



SE-100(5F)2015/10
March 02, 2015

The Managing Director

Karachi Stock Exchange Limited
Stock Exchange Building
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Karachi

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The Managing Director

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The Managing Director

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Sub: **ALTERATIONS IN THE ARTICLES OF ASSOCIATION**
MCB Bank Limited

Dear Sir(s)

We wish to inform you that the Board of Directors of the Bank in their Meeting held on February 12, 2015, has approved some alterations in Articles of Association of MCB Bank Limited which are detailed/attached as an **Annexure**.

Pursuant to Regulation 26 of Listing Regulation of the exchange, you are requested to kindly provide your 'No Objection' in respect of amendments in the Articles of Associations of the Bank.

An early response would be highly appreciated.

Yours truly

Fida Ali Mirza
Company Secretary

Encl: **As above**

Fax:

MCB Bank Limited

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Existing Articles	Proposed Article
<p>Article 41: Pertaining to Transfer of Shares. (Transfer Deed)</p>	<p>Article 41: (Amended) The format of Transfer Deed as prescribed in Article 41 of the Articles of Association will be changed to incorporate the following changes:</p> <ol style="list-style-type: none"> Option for Transferee to provide Bank Account details for Dividend Mandate. After the words "Full address of the transferee" the words "including e-mail address in case transferee intends to receive annual accounts of the company through e-mail" shall be inserted.
<p>Article 92: "The qualification of a Director other than nominated by Federal Government shall be holding of at least 500 shares in the Company of the face value of Rupees Five thousand, in his own name, solely or jointly with another or others and whether beneficially or as a trustee for another or others or otherwise howsoever."</p>	<p>Article 92: (Amended) "Subject to the exclusions given in Section 187(h) of the Ordinance, no person shall be appointed as a director unless he is a member of the Company and holds at least 500 (Five Hundred) ordinary shares of the face value of PKR 5,000 (Rupees Five Thousand) in his own name."</p>
<p>Article 102: "The Company may by Resolution in General Meeting remove any Director before the expiration of his period of office and may in manner aforesaid appoint another person in his stead. A resolution for removing a Director shall not be deemed to have been passed unless the number of votes favouring such resolution is equal to or exceed the number of votes cast in favour of the last candidate declared elected in the immediately preceding election of Directors."</p>	<p>Article 102: (Amended) "Subject to the provisions of Section 181 of the Companies Ordinance, the Company may, by a Resolution passed in a General Meeting, remove a Director before the expiration of his term of office."</p>
<p>Article 107: "The Secretary may at any time and he shall upon the request of a Director convene a meeting of the Directors. A Director who is at any time not in Pakistan shall not during such time be entitled to notice of any such meeting."</p>	<p>Article 107: (Amended) "The Secretary may at any time and he shall upon the request of a Director convene a meeting of the Directors. Notice sent through email, shall be a valid notice of a meeting."</p>
<p>Article 110: "The Board of Directors shall elect one Director as Chairman. The Board of Directors shall also elect a Vice Chairman. The first Chairman and Vice Chairman shall hold the office for a period of three years and subsequently the tenure of office shall be two years. The retiring Chairman and Vice Chairman shall be eligible for re-election. Upon completion of the tenure of the Chairman and Vice Chairman, or earlier determination thereof by virtue of death, resignation or retirement, the Board of Directors shall elect a new Chairman and/or Vice Chairman as the case may be for remaining term. Subject as aforesaid, the Directors may elect a Chairman of their meeting. If no Chairman is elected or if at any meeting the Chairman is not present within 15 minutes of the appointed time for holding the same, the Directors present shall choose one of their members to be a Chairman of such meeting."</p>	<p>Article 110: (Amended) "The Board of Directors shall elect, amongst elected Directors, a Chairman and a Vice-Chairman. The Chairman and the Vice Chairman shall hold the office for a period of three years. The retiring Chairman and the Vice Chairman shall be eligible for re-election. Upon completion of tenure of the Chairman and the Vice Chairman, or earlier determination thereof by virtue of death, resignation or retirement, the Board of Directors shall elect a new Chairman and/or Vice-Chairman, as the case may be, for remaining term. The Chairman and in his absence, the Vice-Chairman will preside over the Board meetings. If no Chairman and/or Vice-Chairman is elected or if at any meeting the Chairman and/or Vice-Chairman is not present within 15 minutes of the appointed time, the Directors present shall choose one of their members to be a Chairman of such meeting.</p> <p>Upon the expiry of the term of office of the Chairman and/or the Vice Chairman, and in the event that the Directors have not elected any other persons to act as Chairman and/or Vice Chairman, the retiring Chairman and/or Vice Chairman Directors shall be deemed to have been reappointed, for the purposes of subsequent meetings till such time as the directors reappoint/appoint a new Chairman / Vice Chairman. No resolution of the Board shall be called in question solely due to the non-appointment of a Chairman and/or Vice Chairman."</p>
<p>Article 121: "No Director shall be disqualified for his office from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being 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 the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed by him at the meeting of the Directors at which the contract or arrangement is determined on, if his interest then exists, or in any other case at the first meeting of the Directors after the acquisition of his interest, and that no Director shall as a Director vote in respect of any contract or arrangement in which he is so interested as aforesaid; nor shall his presence count for the purpose of forming a quorum at the time of any such vote and if he does so vote, his vote shall not be counted. A general notice that a Director is a member of any specified firm or company, and is to be regarded as interested in any subsequent transaction with such firm or company, shall be sufficient disclosure under this Clause, and after such general notice it shall not be necessary to give any special notice relating to any particular transaction with such firm or company."</p>	<p>Article 121: "The directors shall comply with the provisions of Section 214 and 216 of the Ordinance."</p>





Bank for Life

ANNEXURE

Existing Articles	Proposed Article
<p>Article 127(a): “The Company shall, out of the declared profits of each year and before any dividend is declared, transfer a sum equivalent to not less than 20 per cent, of such profits to reserve fund (hereinafter referred to as the Statutory Reserve Fund) until the amount of the said fund is equal to the paid up capital of the Company.”</p>	<p>Article 127(a): (Amended) “The Company shall create a reserve fund (hereinafter referred to as the Statutory Reserve Fund) to which shall be credited—</p> <p>(a) if the amount in such fund together with the amount in the share premium account is less than the paid-up capital of the banking company, a sum equivalent to not less than twenty per cent of the balance of profit of each year as disclosed in the profit and loss account and before any dividend is declared; and</p> <p>(b) if the amount in such fund together with the amount in the share premium account is equal to or exceeds the paid-up capital of the banking company, a sum equivalent to not less than ten per cent of the balance of profit disclosed as aforesaid and before any dividend is declared.”</p>
<p>Article 127(b): “The Company shall invest the amount standing to the credit of its Statutory Reserve Fund in Government Securities or in securities mentioned or referred to in Section 20 of the Indian Trusts Act of 1882 or keep deposited in a special account to be opened by the Company for the purpose in a scheduled Bank as defined in Clause (e) of Section 2 of the Reserve Bank of Indian Act, 1934.”</p> <p>N.B.- This article may be dispensed with and will not apply to the Company as soon as the Company is declared by the appropriate authority to be a scheduled Bank as defined in Clause (e) of Section 2 of the Reserve Bank of Indian Act, 1934.</p>	<p>Article 127(b): (Amended) “The Company shall invest the amount standing to the credit of its Statutory Reserve Fund in Government Securities or in securities mentioned or referred to in Section 20 of the Trusts Act of 1882 or keep deposited in a special account to be opened by the Company for the purpose in a scheduled Bank as defined in Clause (l) of Section 5 of the Banking Companies Ordinance, 1962.”</p>
<p>Article 131: “The Company in General Meeting may declare a dividend to be paid to the members according to the rights and interests in the profits and may fix the time for payment subject to the provision of Section 251. No longer shall dividend be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend.”</p>	<p>Article 131: (Amended) “The Company in General Meeting may declare a dividend to be paid to the members according to the rights and interests in the profits and may fix the time for payment subject to the provision of Section 251 of the Ordinance but no dividend shall exceed the amount recommended by the directors.”</p>
<p>Article 146: “A balance-sheet shall be made at least once in 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 as to the state of the Company’s affairs and the amount which they recommend to be paid by way of dividend and the amount (if any) which they propose to carry to the reserve funds. The profit and loss account and balance sheet shall be signed by at least three Directors.”</p>	<p>Article 146: (Amended) “The Balance Sheet and Profit and Loss Account of the Company shall be prepared, signed and submitted to the relevant regulatory authorities and others, as the case may be, in accordance with the applicable laws, rules and regulations.”</p>
<p>Article 147: “A copy of the balance sheet and report shall, at least twenty-one days previously to the meeting, be sent to the persons entitled to receive notices of General Meeting in the manner in which notices are to be given hereunder.”</p>	<p>Article 147: (Amended) “A copy of the Balance Sheet and Profit and Loss account and the Directors’ and Auditors’ Reports thereon as are required under law shall, at least twenty-one days prior to the meeting, be sent to the persons entitled to receive notices of the Annual General Meeting in the manner in which notices are to be issued.”</p>



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