The Companies Ordinance, 1984

PRIVATE COMPANY LIMITED BY SHARES

Memorandum

and

Articles of Association

of

JAAG BROADCASTING SYSTEMS (PRIVATE) LIMITED
THE COMPANIES ORDINANCE, 1934
(Private Company Limited by Shares)

MEMORANDUM OF ASSOCIATION

OF

JAAG BROADCASTING SYSTEMS (PRIVATE) LIMITED

I. The name of the Company is Jaag Broadcasting Systems (Private) Limited

II. The Registered Office of the company will be situated in the province of, Sindh.

III. The objects for which the Company is established are:

1. To establish, run, manage and setup television channel or channels and to broadcast, produce films, plays, news, sports, musical entertainment or any other programs.

2. To carry on the business of broadcasting, producing programmes and films for the media, time bookings, consultancy on electronic media by way of buying and selling time on contract basis or otherwise with television, radio and allied media, and for establishing necessary infrastructure to produce programmes and materials for the above mentioned media and to air them through existing media, feasibility studies, marketing consumer products, business of professional advisors, agents and consultants for all kinds of companies or firms, government and other individual or association of persons particularly on advertisement, publicity, exhibitions and communication.

3. Generally to carry on in any place or places in the world the business of producing programmes and films for the media, time bookings and consultancy on electronic media, any and other trade to business which can conveniently be carried on in connection with any of the company’s objects and to establish and maintain offices or agencies in any part of the world for the conduct of the business of the company or for the sale material or things for the time being at the disposal of the company or for sale of goods related by or dealt by the company in any way that may be thought advisable including the publicity by means of issuance of circular, books, pamphlets and price list and producing and exhibiting cinema films, arrange vision network and telecast through existing media already working in the country.

4. To carry on all or any of the businesses of communications, advertising, public relations, public relations, publicity, marketing, gathering information, compiling, analysing, researching, promoting, campaigning, managing, selling, distributing, exhibiting, demonstrating, transporting, designing, planning, modeling, developing, calculating, spreading, disseminating, propagating, broadcasting, composing, scripting, creating, formulating, issuing, packaging and publishing, of different products, information and things in any form whatsoever including electronic, print, internet, audio, film, visual, written or oral, and for itself or on behalf of any client or clients and to deal in and use any and all other methods, activities, products or things of any description whether analogous to the foregoing or not (hereinafter referred to as the “Business”).
5. To establish, acquire, operate, manage, supply, sell, hire out, maintain and otherwise deal in facilities, plant, apparatus and equipment used or designed for use for the purposes of receiving and broadcasting or otherwise transmitting (by wireless telegraphy, closed circuits, cables or otherwise) and making, producing, recording, replaying or reproducing programmers; to make, produce, record, buy, sell, hire, hire out and deal in sound and other products of all kinds (whether pre-recorded or not) for recording in permanent or semi-permanent form, and replaying or reproducing sounds, images and signals of all kinds as permissible under the law.

6. To present, promote, organize, provide, manage and produce, films, broadcasts, concerts, musical pieces, entertainments, exhibitions, tutorials, seminars, courses and workshops, whether on any premises of the Company or elsewhere.

7. To buy, sell, import, export and distribute audio and video cassettes, compact discs (CDs) of all kinds of musical events and programs.

8. To organize, coordinate, arrange, manage, direct and administer all kinds of events, functions, shows, conferences, exhibitions and activities relating to the Business.

9. To acquire by purchase, lease, grant, assignment, transfer, exchange or otherwise lands, gardens, premises and to erect buildings, cinema house or houses for show pictures, studios, laboratories, factories, and to carry on any business capable of being conducted so as to directly or indirectly benefit the company.

10. To organize, coordinate, arrange, manage, direct and administer all kinds of sports events, functions, shows, conferences, exhibitions and activities relating to the Business.

11. To design, manufacture, process, assemble, distribute, import, export, contract, store, package, convert, repair, install, maintain and otherwise deal in all types and kinds of communication equipment, systems, accessories, components and parts thereof including data transmission equipment, data acquisition, storage, processing, editing and logging equipment, display terminals, facsimile transmission and receiving equipment and electronic information and audiotext equipment of all kinds and types.

12. To acquire, lease, license, construct, set up, establish, own, operate and manage any office, studio, shop, showroom, factory or establishment for the purposes of the Business or any item of the Business and to undertake the business of contractors, advisers or consultants, in respect of buildings, offices, factories, mills, warehouses, shops, stores, railways, bridges, reservoirs, watercourses, wharves and other works for the purposes of the Company.

13. To develop and or transfer video graphic technology and to acquire or pass on technical know-how, and to train personnel and workers, both in Pakistan and abroad, to obtain technical proficiency in various specialties connected with the Business of the Company.

14. To establish, run, manage exhibitions of works or art, photographs and painting exhibitions for display of artistic talents and to arrange shows, exhibitions to get together whether social, cultural, commercial, industrial or otherwise and to coordinate, manage and organize displays of industrial and economic progress of the region and part of Pakistan or elsewhere.
15. To own, establish, operate and run Radio Stations in Pakistan with the prior permission of competent Authorities.

16. Development, distributing of any terrestrial, satellite telegraphic, board bands, narrow bands, telephonic data or communications by any means and manufacturing and production of applications including software, apparatus, appliance, instrument or material used or capable of being used for making transmitting receiving of any of the aforesaid communications.

17. To purchase and acquire any Pakistani or foreign inventions or new processes of manufacture and to apply for purchase or otherwise acquire or obtain licenses in respect of any patents, patent-rights, brevets, invention, privileges, concessions, copy rights, monopolies, trademarks, processes and advantages in connection with any improvements, extensions and modification of the same and to experiment with, work, use, carry on, deal with the same and in any such capacities to grant any licenses or sublicenses at royalties or otherwise for the exercise of any invention, patent-right or privilege of the company and to protect and extend and to sell or transfer any such invention, patent rights or privileges and licenses in respect of the same and generally to do all such acts and things as may be deemed expedient for turning in to the fullest account the business, inventions, patents, licenses and privileges in which the company is or may be interested.

18. To apply for and take out, purchase or otherwise acquire any patents, patent rights, inventions, secret marks, commercial names and designs, copyright, trade marks, service licenses, concessions and the like (and any interest therein) or any exclusive or limited right to use or any secret or other information as to any invention or secret process of any kind and to use, exercise develop, or grant licenses in respect of, or otherwise turn to account or deal with, the property, rights or information so acquired, as permissible under the law.

19. To carry on the business as advisors, consultants, engineers and technical experts for any trade or industry and to render such advice and services as are usually rendered by technicians, engineers, commercial, economical, industrial and business consultants and to prepare, plan, explore, conduct tests and market research, collect data or otherwise assist in the executing of such schemes as may be through desirable in conjunction with the business of the company.

20. To adopt such means of making known the articles and products dealt with by the company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibitions or works or interest, publication of books and periodicals and by granting rewards and to hold or promote competitions of any descriptions of any description authorised by law, which may be calculated to increase the business of the company, or to advertise or promote the sale of any publication issued by it or in which it is interested and given in connection with such competitions or otherwise consisting of cash, scholarships or other terminable payments, shares or other choses-in-action, gifts in kinds or any other description or bonus or award or any rights or privileges which is in the power of the company to transfer.

21. To take up work of agencies, representations and distributing for individuals either manufactures, or distributors for their own products, commodities of any persons, firms, companies or corporations with the approval of competent authorities as necessary except the business of managing agencies.

22. To train or pay for training in Pakistan or abroad any of the company’s employees or any candidate in the interests or for furtherance of the company’s objects.
23. To arrange local and foreign currency loans from financial institutions, scheduled banks, industrial banks including H. B. F. C., Companies and individuals for the purpose of purchase, manufacture, market, supply, export and import of machinery, construction of factory, building and for the purpose of working capital or for any other purpose.

24. To borrow money or secure or discharge any debt or obligation of the Company in such manner as may be thought fit by the Company and in particular but without prejudice to securities of any kind or mortgages or charges (fixed or floating) founded or based upon all or any part of the undertaking, property, assets and rights (present and future) of the Company or without any such security and upon such terms as to priority or otherwise as the Company shall think fit, and to advance payments with or without allowance of interest thereon, subject to the conditions/restrictions imposed under any law.

25. To enter into any guarantee, contract of indemnity or surety ship, in order to secure the performance of any contracts, obligations or commitments, with or without consideration, calculated to benefit the Company or the holding company of the Company or any subsidiary of the holding company or any subsidiary of the company, whether by personal obligation or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) of the Company.

26. To draw, accept, make, endorse, discount, negotiate, execute, issue, buy, sell and deal in bills of exchange, cheques and promissory notes and other negotiable or transferable instruments, in relation to the business of the company.

27. To establish, purchase, maintain and contribute to any pension, provident, gratuity, superannuation, retirement, redundancy, injury, death benefit or insurance funds, trusts, schemes, entities, or policies for the benefit of, and to give or procure the giving of pension, annuities, allowances, gratuities, donation, emoluments, benefits, of any description (whether in kind or otherwise), incentives, bonuses, assistance (whether financial or otherwise) and accommodation in such manner and on such terms as it thinks fit to, and to make payments or or towards the insurance of, any individuals who are or were at any time in the employment of, or directors or officers of (or held comparable or equivalent office in), or acted as consultants to or agents (except managing agents) for, the company or any company which is its holding company or is a subsidiary of the company or any such holding company, or any person to whose business the company or any subsidiary of the company is, in whole or in part, a successor directly or indirectly or any person which is otherwise allied to or associated with the company and to other individuals whose service has been of benefit to the company or who the company considers have a moral claim on the company, and the spouses, widows, widowers, families and dependents of any such individuals as aforesaid; and to establish, provide, manage and maintain and provide financial assistance to welfare, sports and social facilities, associations, clubs, funds and institutions which the company considers likely to benefit or further the interests of any of the aforementioned individuals and spouses, widows, widowers, families and dependents of any such aforementioned individuals, and to manage, maintain, support and provide financial assistance to any such facility, association, club, fund or institution which has been established, provided for, managed, maintained, supported or subscribed to by any person to whose business the company or any subsidiary of the company is, in whole or in part, a successor.

28. To acquire and undertake the whole or any part of the business, property and liabilities of any person or company, carrying on any business which the Company is authorized to carry on, or possessed of property suitable for the purpose of this Company.

29. To enter into partnership, or into any arrangement for sharing profits, union of interests, cooperation, joint adventure, reciprocal concession or otherwise, with any person or company
carrying on, or engaged in, or about to carry on or engaged in any business or transaction capable of being carried on or conducted so as directly or indirectly to benefit this Company and to advance money to guarantee the contracts of, or to otherwise assist any such person or company, and to take, or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue with or without guarantee.

30. To amalgamate with any company or companies having objects altogether or in part similar to those of this Company.

31. To sell, exchange, mortgage, royalty or tribute, grant licenses, easements, options and other rights over and in any other manner deal with or dispose of the undertaking, property, assets, rights and effects of the Company or any part thereof for such consideration as the Company may think fit, and in particular for stock, shares, fully paid up, debentures or securities of any other company, and if thought fit to distribute the same among the shareholders of this Company.

32. To sell, transfer, mortgage, pledge, exchange or otherwise dispose of the whole or any part of the property or the undertaking of the Company, either together or in portions for such consideration as the Company may think fit and in particular, for shares, debenture-stock or securities of any Company purchasing the same or to any other legal entity or person, by other means, permissible under the law.

33. To distribute any of the Company's property and assets among the members in specie or in any manner whatsoever in case of winding up of the Company.

34. To do all or any of the above and other things as are incidental or may be thought conducive to attainment of the above objects, in any part of the world, and as principals, agents, contractors, sub-contractors, importers, exporters, or otherwise, and by or through trustees and agents, either alone or in collaboration with others.

35. Notwithstanding anything contained in the foregoing object clauses of this Memorandum, nothing herein shall be construed as empowering the Company to undertake or indulge in the business of land developers, town planners, builders and colonization, banking, leasing, insurance, investment and management agency company directly or indirectly as restricted under law, or any unlawful business. The company shall not launch multilevel marketing, pyramid and ponzi schemes.

36. Notwithstanding anything stated in any object clause, the Company shall obtain such other approval or licence from the competent authority, as may be required under any law for the time being in force, to undertake a particular business.

IV. The liability of the members of the Company is limited.

V. The Authorized Capital of the Company is Rs. 5,000,000/- (Rupees Five Million) only, divided into 500,000 (Five Hundred Thousand) ordinary shares of Rs. 10/- (Rupees Ten only) each having rights and privileges attaching thereto as are or may be provided by the Articles of Association. The Company shall have power to increase or reduce the capital and to divide the shares in the capital for the time being into several classes.
We, the several person whose names and addresses are subscribed below, are desirous of being formed into a Company, in pursuance of the Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Present &amp; Former Name with Father's/Husband's Name in Full &amp; Surname /NIC No. or Passport No. in case of Foreign National</th>
<th>Present/ Former Nationality</th>
<th>Occupation/ Residential Address in Full</th>
<th>No. of Ordinary Shares taken by each subscriber</th>
<th>Signature</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>ZAFARUL HAMEED SIDDQI S/o. Dr. M. A. H. Siddiqi</td>
<td>Pakistani</td>
<td>BUSINESS OF BROADCASTING</td>
<td>1,000 (One Thousand only)</td>
<td>-SD-</td>
</tr>
<tr>
<td>02</td>
<td>JAVED FARUQI S/o. M. Muzaffar H. Faruqi</td>
<td>Pakistani</td>
<td>BUSINESS EXECUTIVE</td>
<td>01 (One only)</td>
<td>-SD-</td>
</tr>
<tr>
<td>03</td>
<td>SALEEM ADIL. S/o. Nasim Adil</td>
<td>Pakistani</td>
<td>BUSINESS EXECUTIVE</td>
<td>01 (One only)</td>
<td>-SD-</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Total: 1,002  (One Thousand Two Shares only)</td>
<td></td>
</tr>
</tbody>
</table>

Dated: **January 01, 2002**

\[Certified to be True Copy\]

Deputy Registrar of Companies
THE COMPANIES ORDINANCE, 1984

(Private Company Limited by Shares)

ARTICLES OF ASSOCIATION

OF

JAAG BROADCASTING SYSTEMS (PRIVATE) LIMITED

I. PRELIMINARY

1. The regulations contained in Table 'A' in the First Schedule to the Companies Ordinance, 1984 shall not apply to the Company, except so far as the same are repeated, contained or expressly made applicable in these Articles or by the Ordinance.

II. INTERPRETATION

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

(a) "Articles" means these Articles of Association as originally framed or as from time to time altered by Special Resolution.

(b) "Board" means the Board of Directors of the Company.

(c) "Chairman" means the Chairman for the time being of the Company.

(d) "Chief Executive" means the Chief Executive for the time being of the Company as defined in Section 2(1) (6) of the Ordinance.

(e) "The Company" means JAAG BROADCASTING SYSTEMS (PRIVATE) LIMITED.

(f) "The Commission" means Securities and Exchange Commission of Pakistan.

(g) "Directors" mean the Directors for the time being of the Company or any two or more present at a duly convened meeting of Directors at which a quorum is present.

(h) "Member" means a person whose name is for the time being entered in the Register of Members by virtue of his being a subscriber to the Memorandum of Association of the Company or of his holding by allotment or otherwise any share, security which gives him a voting right in the Company.
(i) "Month" means calendar month according to the Gregorian calendar.

(j) "The Office" means the Registered Office for the time being of the Company.

(k) "The Ordinance" or "the said Ordinance" means "The Companies Ordinance, 1984" as amended from time to time.

(l) "Ordinary Resolution" means a resolution passed at a general meeting when the votes cast (whether on a show of hands or a poll, as the case may be) in favour of the resolution by members present and voting in person or by proxy exceed the votes if any cast against the resolution.

(m) "Proxy" includes an attorney duly constituted under a power of attorney.

(n) "The Register" means the Register of Members to be kept pursuant to Section 147 of the Ordinance.

(o) "The seal" means the Common Seal or the Official Seal for the time being of the Company.

(p) "The Secretary" means the Secretary for the time being of the Company.

(q) "Special Resolution" has the meanings assigned thereto by Section 281 (36) of the Ordinance.

(r) "In Writing" and "written" include printing and lithography and any other mode or modes of representing or reproducing words in a visible form.

(s) Words imparting the singular number shall include the plural number and vice versa.

(t) Words imparting the masculine gender shall include the feminine gender and vice versa.

(u) Words imparting persons shall include any association, Company, body corporate and corporations.

(v) The head notes are inserted for convenience and shall not affect the construction of these Articles.

(w) Subject as aforesaid any words or expressions defined in this Ordinance shall, except where the subject or context forbids, bear the same meaning in these Articles.
III. PRELIMINARY

3. PRIVATE LIMITED COMPANY

The Company is a Private Company limited by shares, and accordingly

(a) The right to transfer shares of the Company is restricted in the manner hereinafter appearing;

(b) The number of members for the time being of the Company (not including persons who are for the time being in the employment of the Company) shall not exceed fifty; but where two or more persons hold one or more shares in the Company jointly, they shall for the purposes of this paragraph be treated as a single member, and

(c) No invitation shall be issued to the public to subscribe for any shares or stock, or debentures or debenture-stock, of the Company.

IV. BUSINESS

4. COMMENCEMENT OF BUSINESS

The business of the Company may be commenced soon after the incorporation with Companies Registration Office.

V. CAPITAL AND SHARES

5. CAPITAL

The Authorized Capital of the Company is Rs. 5,000,000/- (Rupees Five Million only) divided into 500,000 (Five Hundred Thousand) ordinary shares of Rs. 10/- (Rupees Ten only) each with the rights and privileges attaching thereto as are or may be provided by the Articles of Association of the Company for the time being. The Company shall have power to increase or reduce the capital and to divide the shares in the capital for the time being into several classes.

6. POWER TO ISSUE SHARES OF DIFFERENT CLASSES

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

7. NO PARTLY PAID SHARES TO BE ISSUED

The Company shall not issue partly paid shares. In the case of an issue of fully paid shares, the amount payable on application shall not be less than the nominal amount of the shares, but where shares are issued at a discount.
8. ISSUE OF SHARES AT DISCOUNT

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

9. ISSUE OF SHARES

The shares in the capital of the Company for the time being remaining un-issued, including any new shares resulting from an increase in the authorized share capital, shall be offered to the members in proportion to the existing shares held by each member, irrespective of class, and such offer shall be made by notice specifying the number of shares to which the member is entitled, and limiting a time within which the offer, if not accepted, will be deemed to be declined, provided that the Federal Government may, on an application made by any public Company on the basis of a special resolution passed by it, allow Company to raise its further capital without issue of right shares.

10. ALLOTMENT OF SHARES

As regards any allotment of shares, the directors shall duly comply with the directions of the Company in General Meeting, with the conditions, if any, specified in that behalf by the Commission and with such of the provisions of Section 68 to 73 and 86 of the Ordinance as may be applicable there-to.

11. WHO MAY BE REGISTERED AS SHAREHOLDERS

Shares may be registered in the name of any person, limited Company or other corporate body. Not more than four persons shall be registered as joint holder of any shares.

12. JOINT SHAREHOLDERS

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

13. DEATH OF JOINT SHAREHOLDERS

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

14. NO PURCHASE OF OR LOAN ON COMPANY'S SHARES

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

15. ISSUE OF CERTIFICATES

The certificates of title to shares shall be issued under the Common Seal and signed by at least one Director and another Officer prescribed by the Directors.

16. Every member shall be entitled subject to Section 74 of the Ordinance, to one certificate for all the shares registered in his name, or to several certificates each for a part of such shares and every certificate of shares shall specify the number of shares in respect of which it is issued and the amount paid-up thereon or credited thereto. The certificate of shares registered in the name of two or more persons shall be delivered to the person first named in the Register in respect thereof.

17. CERTIFICATES IN THE CASE OF JOINT HOLDERS

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

18. TIME FOR ISSUE OF CERTIFICATES

Unless the conditions of issue of any shares, debentures, debenture stock or redeemable capital of the Company otherwise provide, the Company shall within ninety days after the allotment and within forty-five days after receipt by the Company of the application for transfer of any such shares or redeemable capital complete and have ready for delivery the certificate of all shares allotted or transferred, or the certificate of all redeemable capital so issued.

19. ISSUE OF CERTIFICATE IN LIEU OF LOST OR WORN OUT CERTIFICATE

Subject to Section 75 of the Ordinance, if any certificate be worn out or de-faced, then upon production of the same to the Directors, they may order the same to be cancelled and may issue a new certificate in lieu thereof, and if any certificate be lost or destroyed, then upon proof thereof to the satisfaction of the Directors and on such indemnity as the Directors deem adequate being given, a new certificate in lieu thereof, shall be given to the person entitled to such certificates. Such sum (if any), not exceeding ten rupees plus stamp fee or any other duty, as the Directors may determine, shall be paid to the Company for every certificate so issued in place of a certificate lost or destroyed.

VII. TRANSFER AND TRANSMISSION OF SHARES

20. RESTRICTIONS ON TRANSFER

A share may be transferred by a member or other person entitled to transfer to any member selected by the transferor as aforesaid and save as provided by Articles 27 or 29 hereof, no share shall be transferred to a person who is not a member, so long as any member, or any person selected by the Directors as one whom it is desirable in the interest of the Company to admit to membership, is willing to purchase the same at the fair value. No new member will be admitted unless approved by all the Directors of the Company.

The instrument of transfer of any shares shall be in writing in the usual form of transfer or in the form appearing as under:

[Incomplete text due to image quality]
JAAG BROADCASTING SYSTEMS [PRIVATE] LIMITED

1. son/daughter/wife of ______ and of ______ being a National (hereinafter called the "Transferor") in consideration of the sum of _____________________________ (Rupees ______) paid to me by son/daughter/wife of ______ of ______ a National of ______ and Muslim/Non-Muslim (hereinafter called the "Transferee") do hereby transfer to the Transferee shares (s) numbered ______ in the undertaking called JAAG BROADCASTING SYSTEMS [PRIVATE] LIMITED to hold the same unto the said Transferee, his (or her) executors, administrators and assigns subject to the several conditions on which I held the same immediately before the execution thereof, and I, the Transferee, do hereby agree to take the said share(s) subject to the conditions aforesaid.

AS WITNESS our hands this _____ day of ____________, 20__.

WITNESS:

Signature: ____________________________
Full Name: ____________________________
Father's/Husband Name: ____________________________
Full Address: ____________________________
Nationality: ____________________________

Signature: ____________________________
(Transferor)
Occupation: ____________________________
Full Address: ____________________________

Signature: ____________________________
(Transferee)
Occupation: ____________________________
Full Address: ____________________________

The Board may from time to time alter or vary the transfer form.

21. NOTICE OF TRANSFER AND FAIR VALUE

Except where the transfer is made pursuant to Articles 27 or 29 hereof, the person proposing to transfer any shares (hereinafter called the proposing transferor) shall give notice in writing to the Company to the effect that he desires to transfer the same. Such notice shall specify the sum he fixes as the fair value, and shall constitute the Company as his agent for the sale of the shares to any member of the Company or person selected as aforesaid at the price so fixed, or, at the option of the purchaser, in case of dispute, at the fair value, to be determined by arbitration in accordance with these Articles. A transfer notice may include several shares, and in such case shall operate as if it were a separate notice in respect of each. A transfer notice shall not be revocable except with the sanction of the Directors.

22. TIME FOR THE COMPANY TO GIVE NOTICE TO PROPOSING TRANSFEROR

The Company shall, within a period of twenty eight days after being served with a transfer notice and a member or person selected as aforesaid, willing to purchase the shares (hereinafter called the purchasing member), give notice thereof to the proposing transferor, who shall be bound upon payment of the fair value to transfer the shares to the purchasing member.
of such member, and the Company shall not be bound to recognize such executors or administrators unless such executors or administrators shall have first obtained probate or letters of administration, as the case may be, from a duly constituted Court in Pakistan, provided that, in any case where the Directors in their absolute discretion think fit, they may dispense with production of probate or letter of administration, and, under the next following Article, register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased share holder as a share holder. In case of the death of any one or more of the joint registered holders of any shares, the survivor(s) shall be the only person(s) recognized by the Company having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

38. \textbf{SHARE ENTITLEMENT IN CONSEQUENCE TO TRANSMISSION}

Any person becoming entitled to shares in consequence of the death or bankruptcy of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under this clause or of his title as the Directors think sufficient may with the approval of the Directors (which they shall not be under any obligation to give) be registered as a member in respect of such shares or may, subject to the regulations as to transfers herein before contained, transfer such shares. This Article is hereinafter referred to as the "transmission clause".

39. \textbf{DIRECTORS' RIGHT TO REFUSE TO REGISTER TRANSMISSION OF SHARE}

The Directors shall have same right to refuse to register a person entitled by transmission to any shares or his nominee with assigning any reason as if he was the transferee named in the ordinary transfer presented for registration.

40. \textbf{COMPANY NOT LIABLE OR RESPONSIBLE FOR REGISTER OF TRANSFER}

The Company shall incur no liability or responsibility whatever, in consequence of its registering or giving effect to any transfer of shares made or purporting to be made, by an apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of person having or claiming any equitable right, or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest, or notice prohibiting registration of such notice, or referred thereto, in any book of the Company, and the Company shall not be bound or required to attend or give effect to any notice, which may be given to it regarding any equitable right, title or interest, or be under any liability whatsoever, for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company. But the Company, shall nevertheless, be at liberty to regard and attend to any such notice, and give effect thereto, if the Directors shall so think fit.

\section*{VIII. ALTERATION OF CAPITAL}

41. \textbf{INCREASE IN SHARE CAPITAL}

The Directors' may, with the sanction of the Company in general meeting, increase the authorized share capital by such sum, as may be prescribed.

42. \textbf{REORGANIZATION OF SHARE CAPITAL}

The Company may by Ordinary Resolution and subject to compliance with the requirements of Section 92 of the Ordinance:

(a) consolidate and divide its share capital into shares of larger amount than its existing shares;
43. **WHEN SHARES TO BE OFFERED TO EXISTING MEMBERS**

The Directors may from time to time increase the issued share capital by such sum as they think fit. In respect of any intended issue of shares, the Directors shall be entitled to seek the directions of the Company in General Meeting as to matters relating to the issue and may offer the shares in accordance with those directions. All shares intended to be issued by the Directors shall, before issue, be offered to the members strictly in proportion to the amount of the issued shares held by each member (irrespective of class); provided that fractional shares shall not be offered and all fractions less than a share shall be consolidated and disposed of by the Company and the proceeds from such disposition shall be paid to such of the entitled members as may accepted such offer. Such offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of the same in such manner as they think most beneficial to the Company. The Directors shall comply with the provisions of Section 86 of the Ordinance and in particular with the provisions of sub-section (3), (4) and (5) thereof.

44. **NEW SHARES TO RANK WITH SHIVES IN ORIGINAL CAPITAL**

Any capital raised by the creation of new shares shall be considered part of the original capital, and shall be subject to the provisions herein contained with reference to transfer and transmission, and otherwise.

45. **REDUCTION OF SHARE CAPITAL**

The Company may, by Special Resolution, reduce the Share Capital in any manner, but subject to any incident authorized and consent required under Sections 96 and 97 of the Ordinance.

**IX. GENERAL MEETINGS**

46. **ANNUAL GENERAL MEETING**

Subject to Section 158 of the Ordinance, First Annual General Meeting shall be held within eighteen months from the date of incorporation and thereafter once at least in every calendar year, so that not more than fifteen months shall be allowed to elapse between any two such General Meetings and within a period of four months following the close of its financial year.

47. **OTHER MEETINGS FOR SPECIAL MATTERS**

All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings. The following special matters shall be decided only in General Meetings of the Company:

(i) any amendment to or change in the Memorandum and Articles of Association or by-laws of the Company, including inter alia, re-capitalization, increase or decrease of the capital or shares of the Company (except any increase or decrease of redeemable capital issued by the Company to obtain any Islamic mode of financing), or any change in or addition to the business or purposes of the Company;
Arbitrator in case of differences as to the fair value

In case, any difference arises between the proposing transferor and the purchasing member as to the fair value of a share the difference shall be referred to arbitrators, one to be appointed by each of the parties in difference. The award of the arbitrators shall be binding on the parties.

Transfer of shares where proposing transferor makes a default

If in any case the proposing transferor, after having become bound as aforesaid, commits default in transferring the shares, the Company may receive the purchase money, and shall thereupon cause the name of the purchasing member to be entered in the Register as the holder of the share, and shall hold the purchase money in trust for the proposing transferor. The receipt of the Company for the purchase money shall be a good discharge to the purchasing member, and after his name has been entered in the Register in purported exercise of the aforesaid power, the validity of the proceedings shall not be questioned by any person.

Proposing transferor may sell his shares if the Company fails to find a buyer within the stipulated period

If the Company shall not, within the period of twenty-eight days, after being served with the transfer notice, find a member or person selected as aforesaid, willing to purchase the shares, and give notice in the aforesaid manner, the proposing transferor shall at any time within three calendar months thereafter be at liberty, subject to Articles 34 hereof, to sell and transfer the shares (or those not placed) to any person and at any price.

Transfer and transmission of shares to family members/legal heirs/trust

Any share may be transferred by a member to any child or other issue, father, mother, wife or husband of the member or to trustees of any settlement thereof made by a member, for the benefit of any child or other issue, father, mother, wife or husband of the member and any shares of deceased member may be transferred by his executors, or widower of such deceased member, and shares standing in the names of trustees of the will of any deceased member or of such settlement may be transferred upon any change of trustees, to the trustees for the time being of such will or settlement and the restrictions in the aforesaid Articles shall not apply to any transfer authorized by this Article.

Transfer of shares of a deceased member as per directors call to executors or administrators of the deceased

The Directors may call on the executors or administrators of a deceased member to transfer the shares of the deceased to some person to be selected by such executors or administrators and approved by the Directors, and, if the executors or administrators, do not comply forthwith with such call, they shall be deemed to have been served by the Company with a transfer notice, but the fair value shall in case of dispute be determined in the manner specified in Article 23.

Transfer of shares of a member declared as bankrupt

In the event of a member being declared bankrupt by a Court of competent jurisdiction, the majority of the Directors may serve the Company with a requisition to enforce the transfer of the shares of the bankrupt member.

Company to give notice of requisition to the official assignee of estate of the bankrupt

The Company shall forthwith give to the official assignee of the estate of the bankrupt, notice in writing of the requisition (with a copy of this clause subjoined), and, unless within seven days afterwards, the official assignee shall give to the Company a transfer notice in respect of the said.
shares in the manner provided in Article 21, he shall be deemed at the expiration of that period to have given to the Company such a transfer notice (the fair value to be mentioned in such transfer notice to be determined in case of dispute in the manner specified in Article 23), and the subsequent proceedings may be taken on that footing.

30. **DIRECTOR MAY DECLINE TO TRANSFER ANY SHARES**

The Directors may subject to the provisions of Companies Ordinance, 1984 decline to register or acknowledge any transfer of shares, and in particular may so decline in respect of shares upon which the Company has a lien. But this Article shall not apply to a transfer made pursuant to Article 29 hereof.

31. **REGISTER OF TRANSFERS**

The Company shall keep a book to be called the Register of Transfers, and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares transferred.

32. **FORM OF INSTRUMENT OF TRANSFER (TRANSFER DEEDS) IS PRESCRIBED BY DIRECTORS**

The shares in the Company shall be transferable by an instrument in writing executed both by the transferor and the transferee, in such form as shall from time to time have been prescribed by the Directors, or such other form as the Directors in their discretion deem fit to accept.

33. **PARTICULARS TO BE CONTAINED IN THE INSTRUMENT OF TRANSFER**

Every instrument of transfer, or where the transfer shall have been made by delivery, notice in writing in such form as shall from time to time have been prescribed by the Directors, signed both by the transferor and the transferee, and specifying the name, address and description of the transferee, the date on which the transfer took place and specifying the numbers of the shares transferred shall be left at the Office for registration accompanied by the certificate of the shares to be transferred and such evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

34. **RETENTION OR RETURN OF INSTRUMENT OF TRANSFER AND NOTICES**

All instruments and notices of transfer which shall be registered, shall be retained by the Company; but any instrument or notice of transfer which the Directors may decline to register, shall be returned to the person depositing the same.

35. **TRANSFER FEE**

A fee not exceeding rupee one may be charged for each share transferred, to be paid before the registration thereof, if so decided by the Directors.

36. **BOOK CLOSURE**

The transfer books and the Register may be closed once or any number of times in a year as the Directors think fit, not exceeding in aggregate 45 days in each year.

37. **EXECUTOR OR ADMINISTRATOR OF A DECEASED TO BE RECOGNIZED BY THE COMPANY**

The executors or administrators of a deceased member (not being one of several joint holders) shall be the only persons recognized by the Company as having any title to the shares registered in the name
(ii) any dissolution or liquidation of the Company;

(iii) the fixing of the compensation, direct or indirect, of Directors of the Company.

48. **EXTRAORDINARY GENERAL MEETING**

The Directors may whenever they think fit, call an Extraordinary General Meeting at such time and place as may be determined by them. An Extraordinary General Meeting shall also be called on requisition, as provided by Section 159 of the Ordinance.

49. **REQUISITION-HOW MADE**

Any requisition made by the members representing not less than one tenth of the voting power shall state the object of the meeting proposed to be called and shall be left at the registered office of the Company and shall conform to the requirements of Section 159 of the Ordinance.

50. **BUSINESS AT THE ANNUAL GENERAL MEETING**

The following business shall be transacted at an Annual General Meeting as ordinary business:

i. the sanctioning of a dividend, if any;

ii. the consideration of the accounts and the Balance Sheet;

iii. the reports of the Directors, and the Auditors' Report;

iv. the appointment and fixation of remuneration of the Auditors; and

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

**X. NOTICE OF GENERAL MEETINGS**

51. **NOTICE OF MEETINGS**

(a) Notice of a General Meeting shall be sent in the manner hereinafter mentioned at least twenty-one days (but not more than 35 days) before the date on which the meeting is to be convened to all such persons as are under these Articles or the Ordinance entitled to receive such notices from the Company and shall specify the place and the time and hour of the meeting and the nature of the business to be transacted thereat.

(b) Where any special business, that is to say, business other than consideration of the accounts, balance sheet and the reports of the Directors and Auditors, the Removal of the Directors, the appointment and fixation of the remuneration of Auditors and the election of Directors (all such matters being herein referred to as ordinary business) is to be transacted at a General Meeting, there shall be annexed to the notice of such meeting a statement setting out all such facts as may be material for consideration of such business including the nature and extent of the interest (whether direct or indirect) of any Director, and where the item of business
involves approval of any document, the time and place appointed for inspection thereof, and to the extent applicable. Such a statement shall be annexed to the notice also in the case of ordinary business to be transacted at the meeting.

(c) Where a resolution is intended to be proposed for consideration at a General Meeting as a Special Resolution, a copy thereof shall be annexed to the notice convening such meeting.

(d) If a Special Resolution is intended to be passed at a General Meeting, the notice convening that meeting shall specify the intention to propose the resolution as a Special Resolution.

(e) A notice for a General Meeting convened for the election of Directors shall state the number of Directors to be elected at that meeting and the names of the retiring Directors.

(f) The notice of every General Meeting shall prominently specify that a proxy may be appointed who shall have the right to attend, demand and join in demanding a poll and vote on a poll and speak at the meeting in the place of the member appointing him and shall be accompanied by a form of proxy as specified hereunder or as otherwise approved by the Directors in accordance with the requirement of Section 161(3) of the Ordinance.

52. **Omission to give notice**

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

53. **Quorum**

Subject to the provisions of Section 160 (2) (a) of the Ordinance, the quorum necessary for the transaction of business at a General Meeting shall be two members, present in person or by proxy, who represent not less than 25% of the total voting power.

54. **Adjournment for no quorum**

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

55. **The Chairman will preside**

The Chairman of the Board of Director, if any, shall, if present, preside at every General Meeting of the Company.

56. **Who will preside in the Chairman’s absence**

If the Chairman is not present within fifteen minutes of the time appointed for holding the meeting, or is known as not being able to attend for any reason, or there is no Chairman, the members present shall choose some one out of the Directors present to be the Chairman of such meeting or if no
Directors be present, or if all the Directors present decline to take the chair, the members present shall choose one of the members to be the Chairman of the meeting.

57. **CHAIRMAN MAY ADJOURN THE MEETING**

The Chairman may with the consent of the meeting at which 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 in any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

58. **NOTICE OF ADJOURNMENT OF MEETING**

When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of an original meeting, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

59. **RESOLUTION HOW DECIDED**

Every question submitted to a meeting shall be decided by a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded, in accordance with the provisions of the Ordinance. A declaration by the Chairman that a resolution by show of hands, unless poll has been demanded, has been carried, or carried by a particular majority, or lost or not carried, by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number of proportion of the votes recorded in favour of or against the resolution.

**XII. VOTES OF MEMBERS**

60. **VOTES**

Every member present in person or by proxy shall have one vote upon a show of hands and shall have one vote for each share conferring voting right held by him. If a corporation is represented by a proxy or by a representative duly authorized under Section 161 of the Ordinance, such representative or proxy shall have the same voting right as an individual member or his proxy respectively.

61. **POLL-HOW TAKEN**

A poll shall be taken in such manner as the Chairman of the meeting directs and the result of such poll shall be deemed to be the resolution of the Company in the General Meeting in which the poll was demanded. The Chairman may allow withdrawal of the demand of the poll.

62. **MEETING TO CONTINUE EVEN ON DEMAND OF POLL**

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 poll has been demanded.

63. **POLL DEMANDED TO BE TAKEN AT THE MEETING**

A poll demanded upon any question of adjournment, or as to the election of Chairman, shall be taken forthwith. A poll demanded on any other question shall be taken at such time not more than fourteen days from the demand, as the Chairman of the meeting may direct.
64. **VALIDITY OF VOTE**

No objection will be made to the validity of any vote except at the meeting or poll at which vote shall be rendered; any vote not disallowed at such meeting or poll, and whether given personally or by proxy, shall be deemed valid for all purposes whatsoever. In case of any dispute as to the admission or rejection of a vote, the Chairman shall determine the same and such determination shall be final and conclusive.

65. **EQUALITY OF VOTE**

In the case of an equality of votes, the Chairman shall, both on show of hands and on poll, have a casting vote, besides vote or votes to which he be entitled as a member and or proxy.

66. **VOTE IN RESPECT OF SHARES OF DECEASED AND BANKRUPT MEMBERS**

Any person entitled under the transmission clause to the transfer of any shares may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares provided that forty-eight hours at least before the time of holding the meeting, or adjourned meeting, as the case may be, in which he proposes to vote, he shall satisfy the Directors of his right to the transmission of such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

67. **VOTE TO BE GIVEN EITHER PERSONALLY OR BY PROXY**

Votes may be given either personally or by a duly appointed proxy. The instrument appointing a proxy shall be in writing under the hand of the appointer or if such appointer is a corporation, under their common seal or under the hand of their chairman or some other duly authorized officer. A proxy need not be a member of the Company.

68. **INSTRUMENT APPOINTING A PROXY-HOW VALID**

The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority shall be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting at which the person named in such instrument purposes to vote; but no instrument appointing a proxy shall be valid after the expiration of 12 months from the dates of its execution, except that it may be used at the adjournment of the meeting for which it was originally intended to be given and except that any member absent or resident abroad may deposit in the Registered Office an instrument of proxy (properly stamped for the purpose) and valid for all meetings whatever during such absence and until revocation.

69. **VOTE IN THE CASE OF JOINT OWNERS OF A SHARE**

In the case of joint owners of a share, the member whose name stands first in the register of members, and no other joint owner, shall be entitled to vote in respect of such share.

70. **IN CASE OF DEATH OF A SHAREHOLDER-VOTES HOW VALID**

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death of the principal or revocation of the appointment, unless notice be given before the death or revocation shall be given at the Registered Office of the Company at least 28 days before the meeting.
71. **FORM OF INSTRUMENT APPOINTING A PROXY**

An instrument appointing a proxy shall, unless the Directors otherwise decide, as nearly as circumstances will admit, be in the form and to the following effect:

I. ____________________________ of ____________________________ being a member of **M/s. JAAG BROADCASTING SYSTEMS (PRIVATE) LIMITED** and holder of Ordinary shares as per Registered Folio No. ___________ hereby appoint ____________________________ of ____________________________ as my/our proxy to vote for me/us and on my/our behalf at the annual or extra ordinary (as the case may be) general meeting of the Company to be held on the ____________________________ day of ____________________________ and at any adjournment thereof.

Signed by me this ____________________________ day of ____________________________

Signed by the said

72. **CORPORATION ACTING BY REPRESENTATIVE**

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

XIII. **DIRECTORS**

73. **DIRECTORS TO BE ELECTED**

Subject to the provisions of these Articles and the Ordinance the Directors shall be elected by the Members in General Meeting.

74. **NUMBER OF DIRECTORS**

The Company shall have at least two Directors. Subject to the said minimum, the number of Directors that the Company shall have shall be determined by the Directors themselves in accordance with the provisions provided in this Article. Before every General Meeting at which Directors are to be elected, the notice of such meeting shall be held not less than thirty-five days preceding the date of such meeting, the Directors shall declare in their meeting the number of such Directors who shall be elected. Except with the prior approval of the Company in General Meeting, the number of Directors so fixed shall not be increased or reduced by the Directors so as to have effect before the effective date of election at the next such General Meeting at which Directors are to be elected.
FIRST DIRECTORS

The following shall be the first Directors.

i. ZAFARUL HAMEED SIDDIQI
ii. JAVED FARUQI
iii. SALEEM ADIL

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

TERM OF OFFICE OF ELECTED DIRECTORS

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

REPRESENTATIVE DIRECTORS

In addition to the directors elected or deemed to be elected by shareholders, the Company may have directors nominated by the Company's creditors or other special interests by virtue of contractual arrangements.

DIRECTORS MAY FILL UP CASUAL VACANCIES

Any casual vacancy occurring among the elected directors may be filled up by the Directors, but a person so appointed shall hold office for the remainder of the term of the Director in whose place he is appointed. The Company shall prior to every such appointment secure in the form prescribed for this purpose, the consent of the person concerned consenting to act as a Director.

ELIGIBILITY FOR ELECTION AS DIRECTOR

The members in General Meeting shall elect the Directors from amongst persons who, not being ineligible in accordance with Section 187 of the Ordinance, offer themselves for election as Directors in accordance with this Article. Any person claiming to be eligible who desires to offer himself for election shall, whether he is retiring Director or not, file with the Company not later than fourteen days before the date of the General Meeting at which Directors are to be elected, a notice that he, being eligible, intends to offer himself for election as a Director at that meeting. Every person notifying his intention to offer himself for election as a Director shall together with the notice aforesaid deliver to the Company his consent to act as a Director. A person offering himself for election as a Director may withdraw his candidature at any time before the holding of the election and may do so by withdrawing the notice in which he offered himself for election. Not later than seven days before the date of the meeting, the Company will notify the members of the persons offering themselves for election as Directors at such meeting.

PROCEDURE FOR ELECTION OF DIRECTORS

The provisions of this Article shall apply for the election of Directors by the members in General meeting from amongst the candidates eligible for election, namely:

(a) Every member present in person or by proxy shall have such number of votes as is equal to
the product of the number of voting shares or securities held by him and the number of Directors to be elected;

(b) the number of votes calculated in accordance with the preceding clause (a) may be given to a single candidate or may be divided between any two or more candidates in such manner as the person voting may choose; and

(c) the candidate who gets the highest number of votes shall be declared elected as Director and then the candidate who gets the next highest number of votes shall be so declared and so on until the total number of Directors to be elected has been so elected.

81. Remuneration of directors

The remuneration of a Director (other than a working Director or the Chief Executive) for attending meetings of the Directors shall not exceed Rupees five hundred per meeting or such other amount as may be fixed by the Authority from time to time.

82. Travelling expenses

A Director who resides outside the city/town where a board meeting is held shall also be entitled to be paid such travelling and other expenses as may be fixed by the Directors from time to time.

83. Remuneration for extra services

If a Director shall be called upon to perform extra services or to make any special exertions for any purposes of the Company or business hereof or give special attention to the business of the Company, such a Director or Directors shall be entitled to a special remuneration which shall be determined by the Board of Directors or the shareholders in the General Meeting and may be paid in the form of fixed monthly allowance or a commission on the net annual profits of the Company or partly in one way and partly in another or in any other way as the Directors may from time to time determine.

84. Removal of directors

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

85. Qualification of directors

The qualification of an elected Director, in addition to his being a member, where required, shall be his holding shares of the nominal value of Rs. 10/- (Rupees ten only) at least in his own name, but a Director representing the interests of a member or members holding shares of the nominal value of Rs. 10 (Rupees ten only) at least shall require no such share qualification. A Director shall not be qualified as representing the interests of a member or members holding shares of the nominal value of Rs. 10 (Rupees ten only) in any other manner unless he is appointed as such representative by the member or members concerned by letter in writing addressed to the Company specifying the shares of the requisite value appropriated qualifying such Director. Shares thus appropriated for qualifying a Director shall not, while he continues to be such representative, be appropriated for qualifying any other Director.
XIV. ALTERNATE DIRECTORS

86. POWER TO APPOINT ALTERNATE DIRECTOR

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

XV. DISQUALIFICATION OF DIRECTORS

87. OFFICE OF THE DIRECTORS—HOW VACATED

The office of a Director shall be vacated

(a) If he ceases to be a member; or

(b) if he is found to be of unsound mind; or

(c) if he has applied for insolvency or has been adjudged an insolvent; or

(d) if he has been convicted by a Court of Law for an offence involving moral turpitude or has been debarred from holding such office under Section 217 or under any other provision of the Ordinance; or

(e) if he or any firm of which he is a partner or any private Company of which he is a director, without the sanction of the Company in General Meeting, accepts or holds any office of profit under the Company other than that of Chief Executive or a legal or technical adviser, or a banker; or

(f) if he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months whichever is the longer, without leave of absence from the Board of Directors; or

(g) if he or any firm of which he is a partner or any private Company of which he is a director accepts a loan or guarantee from the Company in contravention of Section 173 of the Ordinance; or

(h) if he resigns his office by notice in writing to the Company; or

(i) if he is a nominee Director and his nomination is cancelled or withdrawn.
Provided that the above provisions shall not apply in the following cases:

(a) A person representing the Government or an institution or authority which is a member;

(b) a Director who is a whole-time employee of the Company;

(c) a Chief Executive; or

(d) a person representing a creditor.

XVI. POWERS AND DUTIES OF DIRECTORS

88. GENERAL POWERS OF COMPANY VESTED IN DIRECTORS

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

89. SPECIFIC POWERS GIVEN TO DIRECTORS

Without prejudice to the general powers conferred by the last preceding Article and other powers conferred by law and by these presents and subject to the provisions of section 196 of the Companies Ordinance 1984, it is hereby expressly declared that the Directors shall have the following powers, that is to say, power:-

(a) To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire at such price and generally on such terms and conditions, as they think fit.

(b) At their discretion to pay for any property, rights or privileges acquired by or services rendered to the Company either wholly or partially in cash or shares, debentures or other securities of the Company, and any such shares may be issued either as fully paid. Any such debentures or other securities may be either specifically charged upon all or any part of the property of the Company as they think fit.

(c) To secure the fulfillment of any contracts or agreements entered into by the Company by mortgage or charge of all or any of the property of the Company in such manner as they may think fit.

(d) To appoint and at their discretion, remove or suspend such agents, attorneys, solicitors, officers, clerks, agents and servants for permanent, temporary or special purposes, and may from time to time think fit and to determine their powers and duties and fix their salaries or emoluments and to require security in such instances and for such amount as they think fit.
(e) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be required in relation to any such trust and to provide for the remuneration of such trustee or trustees.

(f) To institute, conduct, defend, compound, 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 to and of any claims or demands by or against the Company.

(g) To refer any claims or demands by or against the Company to arbitration and observe and execute the awards.

(h) To make and give receipts, releases and other discharges for money payable to the Company, and for the claims and demands of the Company.

(i) To determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, releases, contracts and documents.

(j) From time to time provide for the management of the affairs of the Company in such manner as they think fit, and in particular to appoint any person or persons to be the attorneys or agents of the Company with such powers (including power to sub-delegate) and upon such terms as may be thought fit.

(k) To invest and deal with any of the moneys of the Company not immediately required for the purposes thereof upon such securities and in such manner as they may think fit, and from time to time to vary or realize such investment.

(l) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as they may think fit, and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.

(m) To give to any person a commission on sales or purchases or on the profits of any particular business or transaction or as share in the general profits and such commission or share of profit shall be treated as part of the working expenses of the Company.

(n) From time to time to make, vary and repeal byelaws for the regulation of the business of the Company, its officers and employees.

(o) To give reward or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children or dependants the Directors to the Directors just or proper, whether such employee or his widow, children or dependants have or do not have a legal claim upon the Company.

(p) To set aside such portion of the profits of the Company as they may think fit, to form a fund to provide for such pensions, gratuities or compensation to create any provident or benefit fund in such manner as the Directors may deem.
(q) Subject to the provisions of the Ordinance, to accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or any part thereof.

(r) To make advances without security or upon such security as they may deem proper and to the extent permissible under the law.

(s) To borrow money on behalf of and for the purposes of the Company after the commencement of business from any individuals, firms, bodies, companies, banks or other persons by way of overdrafts, loans or otherwise and also upon mortgage or pledge or hypothecation or otherwise on security of all or of the assets or properties of the Company at such times and upon such terms as the Directors may in their discretion think fit.

(t) To enter into all such negotiations, agreements and contracts and rescind and vary all such agreements and contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

(u) To open accounts with any banks or with any companies, firms or individuals and to pay money into or draw money from any such accounts from time to time as the Directors may think fit.

(v) To disburse sums not exceeding such amounts as is determined by the Directors out of the net profits in a particular year for charitable and other purposes to be spent at the discretion of the Directors.

(w) The Directors may delegate, entrust to and confer, from time to time, upon a manager or managers or attorney or attorneys for the time being such of the powers exercisable by the Directors as they may think fit and to confer such powers for such period to be exercised for such objects and purposes and upon such terms and conditions with such restrictions as they think expedient.

(x) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.

(y) To act on behalf of the Company in all matters relating to bankrupts and insolvents.

(z) To give to any Directors or any person employed by the Company as remuneration for their services a commission on the profits of any particular business or transaction or a share in the general profits of the Company and such commission or share of profits shall be treated as part of the working expenses of the Company.

(aa) To make and alter rules and regulations concerning the time and manner of vesting of the contribution of the employees and the Company respectively of any sums and the accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof, and otherwise in relation to the workings and expenses of the said fund as the Directors shall from time to time think fit.

(ab) To make, draw, endorse, sign, accept, negotiate and give all cheques, bills of lading, drafts, orders, bills of exchange and promissory notes and other negotiable and mercantile instruments required in the business of the Company.
(ac) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable and immovable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles dealt with, imported or exported by the Company, and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of these powers.

(ad) From time to time to provide for the management and transaction of the affairs of the Company in any specified locality in Pakistan or elsewhere in such manner as they think fit.

(ae) From time to time and at any time to establish any Local Boards or Regional or Branch Offices for managing any of the affairs of the Company in any special locality in Pakistan or elsewhere and to appoint any persons to be members of any Local Board and to fix their remuneration. And from time to time and at any time delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Directors, and to authorize the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies; and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit and the Directors may at any time remove any person so appointed and may annul or vary any such delegation.

(af) To provide for the welfare of any employee or employees of the Company and the wives, widows and families or the dependants or connections of such persons, by building or contributing to the building of houses, dwellings, or by grants of money, pensions, allowances, bonuses or other payments or by creating and from time to time subscribing or contributing to provident fund and other associations, institution, funds or trusts and providing or subscribing or contributing towards places of instructions and recreations, mosques, schools, colleges, universities, hospitals and dispensaries, medical and other attendance and such other assistance as the Directors shall think fit, and to subscribe to, contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other objects which shall have any moral or other claim to support or aid either by reason of locality or operation or of public and general utility or otherwise.

(ag) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for Depreciation Funds, Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay debentures or any instrument in the nature of redeemable capital or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any part of the property of the Company, and for such other purposes (including the purposes referred to in the preceding clauses) as the Directors may, in their absolute discretion think conducive to the interest of the Company, and to invest the several sums to set aside or so much thereof as are required to be invested upon such investments as the Directors may think fit, and from time to time deal with and vary such investments and dispose off and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purpose as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company and to divide the Reserve Funds into such special funds as the Directors may think fit, and to employ the assets constituting all or any of the funds, including the Depreciation Fund, in the business of the Company or at the purchase or redemption of debentures or any instrument in the nature of redeemable capital and that without being bound to pay return on the same separate from the other assets with power, however, to the Directors at their discretion to pay or allow to be credited such fund return at such rate as the Directors may think proper.

(ah) The Directors may from time to time delegate any or all of their powers to a committee or committees consisting of two or more Directors as they may 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 the meetings and proceedings applicable to the Directors.

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

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

91. **MAKING OF LOANS, ETC.**

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

92. **DIRECTORS MAY CONTRACT WITH COMPANY**

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

93. **DIRECTORS TO DISCLOSE INTEREST**

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

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

Where by any contract or resolution of the Directors, an appointment or a variation in the terms of an existing appointment is made (whether effective immediately or in the future) of a Chief Executive, whole-time Director or Secretary of the Company, in which appointment any Director of the Company is, or after the contract or resolution becomes, in any way, whether directly or indirectly concerned or interested, or where by any contract or resolution of the Directors an appointment or a variation in the terms of appointment is made (whether effective immediately or in the future) of a Chief Executive, the Company shall inform the members of such appointment or variation in the manner required by Section 218 of the Ordinance and shall comply with the requirements of that Section in regard to the maintaining of such contracts and resolutions open for inspection by members at the office, the provision of certified copies thereof and extracts therefrom and otherwise.

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

Except as provided in Section 216 of the Ordinance, a Director shall not vote in respect of any arrangements in which he is either directly or indirectly concerned or interested, or in which his presence count for the purpose of forming a quorum at the time of any such vote. A quorum cannot be achieved in respect of a matter to be considered and acted upon in the event of one or more Directors having a direct or indirect interest therein, the Directors of the Company shall, as soon as practicable, convene an Extraordinary General Meeting to act upon such matter in accordance with the provision of Articles.
96. **REGISTER OF CONTRACT ARRANGEMENTS AND APPOINTMENTS**

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

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

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

**XVII. PROCEEDINGS OF DIRECTORS**

98. **HOW AND WHEN DIRECTORS MAY MEET TOGETHER/QUORUM**

The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit, and may determine the quorum necessary for the transaction of business, subject to the provisions of Section 193 of the Ordinance. Unless otherwise determined by the Directors, the quorum shall be two. In any case it shall not be less than one third of the number of Directors, or two, whichever is the greater. An Alternate Director whose appointment is effective shall be counted in a quorum.

99. **WHEN MEETING BE CONVENESED**

The Chairman may at any time and the Secretary to the Board shall at the request of at least two Directors in writing summon a meeting of the Directors. At least one clear day notice must be given to all Directors of summoning a meeting of the Directors (in case of Representative Director of non resident shareholders such notice shall be given by telex, fax or courier). With the consent of all the Directors, a meeting may be convened by a shorter notice. It shall be necessary to give notice of a meeting of Directors to any Director for the time being absent from Pakistan, unless such Director has appointed an Alternate.

100. **CHAIRMAN OF THE BOARD OF DIRECTORS**

The Chairman of the Board, whenever present shall preside over the meetings of the Directors, but if at any meeting the Chairman is present but is not willing to act or is absent beyond fifteen minutes after the time fixed for holding the meeting, the Directors present shall choose one of their number to be the Chairman of such meeting.

101. **QUESTION OF BOARD MEETINGS-HOW DECIDED**

Questions arising at any meeting shall be decided by a majority of votes, and in case of equality of votes the Chairman shall have a second or casting vote.

102. **DIRECTORS MAY ACT NOTWITHSTANDING VACANCY**

The continuing Directors may act notwithstanding any vacancy in their body so long as their number is not reduced below the number fixed by or pursuant to these Articles as the minimum number of Directors.
103. **REFERENCE TO GENERAL MEETING WHERE NO QUORUM**

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

104. **POWERS OF QUORUM**

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

105. **ACTIONS/BUSINESS REQUIRE APPROVAL**

In addition to the matters specified under section 196(2) of the Ordinance, the following actions and/or business of the Company, among others, shall require authorization and approval at a meeting of the Board of Directors:

(a) Appointment of the Chairman, Managing Director, Chief Executive of the Company and determination of the compensation of the Chief Executive which shall be in accordance with the terms of any Technical Services Agreement between the Company and any other party;

(b) opening and closing of branch and representative offices;

(c) purchase and sale of real estate and instrumental shareholdings;

(d) establishment, or acquisition, of affiliates and subsidiaries and the voting of stock in the same;

(e) adoption of, and any change in, the business plan and annual budget of the Company;

(f) adoption of, and any change in, the accounting and auditing policy of the Company and approval of the financial statements of the Company;

(g) approval of share transfers;

(h) adoption of, and any changes in, amounts above which contracts with third parties, including purchase contracts and leases, must be approved by the Board;

(i) adoption of, and change in, the credit borrowing, lending, money market, capital market (including underwriting), project and corporate finance policies of the Company, including without limitation, designation of authorities and limits of the powers of Directors and Chief Executive and amounts above which a transaction must be approved by the Board and

(j) the issuance and determination of the issue price, with or without discount, and the terms and conditions of issuance of, any future shares (including shares representing the authorized but un-issued capital of the Company), bonds, debentures, warrants and any and all other money or capital market instruments or the like of the Company and increase or decrease of redeemable capital issued by the Company to obtain any Islamic mode of financing.
106. **Resolution by Circular**

Subject to Section 196 of the Ordinance, a resolution passed by circulation without any meeting of Directors and evidenced in writing under the hand of all the Directors (or in their absence their Alternate Directors) for the time being in Pakistan shall be as valid and effectual as a resolution duly passed at a meeting of the Directors, called and held in accordance with the provisions of these Articles.

107. **Minutes of the Proceedings of Meeting of the Company and Directors to be Kept**

The Directors shall cause minutes to be duly entered in a book or books provided for the purpose. Any such minutes of any meeting of the Directors of the Company, if purporting to be signed by the Chairman of such meeting or by Chairman of the next succeeding meeting, shall be received as prima facie evidence of the matters stated in such minutes.

108. **Directors to appoint Chairman**

Upon the appointment or election of Directors, the Directors shall appoint a Chairman from amongst themselves who shall be the Chairman of the Board. The Chairman shall be appointed for such period not exceeding three years and shall receive such remuneration as the Directors may determine.

109. **Appointment of Chief Executive**

The Board shall appoint either the Chairman or any of the Director as the First Chief Executive in the manner provided under Section 198 of the Ordinance.

110. **Time of Appointment of Chief Executive**

Within fourteen days from the date of election of the Directors under Section 178 of the Ordinance, or the office of the Chief Executive falling vacant, as the case may be, the Directors of the Company shall appoint any person including an elected Director to be the Chief Executive but such appointment shall not be for a period exceeding three years from the date of appointment.

111. **Terms of Appointment**

The terms and conditions of appointment of Chief Executive shall be determined by the Directors. The Chief Executive shall receive such remuneration (whether by way of salary, commission, participation in profits, allowances, perquisites or any other permissible form of payment in one way and partly in another), as the Directors may determine, but subject to the provisions of the Sections 198 and 199 of the Ordinance.

112. **Removal**

The Chief Executive may be removed in accordance with the provisions of section 202 of the Ordinance.
XX. SECRETARY

113. APPOINTMENT OF SECRETARY

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

XXI. COMMON SEAL

114. COMMON SEAL AND ITS USE

The Common Seal of the Company shall not be affixed to any instrument except by the authority of the Board of Directors and in the presence of at least one Director and such other person as the Directors may appoint in this behalf or subject to other rules that may be prescribed by the Directors. The said Director, and such other person as aforesaid, shall sign every instrument to which the Seal of the Company is so affixed in their presence and such signatures shall be the evidence of the fact that the Seal has been properly affixed. Provided that signatures on share certificates may be inscribed by mechanical or electronic means and provided further that special Common Seal may be prepared for affixation on share certificates by mechanical or electronic means. The Board shall provide for the safe custody of the Seal.

115. OFFICIAL SEAL OUTSIDE PAKISTAN

The Directors may provide for the use in any territory not situated in Pakistan of an Official Seal which shall be a facsimile of the Common Seal with the addition on its face of the name of every territory where it is to be used. The provision of Section 213 of the Ordinance shall apply to the use of the Official Seal.

XXII. DIVIDEND

116. THE AMOUNT OF DIVIDEND TO BE DECLARED IN GENERAL MEETING

Subject to provisions of the Ordinance, the Company in General Meeting may declare a dividend to be paid to the members according to their rights and interests in the profits, but no dividend shall exceed the amount recommended by the Directors.

117. PAYMENT OF DIVIDEND

No dividend shall be paid otherwise than out of profits of the year or any other undistributed profits. No dividend shall bear interest against the Company.

118. INTERIM DIVIDEND

Whenever in their opinion the profits of the Company permit, the Directors may declare an interim dividend.
119. **Discharge by Shareholders**

If several persons are registered as joint holders of any share, any one of them may give effectual receipts for any dividends payable on the share. Dividends may be paid by cheque or warrant sent through post to the registered address of the member or person entitled thereto, or, in the case of joint holders, to the registered address of that one whose name stands first on the Register of Members in respect of the joint holding. Several executors or administrators of the deceased member in whose sole name any share shall stand shall, for the purposes of this Article, be deemed to be joint holders.

120. **Right to Dividends and Apportionment**

All dividends shall be declared and paid according to the amounts paid on the shares. All dividends shall be paid proportionally to the amounts paid or credited as paid on the shares.

121. **Effect of Transfer**

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

**XXIII. Capitalisation of Profit**

122. **Requirement of Resolution in General Meeting**

Subject to the provisions of Section 248 of the Ordinance, any General Meeting may, upon the recommendation of the Directors, resolve that any sum or sums representing the whole or any part of the profits of the Company for the time being undistributed standing at the credit of its accounts or any sum or sums standing at the credit of any Reserve Account (including any Capital Reserve Account) or any sum or sums at any time received as premium upon the issue of any shares of the Company or any amount or amounts arising by reason of any sale or other disposition of assets of the Company be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend on the shares and in the same proportions on the footing that they become entitled thereto as capital and that such capitalized fund be applied on behalf of such shareholders in paying up in full any un-issued shares or debentures or debenture stocks of the Company which shall be distributed accordingly and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum.

123. **Bonus Shares etc.**

Subject to section 86(2) of the Companies Ordinance, 1984, whenever such a resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issue of fully paid shares or debentures, if any and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provisions by the consolidation of fractional shares and disposing of them by payment in cash from the proceeds of such disposition, as they think fit in the case of shares or debentures becoming distributable in fractions, and also to authorize any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid-up, paid-up fractional shares or debentures to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of the respective proportions of the profits resolved to be capitalized.
XXIV. BOOKS OF ACCOUNTS

124. **KEEPING THE BOOKS OF ACCOUNTS**

(a) The Directors, subject to Section 230 of the Ordinance shall cause to be kept proper books of account with respect to:

(b) all sums of moneys received and expended by the Company and the matters in respect of which the receipt and expenditure take place;

(c) all sales and purchases of goods by the Company; and

(d) the assets and liabilities of the Company.

125. **BOOKS TO BE KEPT AT THE REGISTERED OFFICE**

The books of account shall be kept at the Registered Office of the Company or at such other place as the Directors think fit, and shall be open to inspection by the Directors during the business hours.

126. **INSPECTION OF BOOKS**

The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company, or any of them, shall be open to the inspection of the members (not being Directors) and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Directors or by the Company in General Meeting.

XXV. **ACCOUNTS AND BALANCE SHEET**

127. **DIRECTORS TO ARRANGE BALANCE SHEET AND OTHER STATEMENT OF ACCOUNTS**

The Directors shall, as required by Sections 233 and 236 of the Ordinance, cause to be prepared and to be laid before the members in General Meeting such Profit and Loss Account, Balance Sheet and reports as are referred to in those Sections.

128. **PROFIT AND LOSS ACCOUNT**

The Profit and Loss Account shall, in addition to the matters referred to in Section 234 of the Ordinance, show, arranged under the most convenient heads, the amount of gross income, distinguishing the several sources from which it has been derived, and the amount of gross expenditure, distinguishing the expenses of the Company. Every item of expenditure fairly chargeable against the year's income shall be brought into account, so that the just balance of profit and loss may be laid before the meeting, and, in case where any items of expenditure which may in fairness be distributable over several years has been incurred in any one year, the exact amount of such item shall be stated, with the addition of the reasons why only a portion of the expenditure is charged against the income for the year.

129. **BALANCE SHEET**

A Balance Sheet shall be made out every year and laid before the Company in General Meeting made
up to a date not more than four months before such Meeting. The Balance Sheet shall be accompanied by a report of the Directors inter alia as to the state of the Company's affairs and the amount (if any) which they recommend to be paid by way of dividend, and the amount (if any) which they propose to carry to a reserve fund and other requirements of Section 236 of the Ordinance. Auditors' report shall also be attached with the Balance Sheet.

130. **COPY OF AUDITED ACCOUNTS TO BE DISPATCHED TO ALL MEMBERS**

A copy of every Profit and Loss Account, Balance Sheet and reports shall at least twenty one days before the Meeting be sent to the registered address of every registered holder of shares of the Company and a copy shall also be deposited at the Registered Office for the inspection of members of the Company during a period of at least twenty one days before the Meeting.

**XXVI. AUDIT**

131. **APPOINTMENT OF AUDITORS**

Auditors shall be appointed and their duties regulated in accordance with Section 252 to 255 of the Ordinance.

**XXVII. NOTICE**

132. **SERVING OF NOTICE**

A notice may be given by the Company to any member either personally or by sending it by post to him at his registered address or (if he has no registered address in Pakistan) to the address, if any within Pakistan supplied by him to the Company for giving of notices to him.

133. **SERVICE BY POST**

Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.

134. **NOTICE TO JOINT SHAREHOLDERS**

A notice may be given by the Company to the joint-holders of a share by giving the notice to the joint-holder named first in the Register in respect of the share.

135. **HOW A NOTICE TO BE TREATED AS DULY SERVED**

Any notice or document delivered or sent by post to or at the registered address of any member in pursuance of these Articles shall be deemed to have been properly served in respect of any registered shares whether held solely or jointly with other persons as the member.
XXVIII. INDEMNITY

136. **Indemnification**

Every officer or agent for the time being of the Company may be indemnified out of the assets of the Company against any liability incurred by him in defending any proceeding, whether civil or criminal, arising out of his dealings in relation to the affairs of the Company, except those brought by the Company against him, in which judgment is given in his favour or in which he is acquitted, or in connection with any application under Section 488 in which relief is granted to him by the Court.

XXIX. SECRECY

137. Every Director, manager, adviser, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by any General Meeting or by any Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents.

138. No members shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require disclosure of any matter or information respecting any details of the Company's business or any matter which is or may be in the nature of trade secret or secret process which may relate to the conduct of business of the Company.

XXX. WINDING-UP

139. If the Company is wound up at any time the surplus assets, shall subject to any rights attached to any special class of shares forming part of the capital for the time being of the Company, be distributed in proportion to the paid-up capital on the shares.

XXXI. ARBITRATION

140. **Differences to be referred to arbitrator**

Whenever any difference arises between the Company on the one hand and any of the members, their executors, administrators or assigns on the other hand, touching the true intent or construction, or the incident or consequences of these Articles or of the statutes, or touching anything there or thereafter done, executed, omitted or suffered in pursuance of these Articles or of the statutes or touching any breach or alleged breach of these Articles, or any claim on account of any such breach or alleged breach, or otherwise relating to the premises, or to these Articles or to any statute affecting the Company or to any of the affairs of the Company, every such difference shall, as a condition precedent to any such difference being referred, in conformity with the Arbitration Act, 1940, or any statutory modification thereof, and any rules made there under, to the decision of an arbitrator to be appointed by the parties in question or if they cannot agree upon a single arbitrator to the decision of two arbitrators of whom one shall be appointed by each of the parties in difference, or in the event of the two arbitrators not agreeing, these arbitrators to be appointed by the two arbitrators, in writing, before proceeding on the reference, and such decision shall be final and binding on the parties.
We, the several persons whose names and addresses are subscribed hereto are desirous of being formed into a Company in pursuance of these Articles of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Present &amp; Former Name with Father’s/Husband’s Name in Full &amp; Surname /NIC No. or Passport No. in case of Foreign National</th>
<th>Present/ Former Nationality</th>
<th>Occupation/ Residential Address in Full</th>
<th>No. of Ordinary Shares taken by each subscriber</th>
<th>Signature</th>
</tr>
</thead>
<tbody>
<tr>
<td>01.</td>
<td>ZAFARUL HAMEED SIDIQI Dr. M. A. H. Siddiqi</td>
<td>Pakistani</td>
<td>BUSINESS OF BROADCASTING</td>
<td>1,000 (One Thousand only)</td>
<td></td>
</tr>
<tr>
<td>02.</td>
<td>JAVED FARUQI                                                   S/o. M. Muzaffar H. Faruqi</td>
<td>Pakistani</td>
<td>BUSINESS EXECUTIVE</td>
<td>01 (One only)</td>
<td></td>
</tr>
<tr>
<td>03.</td>
<td>SALEEM ADIL                                                S/o. Nasim Adil</td>
<td>Pakistani</td>
<td>BUSINESS EXECUTIVE</td>
<td>01 (One only)</td>
<td></td>
</tr>
</tbody>
</table>

Total: 1,002 (One Thousand Two Shares only)

Dated: 04 JAN 2007

Certified to be True Copy

Deputy Registrar of Companies

Signature