within eighteen months from the date of incorporation of the company. Thereafter once atleast in every calendar year within a period of six months following the close of its financial year and not more than fifteen months after the holding of its last preceding annual meeting, a general meeting shall be held on date and time and place as may be determined by the Directors.

12.1 The Directors may, whenever they think fit, and shall on the requisition of the members representing not less than on tenth of the voting power on the date of deposit of requisition, forthwith proceed to convene an Extra-Ordinary General Meeting of the Company and in case of such requisition, the provisions of Section 159 of the Ordinance shall apply.

12.2 The above-named general meeting as stated in clause 20 shall be called Annual General Meetings. All other meetings of the Company shall be called Extra-Ordinary General Meeting.

12.3 Any such requisition shall specify the objects of the meeting required and shall be signed by the requisitionists, and shall be deposited at the office. The meeting must be convened for purposes specified in the requisition, and if convened otherwise than by the Board of Directors, for those purposes only.

12.4 If the Board of Directors do not proceed to cause a meeting to be held within twenty one days from the date of the requisition being deposited, the requisitionists or a majority of them may themselves convene a meeting to be held not more than three months, from the date of the deposit of the requisition.

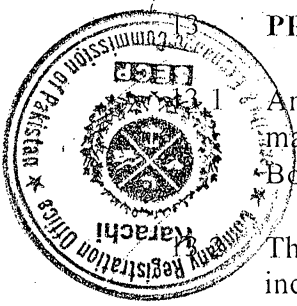
PROCEEDINGS AT GENERAL MEETINGS

Any meeting convened by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Board of directors.

The business of an Annual General Meeting shall be to receive and consider the income and expenditure account and the balance-sheet, the annual report of the Board of Directors and of the Auditors, to elect Directors, to appoint Auditor(s) and fix their remuneration, and to transact any other business which may be transacted at an Annual General Meeting shall be deemed special.

13.3 Twenty five percent of the members of the Company, present personally at the time when the meeting proceeds to business and throughout its proceedings shall be a quorum for a General Meeting for all purposes. No business shall be transacted at any General Meeting unless the quorum is present.

13.4 If within half an hour from the time appointed for the meeting a quorum is not present in the meeting, if called upon the requisition of members, shall be



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dissolved, in any other case, it shall stand adjourned to the same day in the next week at the same time and place, and if at the adjourned meeting the quorum is not present within half an hour from the time appointed for the meeting, the members being not less than two, shall be a quorum.

13.5 The Chairman of the Company shall be entitled to preside as Chairman at every general meeting of the company, or if there is no such Chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, the Directors present shall elect one of their member to be Chairman of the meeting, or if no Director be present or if Directors present decline to take the Chair, the members present shall choose one of their member to be Chairman of the meeting.

13.6 The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for ten day or more notice of the adjourned meeting shall be given as in the case of an original 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.

13.7 At a general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the show of hands) demanded in accordance with the provisions of Section 167 of the Ordinance as follows:

- a) By the Chairman of the meeting of his own motion; or
- b) By five member having the right to vote on the resolution and present in person; or
- c) By any member or members present in person and having not less than one-tenth of the total voting power in respect of the resolution.

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

13.8 If a poll is demand on any matter other than the election of a Chairman or on a question of adjournment, it shall be taken in accordance with the manner laid down in Section 168 of the Ordinance at such time, not more than fourteen days from the day on which it is demanded, as the Chairman of the meeting may direct. The results of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.



13.9 The demand of a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

13.10 The Chairman of any meeting shall be the sole judge of the validity of every vote at such meetings. The Chairman present at the taking of poll shall be sole judge of the validity of every vote tendered at such poll.

14. **VOTES OF MEMBERS**

14.1 On a show of hands every representative member of the artificial legal persons in person shall have one vote.

14.2 On a poll every representative of Artificial Legal Person present in person shall have one vote. On a poll, votes shall be given personally.

14.3 All other members of the Company shall be entitled to exercise the same rights to vote as that of the registered Members.

15. **BOARD OF DIRECTORS**

15.1 The Chief Executive of the Company subject to the control and supervision of the Board of Directors shall generally pursue and carry out the objects as set out in the Memorandum of Association of the Company. The Chief Executive shall be responsible for the management and administration of the affairs of the company in accordance with these Articles of Association.

15.2 The affairs of the Company shall be managed by a Board of Directors, which shall have the responsibility to determine the direction and scope of the activities of the Company. It shall also have the responsibility to approve projects for the development of the Company in General.

15.3 The Board of Director of the Federation shall consist of not less than ^{seven} including the office bearers of the Federation who shall be elected by the Board of Director from amongst the members of PBF. Ordinary Members will nominate their representatives as members of the Board of Director whereas the natural legal person may show intention for the membership of the Board of Director under the prescribed procedure. The aforesaid representation shall be in relation to the total number of Ordinary Members and it will be in accordance with the following scale:

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	<u>Maximum</u>
From 26 - 100 members	= 1
From 101 - 250 members	= 2
From 251 and above	= 3
Individuals (natural legal persons)	= 7

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Furthermore, PCBOs of Baluchistan, NWFP and Sindh, as and when formed and admitted as Ordinary Members of the Federation, will be represented by one or more nominees/representatives on the Board of Director. However it is clarified that any person holding membership in one association/organization may hold membership in another association/organization but he can be nominated for the membership of the Board of Director by one association/organization only.



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15.4 The following shall be the first directors of the Company:

Name and surname with Father's/husband's name (present and former) in full and block letters	Nationality with any former Nationality	Occupation	Residential Address in full
Mr. Khurshid Hadi S/o Late M. Hafiz Nabi Hadi	Pakistani	Business	First Leasing Corporation Limited, Finance & Trade Centre, 5th Floor, Shahrah-e-Faisal, Karachi.
Mr. Ihsan Qadir S/o Ch. Ahmed Khan	Pakistani	Business	Flat 12-B, Sherpao Bridge Colony, Lahore Cantt.
Mr. M. A. Ansari S/o Late Ehsan Ahmed	Pakistani	Business	78, Lane 6, Khayaban-e-Bader, DHA, Karachi.
Mr. Muhammad Ismail S/o Mr. Ismail Ahmed	Pakistani	Business	21, Hussaini Society, Near National College, Karachi.
Mr. M. Azwerul Haque S/o Mr. M. Azherul Haque	Pakistani	Business	F-16, Block 8, Clifton, Karachi 75600.
Mr. Tahir Masud S/o Late K. Salahuddin	Pakistani	Business	1-B2, Khayaban-e-Shujaat. DHA, Karachi.
Mr. Ashfaq Yousuf Tola S/o Yousuf Abdul Karim	Pakistani	Business	B-7, Saad Haven Apartments, 22/3, Frere Town, Karachi 75530.
Mrs. Fehmina Shauq W/o Mirza Shauq Hussain	Pakistani	Housewife	6/7, College Road, GOR-1, Lahore.
Mr. Mazhar Jafri S/o Fazal Ellahi Jafri	Pakistani	Consultant	217-218, Central Hotel Annexe, Abdullah Harood Road.
Mrs. Qudsia Dossa W/o Mohd Hussain Dossa	Pakistani	Housewife	F-11, Block 7, Clifton, Karachi
Mrs. Rehana Saigol W/o Shakil Saigol	Pakistani	Housewife	41, Khayaban-e-Ghazi, Phase V, DHA Karachi

Dated _____ day of _____ 2001
WITNESS TO ABOVE SIGNATURES

Full Name

Signature

Father's Name

Occupation

Full Address

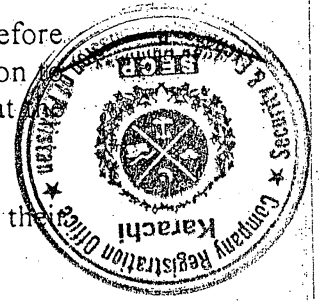


15.5 All the first director(s) who are subject to retirement in terms of the provisions of the Ordinance, shall hold office until the election of directors in first annual general meeting unless any of them earlier resigns, becomes disqualified as a director or otherwise ceases to hold office.

15.6 Any member who seeks to contest an election to the office of Director on the reserved Individual Seats for Natural Legal Persons, whether he is a retiring

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Director or otherwise, file with the Company, not later than fourteen days before the date of meeting at which elections are to be held, a notice of his intention offer himself for election as a Director, provided that any such person may, at any time, before the holding of elections withdraw such notice.



- 15.7 All artificial legal persons, according to their entitlement, shall nominate their representatives before the first meeting of newly elected Board of Director.
- 15.8 Retiring Directors shall continue to perform their functions until their successors are elected.
- 15.9 The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number fixed by or pursuant to the regulations of the Company as the necessary quorum of Directors, the continuing Directors may act for the purpose of filling vacancies in their body or summoning a general meeting of the Company, but for no other purpose.
- 15.10 A director elected by the members in general meeting shall hold office for a period of three years following the date from which his election is effective unless he earlier resigns, becomes disqualified for being a director or otherwise ceases to hold office. Provided that no director to either contest and / or nominated by the Artificial Legal Person for third consecutive term. Provided further that first directors who are serving as Board of Director or whatever name for preceding two terms shall also stand disqualified to contest and / or nominated for the third term.
- 15.11 The directors shall be paid travelling, boarding, lodging and other expenses properly incurred by them in or about the performance of their duties or business if any of them has to come to attend the Board or general meeting of the company from outstation.
- 15.12 Subject to the provisions of Section 181 of the Ordinance, the company may at any time, by special resolution in general meeting, remove a director, appointed under Section 176 or Section 178 except 178(5) but no such resolution shall be deemed to have been passed if the number of votes cast in favour of such a resolution is less than the minimum number of votes that were cast for the election of a director at the immediately preceding election of directors.
- 15.13 A casual vacancy occurring among the elected directors may be filled up by the directors, but a person so appointed in lieu of an elected director shall hold office for the remainder of term of the director whose place he is appointed. Before filling in casual vacancy on the Board, the directors, shall in writing notify their intention of filling such vacancy to the member or members, if any, whose interest were represented by the director vacating office and shall fix a term of not less than fourteen clear days during which such member or members may recommend a candidate for appointment as Director to fill the vacancy. If a member or members concerned recommend a candidate in writing within the term prescribed, the directors may appoint him as director to fill the casual vacancy but upon such recommendation being made no person, other than the candidate

recommended by such member or members, may be appointed by the directors to fill the casual vacancy on the Board.

15.14 Any directors who intends to be, or is absent for a period of not less than three (3) month from Pakistan, he may with the approval of the Board (such approval not to be unreasonably withheld) nominate any person to be his alternate director. Particulars of such nomination should be filed with the Secretary of the company. Such alternate director during the absence of the appointer from Pakistan, shall be entitled to receive notice of and to attend and vote at meetings of directors and shall be subject to the provisions contained in these Articles. He may exercise and perform all such powers, directions and duties as his appointer could have exercised or performed including the power of appointing another alternate director. An alternate director so appointed shall not be entitled to receive any remuneration from the Company nor be required to hold any qualification. Such appointment shall be recorded in the directors minutes book. A director may at any time by notice in writing to the Company remove an alternate director appointed by him or upon his return to Pakistan or on the death of, or retirement or resignation as director of the appointer, the alternate director shall cease to be a director, provided that if the director retires but is re-elected at the meeting at which such retirement took effect, an appointment made by him pursuant to this Article which was in force immediately prior to this retirement and re-election and which has not otherwise ceased to be effective, shall continue to operate after his re-election as if he had not so retired. An alternate director shall not be deemed to be the agent of the director appointing him but shall be reckoned as one with his appointer. All appointments and removals of alternate directors shall be effected by writing under the hand of the director making or revoking such appointment and left at the office of the Company. For the purpose of assessing a quorum in accordance with the provisions of Article 27 hereof, an alternate director shall be deemed to be a director. Any director may act as an alternate director any one or more directors, as well as being able to act as a director in his own right. An alternate director may resign as such upon giving thirty (3) days prior notice in writing to the Board to this effect. An alternate director may not be a member of the Company.

16.2

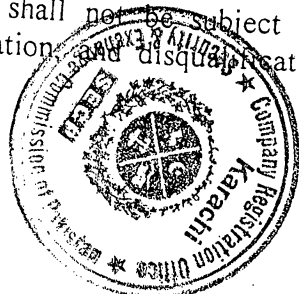
16.3

16.4

The Company may have directors nominated by any financial institution or a bank or consortium (hereinafter called institution). Where such institution requires appointment of its nominee as a Director under the terms of granting loans, redeemable-stock, making bridge financing, or otherwise, such Director shall act as a director at the pleasure of the institution appointing him. Such director may be called "Institutional Director" or "Debenture Director" or prefixed by the name of nominating institution and such Director shall not be required to be a member of the company, but shall have same rights and privileges and be subject to the same responsibilities as other Directors of the Company. Institutions nominating a Director may require cancellation or removal of such Director or upon resignation or death of such director, shall have the right to nominate another person in his place. Such a nominated director shall not be subject to the provisions relating to retirement, removal, qualification and disqualification of directors.

16.5

16.6



The Directors may from time to time delegate any of their powers to a committee or committees consisting of three (3) or more members of their body as they think fit. Any committee so formed shall conform to any regulations that may be imposed upon it by the Directors and shall be governed, in the exercise of the powers so delegated, by the provisions herein contained for regulating meeting and proceedings applicable to the Directors.

16. MEETING OF THE BOARD OF DIRECTOS

- 16.1 a. The Board of Directors shall hold at least three regular meetings in every year and shall be called by notice under the signature of the Chief Executive/Chairman.
- b. Minutes of the meetings of the Board of Directors shall be recorded by the Chief Executive or in his absence by a member of the Board of Director, appointed by the Chairman. The minutes shall be duly approved or corrected at the following meeting filed in the permanent records of the company.

Members of the Board of Directors shall be reimbursed for their out-of-pocket expenses. Save as aforesaid members of the Board of Directors, shall not receive any compensation for their services to the company and/or receive any profit out of the business of the Company.



- 16.2 Every notice calling for a meeting of the Board of Directors shall state in writing the date, time and place of the meeting and shall be sent to every member of the Board of Directors ordinary seven clear days before the day appointed for the meeting.
- 16.3 Any inadvertent omission to give notice or the non-receipt or late receipt of a notice by any member shall not invalidate the proceedings of the meeting.
- 16.4 The directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit and may determine the quorum necessary for the transactions of business, subject to the provisions of Section 193 of the Companies Ordinance, 1984. Unless otherwise determined by the directors, the quorum shall not be less than one third of the number of directors, or four, whichever is the greater.
- 16.5 Each member of the Board of Directors shall have one vote. All questions at meetings of the Board of Directors shall be determined by a vote of members present, provided that in case of equality of votes, the Chairman shall have the chaster vote.
- 16.6 Subject to the provisions for the Ordinance, any business which the Board of Directors may consider necessary to perform, except such as may be required to be placed before the General Meeting of the General Body, may be performed by a resolution in writing circulated among all members of the Board of Directors, and any such resolution so circulated, approved and signed by the majority of the

directors or their alternates for the time being present in Pakistan, shall be as effectual and binding as if it has been passed at the meeting of the directors duly called and constituted.

- 16.7 The proceedings of all meetings of the Board of Directors and resolutions passed by circulation shall be recorded in a book which shall be maintained by the company for the purpose.
- 16.8 The Board of Directors shall exercise all executive and financial powers of the company, subject to such direction as may be issued by the General Body from time to time.
- 16.9 In particular and without prejudice to the generality of the foregoing provisions, the Board of Directors shall have the powers, subject to the provisions hereof to:
- i) establish bye-laws and rules of the company;
 - ii) prepare and execute detailed plans and programs for the furtherance of the objects of the company;
 - iii) consider the annual and supplementary budgets placed before it and pass them with such modifications as may be deemed necessary for being submitted to the General Body;
 - iv) prepare the annual report and cause the preparation of the financial statements of the Company for consideration of the General Body;
 - v) create posts and appoint such staff as may be required for the efficient management of the affairs of the company and regulate the recruitment and terms and conditions of their services;
 - vi) receive and to have custody of the funds and resources of the company and manage the properties of the company;
 - vii) incur expenditure according to the approved budget;
 - viii) establish, maintain, amalgamate and/or close down institutions, offices, hostels, etc., as may be deemed appropriate for the benefit of the company;
 - ix) appoint boards, councils, committees, sub-committees and panels consisting of persons who may or may not be members of the company and employees of the company to deal with any specific task as may be determined by the Board of Directors; and
 - x) impose and recover fees and charges for the services rendered by the company.
- 16.10 The Board of Directors may by resolution delegate such administrative, financial and other powers to its Chief Executive, committees, sub-committees, panels and boards or any other officer of the Company as it may consider necessary and proper, subject to the condition that action taken by them under powers so delegated shall have to be confirmed and/or ratified at the next meeting of the Board of Directors.



(24)

17. CHAIRMAN

- 17.1 a) The directors shall elect from amongst themselves from time to time a Chairman of the Board of Directors for a period of three years. In the event position of the Chairman falls vacant or he is held by the Board as not being able to carry out the duties of his office satisfactorily, the Board shall revoke his appointment and appoint another person to be the Chairman of the Board. The Chairman of the meeting shall be the sole judge of the validity of every vote tendered at such meetings. The Chairman shall have a casting or second vote.
- b) The Chairman shall not receive any compensation from the company, or any full time perks, except reimbursement of out-of-pocket expenses incurred in connection with the work of the company.

18. CHIEF EXECUTIVE

18.1 The Chief Executive shall be the Chief Executive of the Company who shall be appointed by the Board of Directors of the Company. The Directors shall within 15 days of incorporation of the company or from the date of election of directors or the office of the Chief Executive falling vacant, as the case may be, appoint, subject to the provisions of Section 198 of the Companies Ordinance, 1984 a Chief Executive of the company upto the date of first annual general meeting and in future he will be eligible for a period not exceeding three years. The Board may revoke such appointment and appoint another person in place of the Chief Executive so removed or who may vacate office by reason of death, resignation or otherwise as the case may be.

18.2 The period for which the Chief Executive shall be appointed shall not exceed three years unless he ceases to hold office or a shorter time of appointment is fixed by the directors, or he earlier resigns or his services as Chief Executive has been terminated by the Board in accordance with the provisions of the Ordinance. On the expiry of the term of office, the Chief Executive shall be eligible for re-appointment in the manner provided in these Articles or in accordance with the provisions of the Ordinance. The terms and conditions of appointment of the Chief Executive, including his powers, duties, obligations and remuneration, shall be determined by the Board, subject to the provisions of the Ordinance and these Articles.

18.3 The Chief Executive shall hold office, enjoy and exercise such powers, duties, obligations and privileges as the board may confer upon him from time to time and shall accordingly in exercise of such powers delegated to him, conform to any limits and restrictions which may be imposed by the Board from time to time in this respect. The Chief Executive may exercise all such powers and do all acts and things on behalf of the Company as he may be authorised to do by the Board.

18.4 The Chief Executive may be removed in accordance with the provisions of Section 202 of the Ordinance.



18.5 The Chief Executive shall be responsible for the day-to-day management of the Company and without prejudice to the generality of the foregoing, he shall be responsible:

- i) for ensuring that the Company's Cardinal Principles are adhered to;
- ii) for the proper administration of the affairs, funds and resources of the Company;
- iii) to appoint at his discretion, to remove or suspend managers, secretaries, officers, clerks, employees, either permanent or temporary, as he may think fit and to determine their powers and duties and fix their salaries or emoluments and to require security in such instances and to such amount as he thinks fit;
- iv) to prescribe the duties of all employees and staff of the Company;
- v) to institute, conduct, defend or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company and or the purpose to appoint advocate(s);
- vi) to refer any claims or demands by or against the Company to arbitration and observe and perform the awards;
- vii) for exercising supervision and disciplinary control over the work and conduct of all employees of the Company;
- viii) for coordinating and exercising general supervision over all the activities of the Company;
- ix) for any other tasks as may be delegated by the Board.

18.6 The Chief Executive may in writing delegate such of his powers as ha may consider necessary to any officer of the Company.

19. THE SEAL

The Directors shall provide for the safe custody of the seal which shall only be used by the authority of the Directors, and every instrument on which the seal shall be affixed in the presence of at least two directors and shall either be signed by one director and countersigned by Secretary or by a second director or by some other person appointed by the Directors for the purpose.

20. ACCOUNTS

20.1 The Directors shall cause proper books of account to be kept as required by Section 230 of the Ordinance.



- 20.2 The books of account shall be kept at the registered office of the Company or at such other place as the Board of Directors shall think fit and shall be open to inspection by the members of the Board of Directors during business hours.
- 20.3 The Board of 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 opened to the inspection of the members of the Company not being members of the Board of Directors and no member (not being members of the Board of Directors) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board of Directors or by the Company in general meeting.
- 20.4 The Board of Directors shall as required by Section 233, 234 and 236 of the Companies Ordinance, 1984, cause to be prepared and to be laid before the Company in general meeting such income and expenditure accounts balance-sheets, and reports as are referred to in those Section.
- 20.5 A balance sheet, income and expenditure account and other reports referred to in article 77 shall be made out in every year and laid before in the Company's annual general meeting made up to a date not more than six months before such meeting. The balance sheet and profit and loss account shall be accompanied by a report of the auditors of the company and the report of Directors.
- 20.6 The balance sheet and income and expenditure account shall be audited by the Auditors of the Company and shall subject to the Provisions of Section 236 of the Ordinance be accompanied by a report of the Directors as to the state and condition of the Company, and the amount, if any, which they propose to carry to one or more reserves according to the provisions in that behalf herein contained. Every report of the Directors, shall be signed by the Directors in accordance with Section 236 and 241 of the Ordinance.
- 20.7 No portion of the Company's income property or asset shall be applied, paid or transferred by way of dividend, bonus or profit to any of its member or his relatives, the unutilized income of the Company will be kept in a schedule bank or invested in Government Securities or in approval investments as may be permitted by law for the time being applicable to the Company.

21. **AUDIT**

Auditors shall be appointed and their duties regulated in accordance with Sections 252 to 255 of the Ordinance or any statutory modifications thereof for the time being in force.

22. **NOTICES**

22.1 Subject to the provisions of Section 158 and 159 of the Ordinance twenty-one days notice at least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying the



place, the day and the hour of meeting. In case of special business the general nature of that business shall be given in the manner hereinafter provided or in such manner, if any, as may be prescribed by the Company in general meeting or in the manner provided by the Ordinance, to such persons as are under the Ordinance or under these Articles, entitled to receive such notice from the Company.

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

22.3 A notice may be given by the Company to any member either personally or by sending it by post, courier, telefax or telex to his registered address. Where a notice is sent in any manner aforesaid, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting, delivering, transmitting, as the case may be, a letter containing the notice and unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post/delivery.

22.4 Notice of every general meeting shall be given in the manner herein before authorized to every member of the company, except those members who have no registered address or have not supplied to the Company an address for the giving of notice to them.

22.5 With the consent in writing of all the members entitled to receive notice of a particular meeting, that meeting may be convened by such shorter notice and in such manner as those members may deem fit subject to approval of Registrar of Companies.

23. **SECRECY**

Save as otherwise provided in the ordinance no member or other person (not being a director) shall be entitled to visit and inspect any of the Company's premises or properties of the company without the permission of the Directors of the Company for the time being or any person authorized of the company for the time being or any person authorised in this behalf by the Directors or to require discovery of or information respecting any detail of the Company's trading or any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the members of the Company to be communicated to the public.

24. **ARBITRATION**

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 incidents or consequences of these presents, or of the statutes, or touching anything then or thereafter done, executed, omitted or suffered in pursuance of these presents, or of the statutes or touching anything then or thereafter done, executed, omitted or suffered in pursuance of alleged breach of these presents, or any claim on account of any such breach or



alleged breach, or otherwise relating to the premises, or to these presents, or to any statute affecting the Company, or to any of the affairs of the Company, every such difference shall be referred under the Arbitration Act 1940, to the decision of an arbitrators to be appointed by the parties in differences, 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 any umpire to be appointed by the two arbitrators. The cost of, and expenses incidental to, any such reference and award shall be in the discretion of the arbitrators, or umpire respectively, who may determine the amount thereof, or direct the same to be taxed as between attorney and client or otherwise, and may award by whom, and to whom, and in what manner the same shall be borne and paid.

25. **WINDING UP**

The Company shall be wound up voluntary whenever a special resolution is passed requiring the Company to be so wound up. Clause Iv (II) of the Memorandum of Association of the Company shall have effect as if the provisions thereof were repeated herein.

26. **INDEMNITY**

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

27. **MISCELLANEOUS**

If the provisions of these Articles are in any way inconsistent with the provisions of the Companies Ordinance, 1984 or any other law for the time being in force, the provisions of that ordinance or other law shall prevail, and these Articles shall be read subject to that Ordinance or that other Law.



03-133 P, 4
Pakistan Trade Federation
20/11/01
Director of Companies
Ministry of Commerce
Islamabad

We several persons whose names and addresses are subscribed herewith are desirous of being formed into an Association in pursuance of the Articles of Association

Name and surname with Father's/husband's name (present and former) in full and block letters	Nationality with any former Nationality	Occupation	Residential Address in full	Signature
Mr. Khurshid Hadi S/o Late M. Hafiz Nabi Hadi	Pakistani	Business	First Leasing Corporation Limited, Finance & Trade Centre, 5th Floor, Shahrah-e-Faisal, Karachi.	
Mr. Ihsan Qadir S/o Ch. Ahmed Khan	Pakistani	Business	Flat 12-B, Sherpao Bridge Colony, Lahore Cantt.	
Mr. M. A. Ansari S/o Late Ehsan Ahmed	Pakistani	Business	78, Lane 6, Khayaban-e-Bader, DHA, Karachi.	
Mr. Muhammad Ismail S/o Mr. Ismail Ahmed	Pakistani	Business	21, Hussaini Society, Near National College, Karachi.	
Mr. M. Azwerul Haque S/o Mr. M. Azherul Haque	Pakistani	Business	F-16, Block 8, Clifton, Karachi 75600.	
Mr. Tahir Masud S/o Late K. Salahuddin	Pakistani	Business	1-B2, Khayaban-e-Shujaat. DHA, Karachi.	
Mr. Ashfaq Yousuf Tola S/o Yousuf Abdul Karim	Pakistani	Business	B-7, Saad Haven Apartments, 22/3, Prere Town, Karachi 75530.	
Mrs. Fehmina Shauq W/o Mirza Shauq Hussain	Pakistani	Housewife	6/7, College Road, GOR-1, Lahore.	
Mr. Mazhar Jafri S/o Fazal Ellahi Jafri	Pakistani	Consultant	217-218, Central Hotel Annexe, Abdullah Harood Road.	
Mrs. Qudsia Dossa W/o Mohd Hussain Dossa	Pakistani	Housewife	F-11, Block 7, Clifton, Karachi	
Mrs. Rehana Saigol W/o Shakil Saigol	Pakistani	Housewife	41, Khayaban-e-Ghazi, Phase V, DHA Karachi	

Dated 27th day of Nov. 2001

WITNESS TO ABOVE SIGNATURES

Full Name M. A. J. Mahood

Signature

Father's Name A. Rehman Mahood

Occupation Chartered Accountant

Full Address 602 Uja Shopping Centre, Convent Road, Karachi

