THE COMPANIES ORDINANCE 1984.
(A PRIVATE COMPANY LIMITED BY SHARES)

MEMORANDUM

and

ARTICLES OF ASSOCIATION

of

GOLDEN ARROW SELECTED STOCKS FUND LIMITED

J.S.C.-34.

CERTIFICATE OF INCORPORATION

(Under section 23 of the Companies Act, 1913 (VII of 1913))

No. E-365/7369. of 19 83.

I hereby certify that GOLDEN ARROW SELECTED STOCKS FUND LIMITED.

- - -

- - -

is this day incorporated under the Companies Act, 1913 (VII of 1913), and that the company is limited by shares as a public company.

Given under my hand at Karachi.

this 9th day of May

one thousand nine hundred and Eighty-three.

Fee Rs. 11980/-

SEAL

(MOHAMMAD ISHAQ MALLAL)
Asstt: *Registrar,*
Joint Stock Companies.
Sind.

CERTIFICATE FOR COMMENCEMENT OF BUSINESS

(Under section 103 (2) of the Companies Act, 1913 (VII of 1913))

I hereby certify that the Golden Arrow Selected Stocks Fund Limited which was incroporated under the Companies Act, 1913 (VII of 1913), on the 9th day of May 1983. and which has filed a duly verified declaration in the prescribed form that the conditions of clauses (a) to (d) of sub-section (1) of section 103 of the said Act have been complied with, is entitled to commence business.

Given under my hand at Karachi this 19th day of May, one thousand nine hundred and Eighty-three.

Fee Rs.110/-

(MOHAMMAD ISHAQ MALLAL)
Asstt: *Registrar,*
Joint Stock Companies.
Sind.

SEAL

J.S.C.-35

PCPPK--S/96/78/DCS&F--8-7-78--1,100.

THE COMPANIES ORDINANCE 1984
(A COMPANY LIMITED BY SHARES)

MEMORANDUM OF ASSOCIATION
OF
GOLDEN ARROW SELECTED STOCKS FUND LIMITED

I. The name of the Company is "GOLDEN ARROW SELECTED STOCKS FUND 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 and which are in conformity with the investment policy of the Company are and laid down in the following sub-clauses. The investment policy of the Company is:-

General nature of the business transacted and to be transacted by the Company will be the investing of its assets in securities. The purpose of the Company is to provide a vehicle whereby investors can invest their funds in securities under the direction of AKD Investment Management Limited (hereinafter called "the Investment Adviser"), subject to general control and directions of the Board of Directors. The objective of the Company is to provide superior results through investment in growth stocks, dividend generating stocks and modaraba certificates. Although the Company's fund may be invested in ordinary stocks, it may also take a significant position in other securities listed on a stock exchange (e.g. debentures, participation terms certificates, modaraba certificates, etc.) from

7

time to time to protect against capital losses when the stock market appears vulnerable. Selection of securities for the portfolio will be based, as far as possible, on their potential capital appreciation possibilities. The Company's investment policy, with its emphasis on investing in securities for their potential capital appreiation.

1. To carry on the business of a "closed-end" investment company in a manner that the affairs and the business of the Company shall be subject always to and be governed and controlled by the Securities & Exchange Ordinance, 1969 (XVII of 1969) and the Investment Companies and Investment Advisers Rules, 1971 and such other Acts, Ordinances, Schemes, Rules, Directions as may from time to time be issued and be applicable to the Company or any law for the time being in force.

2. To buy, sell, hold or otherwise acquire or invest the capital of the Company and other moneys in shares, stocks, debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by the Company incorporated or registered in Pakistan (which is listed or to be listed on the stock exchanges) or in any foreign country and debentures, debenture stocks, bonds obligations and securities issued or guaranteed by any Government, in Pakistan or abroad and also to invest in Security or Securities for short term or long term gains and to realise such gains.

3. To acquire any such share stocks, debentures, debenture stocks, bonds, obligations or securities by original subscription, tender, purchase, exchange or otherwise and to subscribe for the same, either conditionally or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.

4. To advance and lend money to any person in connection with the business of the Company on assets of all kinds upon such terms as may be arranged.

5. To appoint an Investment Adviser for running the business and management of affairs of the Company with such powers as may be given by the Company from time to time and on such remuneration as may be decided between the Company and Investment Adviser or by and under any law, rules or regulations and appoint AKD Investment Management Limited as the Investment Adviser in terms of the law and the rules for the time being in force and to execute an agreement in this behalf and to renew, amend or modify such agreement in accordance with such law and the rules.

6. To employ experts to investigate and examine into the conditions, prospects, value, character, and circumstances of any business concerns and undertakings, and generally of any assets property or rights.

7. To give any guarantee in relation to the payment of any debentures, debenture stocks, bonds, obligations, or securities and to guarantee the payment of interest thereon or of dividends on any stocks, or shares of any company or units of investment.

8. To carry on all or any of the business of financiers, promoters, under-writer, agents, attorneys and liquidators of industries, undertaking, institutions, companies firms or individuals but always in accordance with the Investment Companies and Investment Advisers Rules, 1971 and other laws/regulations applicable from time to time.

9. To borrow or raise money or secure the payment of moneys and/or fulfillment of any obligations in such manner as the Company may think fit and in particular by the issue of debentures, debenture-stocks, perpetual terminable or otherwise.

10. To lend, or deposit moneys belonging to or entrusted to or at the disposal of the Company, to such person or company and in particular to customers and others having dealings with the Company with or without security, upon such terms as may be thought proper and to invest or otherwise employ such moneys in such manner as may be thought proper and from time to time to vary such transactions in such manner as the company may think fit.

11. To act agents for the issue and placing of and to underwrite shares, debentures, debenture-stock and other securities or any obligations of any companies or proposed companies.

12. To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined.

13. To undertake and carry on the office or offices and duties of trustee custodian, trustee executor, administrator, liquidator, receiver, committee, attorney or nominee of or for any person, company, corporation, association, government state, municipal or other body public or corporate.

14. To acquire by subscription, purchase or otherwise, and to take and hold or sell or re-issue with or without guarantee or otherwise deal with any shares, stocks, debentures, debenture stocks, securities or other interests in any other company.

15. To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the Company or the dependents or connections of such persons, grants, pensions and allowances and make payments towards insurance, subscribe to or guarantee moneys for charitable or benevolent objects or for any exhibition or for any public, general or useful objects.

16. To sell, improve, manage, develop, lease, mortgage, exchange, work, turn to account, or otherwise deal with all or any part of the property, or rights or concessions of the Company.

17. To give guarantee for the performance or discharge of any obligations, liabilities or duties or the payment of moneys by any persons or companies, and to give indemnities of all kinds.

18. To sell, lease, hire out, grant licenses, easements and other rights over, or in any other manner deal with or dispose of the business property or properties (excluding immoveable property), undertaking, assets, rights and effects of the Company, or any part thereof, for such consideration and upon such terms as the Company may think fit and in particular for shares wholly or partly paid up, debentures, debenture stocks, bonds or securities of any other company.

19. To draw, make accept, endorse, discount, execute, and issue bills of exchange, promissory notes, hundies, cheques, bonds, bills of lading, warrants, debentures and other negotiable or transferable instruments or securities and other accounts of any kind or nature whatsoever.

20. To pay all charges and expenses or sustained in or about the promotion and establishment of the Company or which the Company shall consider to be preliminary, including therein the costs, charges and expenses of and incidental to advertisement, commission for underwriting, brokerage, printing and stationery and the promotion and establishment of agencies and local boards.

21. To establish and maintain local register, agencies, branches, and places of business and procure the Company to be registered or recognised and carry on business in any part or parts of the world.

22. To amalgamate with any other company or companies having objects altogether or in part similar to those of the Company with the prior approval of the Corporate Laws Authority.

23. To remunerate any person or firms or companies or services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any shares in the Company's capital or debentures, debenture-stocks or other securities of the Company or in or about the formation or promotion of the Company or the acquisition of any rights or property by the Company or the conduct of its business by cash or by allotment of fully or partly paid shares or by call or option on shares of this Company or any other Company or in any other manner.

24. To distribute any of the property of the Company in specie or kind among the members.

25. To do all or any of the above acts, matters, and things in any part or parts of the world whatsoever either as principals or agents, or through agents in conjunction with others.

26. To place to reserve or to distribute as dividend or bonus among the members, or otherwise to apply as the Company may from time to time think fit, any moneys received in respect of dividends accrued on forfeited shares, and moneys arising from the sale by the Company of forfeited shares or from unclaimed dividends.

IV. The liability of the members is limited.

V. The Capital of the Company is Rs.1,250,000,000/= (Rupees One billion two hundred fifty million) divided into 250,000,000 ordinary shares of Rs.5/= each with powers to the Company from time to time to increase and reduce its capital. The shares of Company, whether original or increased, may be, divided into different classes and may have attached thereto such preferential deferred Or special rights, Privileges or conditions, and the same may be varied, modified and abrogated as may be determined by or in accordance with regulations of the Company and The Provisions of the Companies Ordinance, 1984.

101

We several persons whose names and addresses are subscribed below are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite out respective names.

Name, addresses and descriptions of subcribers	No. of shares taken by each subscriber	Signature of the subscribers	Name, Address and description of witness
1. Golden Arrow Investment & Research (Private) Limited 135 Stock Exchange Building, I.I. Chundrigar Road, Karachi.	One		
2. Mr. Said Ahmed 50 Khayaban-e-Tanzeem 26th Street Phase V Defence Housing Society Karachi. (Business)	One		
3. Mr. Rafique Dhedhi 8/1/8, Tipu Sultan Road KDA Scheme No. 1, Karachi. (Business)	One		
4. Haji Bashir Shamsuddin Mohalla Shah Sadian Makan No. 30/161 Sialkot. (Business)	One		
5. Mr. Hamid Umer 360-East 72 Street New York NY 10021 U.S.A. (Business)	One		
6. Mr. Yakub Umer 24/2, 24th Street Phase V Defence Housing Society Karachi. (Business)	One		
7. Mr. Amin Umer 24/2, 24th Street Phase V Defence Housing Society Karachi. (Business)	One		

Dated the Day of

11

THE COMPANIES ORDINANCE 1984
(A COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION
OF
GOLDEN ARROW SELECTED STOCKS FUND LIMITED

TABLE "A" EXCLUDED

1. The Regulations contained in the Table marked "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.

2. The regulations for the management of the company and for the observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference of the repeal or alteration of or addition to its regulations by Special Resolutions, as prescribed or permitted by the Ordinance, be such as are contained in these Articles.

INTERPRETATION

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

"The Company" mean the above named company.

"The Ordinance" means the Companies Ordinance, 1984.

"The Securities & Exchange Ordinance" means the Securities and Exchange Ordinance, 1969 (XVII of 1969).

"The Rules" means Investment Companies and Investment Advisers Rules, 1971.

"The Authority" means the Corporate Law Authority of Pakistan.

"The Directors" means the Directors for the time being of the Company or the Directors assembled at a Board.

"The Chief Executive" means an individual who, subject to the control and direction of Directors, is entrusted with the whole, or substantially the whole, of the powers of management of the affairs of the company and includes a director or any other person occupying the position of a Chief Executive, by whatever name called and whether under a contract of service or otherwise.

"Month" means a calendar month.

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

"Security" includes:

(i) any stock, transferable share, scrip, note, debenture, debenture stock, bond, participation term certificate, modaraba certificate, musharika certificate, term finance certificate, investment contract and pre-organisation certificate or subscription, and, in general, any interest or instrument commonly known as a "security" and, any certificate of deposit or certificate of interest or participation in, temporary or interim certificate or receipt or, any warrant or right to subscribe to or purchase, any of the foregoing, but does not include currency or any note, draft, bill of exchange or banker's acceptance or any note, which has a maturity at the time of issuance of not more than twelve months, exclusive of days of grace, or any renewal thereof whose maturity is likewise limited;

ii) any Government security as defined in the Securities Act, 1920 (X of 1920); and

iii) any bonus entitlement voucher issued by the State Bank of Pakistan in accordance with any scheme announced by the Federal Government.

"Redeemable Capital" has the meaning assigned to it by Section (2) (30A) of the Ordinance.

"Participatory Redeemable Capital" means such redeemable capital as is entitled to participate in the profit and loss of the company.

"These presents" means these Articles of Association as originally framed or as altered from time to time by Special Resolution.

"The Seal" means the Common Seal of the Company.

"Writing" shall include printing and lithography and any other mode or modes of representing or reproducing words in a visible form.

Words imparting the singular number only shall include the plural number and vice versa.

9. To borrow or raise money or secure the payment of moneys and/or fulfillment of any obligations in such manner as the Company may think fit and in particular by the issue of debentures, debenture-stocks, perpetual terminable or otherwise.

10. To lend, or deposit moneys belonging to or entrusted to or at the disposal of the Company, to such person or company and in particular to customers and others having dealings with the Company with or without security, upon such terms as may be thought proper and to invest or otherwise employ such moneys in such manner as may be thought proper and from time to time to vary such transactions in such manner as the company may think fit.

11. To act agents for the issue and placing of and to underwrite shares, debentures, debenture-stock and other securities or any obligations of any companies or proposed companies.

12. To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined.

13. To undertake and carry on the office or offices and duties of trustee custodian, trustee executor, administrator, liquidator, receiver, committee, attorney or nominee of or for any person, company, corporation, association, government state, municipal or other body public or corporate.

14. To acquire by subscription, purchase or otherwise, and to take and hold or sell or re-issue with or without guarantee or otherwise deal with any shares, stocks, debentures, debenture stocks, securities or other interests in any other company.

15. To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the Company or the dependents or connections of such persons, grants, pensions and allowances and make payments towards insurance, subscribe to or guarantee moneys for charitable or benevolent objects or for any exhibition or for any public, general or useful objects.

16. To sell, improve, manage, develop, lease, mortgage, exchange, work, turn to account, or otherwise deal with all or any part of the property, or rights or concessions of the Company.

17. To give guarantee for the performance or discharge of any obligations, liabilities or duties or the payment of moneys by any persons or companies, and to give indemnities of all kinds.

18. To sell, lease, hire out, grant licenses, easements and other rights over, or in any other manner deal with or dispose of the business property or properties (excluding immoveable property), undertaking, assets, rights and effects of the Company, or any part thereof, for such consideration and upon such terms as the Company may think fit and in particular for shares wholly or partly paid up, debentures, debenture stocks, bonds or securities of any other company.

19. To draw, make accept, endorse, discount, execute, and issue bills of exchange, promissory notes, hundies, cheques, bonds, bills of lading, warrants, debentures and other negotiable or transferable instruments or securities and other accounts of any kind or nature whatsoever.

"The Rules" means Investment Companies and Investment Advisers Rules, 1971.

"The Authority" means the Corporate Law Authority of Pakistan.

"The Directors" means the Directors for the time being of the Company or the Directors assembled at a Board.

"The Chief Executive" means an individual who, subject to the control and direction of Directors, is entrusted with the whole, or substantially the whole, of the powers of management of the affairs of the company and includes a director or any other person occupying the position of a Chief Executive, by whatever name called and whether under a contract of service or otherwise.

"Month" means a calendar month.

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

"Security" includes:

(i) any stock, transferable share, scrip, note, debenture, debenture stock, bond, participation term certificate, modaraba certificate, musharika certificate, term finance certificate, investment contract and pre-organisation certificate or subscription, and, in general, any interest or instrument commonly known as a "security" and, any certificate of deposit or certificate of interest or participation in, temporary or interim certificate or receipt or, any warrant or right to subscribe to or purchase, any of the foregoing, but does not include currency or any note, draft, bill of exchange or banker's acceptance or any note, which has a maturity at the time of issuance of not more than twelve months, exclusive of days of grace, or any renewal thereof whose maturity is likewise limited;

ii) any Government security as defined in the Securities Act, 1920 (X of 1920); and

iii) any bonus entitlement voucher issued by the State Bank of Pakistan in accordance with any scheme announced by the Federal Government.

"Redeemable Capital" has the meaning assigned to it by Section (2) (30A) of the Ordinance.

"Participatory Redeemable Capital" means such redeemable capital as is entitled to participate in the profit and loss of the company.

"These presents" means these Articles of Association as originally framed or as altered from time to time by Special Resolution.

"The Seal" means the Common Seal of the Company.

"Writing" shall include printing and lithography and any other mode or modes of representing or reproducing words in a visible form.

Words imparting the singular number only shall include the plural number and vice versa.

Words imparting the masculine gender only shall include the feminine gender.

Words imparting persons shall include corporations.

Subject as aforesaid any words or expressions defined in the Ordinance shall, except where the subject or context forbids, bear the same meanings in these Articles.

The Marginal notes hereto shall not affect the construction hereof.

INVESTMENT POLICY

4. General nature of the business transacted and to be transacted by the Company will be the investing of its assets in the securities. The purppose of the company is to provide vehicle whereby investors can invest their funds in securities under the directions of AKD Investment Management Limited (thereafter called Investment Adviser), subject to general control and directions of the Board of Directors. The object of the Company is to achieve superior results through investment in growth stocks. Although the Company's fund may be invested primarily in ordinary stocks, it may also take a significant position in other securities listed on stock exchange (e.g. debenture, participation terms certificate, modaraba certificate etc.) from time to time to protect against capital losses when the stock market appears vulnerable. Selection of securities for the portfolio will be based, as far as possible, on their potential capital appreciation possibilities.

   The Company's investment policy, with its emphasis on investing in securities for their potential capital appreciation possibilities, may involve a substantially greater portfolio allocation for capital gains.

5. Copies of the Memorandum and Articles of the company shall be furnished by the Directors to every member at his request and within fourteen days thereof on payment of the sum of Rupees one for each copy.

COMMENCEMENT OF BUSINESS

6. The company shall not commence business or exercise any borrowing powers until the requirements of Section 146 of the Ordinance shall have been complied with.

CAPITAL AND SHARES

7. a) The Capital of the Company is Rs.1,250,000,000/- (Rupees One billion two hundred fifity million) divided into 250,000,000 ordinary shares of Rs.5/- each.

   (b) Out of the above, capital may be issued by the Directors from time to time with the permission of the Controller of Capital Issues, as the Directors may deem necessary.

8. Subject to the provisions of these Articles, the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons, on such terms and conditions and at such time as they think fit with full power give to any persons the right to call for the allotment of any shares at par for such time and for such consideration as the directors may deem fit. Provided that upon the

issue of further shares the directors shall comply with the provisions of Section 86 of the Ordinance, and provisions of the Investment Companies and Investment Advisers Rules 1971.

9. The company shall cause to be kept a Register of Members and an Index of Members in accordance with section 147 of the Ordinance.

10. The Register of Members shall be open to inspection of members gratis and to inspection of any other person on payment of one rupee or such lesser sum as the company may prescribe for each inspection. Any such member or person may take extracts therefrom.

The Company shall send to any member or person on request extracts of the Register or of the list and summary required under the Ordinance, on payment of 50 paisa for every hundred words or fractional part thereof. The extract shall be sent within a period of ten days, exclusive of non working days and days on which the transfer books of the company are closed, commencing on the day next after the day on which the member's request is received by the company.

11. The Directors shall observe the restriction as to allotment contained in Section 68 of the Ordinance. The minimum subscription on which the Direction may proceed to allotment of shares shall be a minimum of 5 lacs of the total capital issued for subscription.

12. Where the Directors decide to increase the capital of the company by the issue of further shares such shares shall be offered to member in proportion to the existing shares held by such members irrespective of class and such offer shall be made by notice notifying the number of shares to which the member is entitled and giving a time within which the offer, if not accepted, will be deemed to be declined and after the expiration of such time, or on receipt of an intimation from the member to whom such notice is given 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 notice shall be accompanied by a circular duly signed by the Directors or an officer authorised by them in the form prescribed by the Authority containing material information about the affairs of the company, latest statement of the accounts and setting forth the necessity for issue of further capital.

13. In addition to and without derogating from the powers for that purpose conferred on the Directors under Articles 8 and 13 and to any exercise of such powers, the company in General Meeting may determine that any shares (whether forming part of the original capital or of any increased capital of the company) shall be offered to such persons (whether members or holders of debentures of the company or not) in a premium or at par or (subject to compliance with the provisions of Section 84 of the Ordinance) at a discount as such General Meeting shall determine and with full power to give to any persons (whether a member or holder of debentures of the Company or not) the option to call for or to be alloted shares of any class of the company either at a premium or at par or (subject to compliance with the provisions of Section 84 of the Ordinance) at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting.

14. If and whenever, as the result of issue of new shares or any consolidation or sub-division of shares, any shares become held by members in fractions, the Directors

18

may sell these shares which members hold in fraction for the best price reasonably obtained and may pay and distribute to and amongst the members entitled to such shares in due proportions the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorise any person to transfer the shares sold to the purchaser thereof, and the purchaser shall be registered as the holder of the shares comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

15. Subject to the provisions of the Ordinance and these Articles the Directors may allot and issue shares in the capital of the company as payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the company in/or about the formation or promotion of the company or the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares, and if so issued, shall be deemed to be fully paid up shares.

16. An application signed by or on behalf of an applicant for shares in the company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purpose of these Articles be a member.

17. The company may issue ordinary shares or grant option to convert into ordinary shares the outstanding balance of any loans, advances or credit, as defined in the Banking Companies Ordinance, 1962 (LVII of 1962) or other non-interest bearing securities and obligations in accordance with the provisions of section 87 of the Ordinance.

18. The company may issue to one or more scheduled banks, financial institutions or such other persons as are specified for the purpose by the Federal Government by notification in the official gazette, any investment in the nature of redeemable capital in any or several forms in accordance with the provisions of section 120 of the Ordinance.

19. Save as herein otherwise provided, the company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognise any benami trust or equity or equitable contingent or other claim to or interest in such share on the part of any person whether or not it shall have express or implied notice thereof.

20. None of the funds of the company shall be employed in the purchase of, or lent on the security of the shares of the company except to the extent permitted by section 95 of the Ordinance.

UNDERWRITING AND COMMISSION

21. The company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditional) for any shares, debentures or debenture stock of the company or brokerage for procuring or agreeing to procure subscriptions (whether absolute or conditionally) for any

shares, debentures or debenture stock of the company but so that if the commission or brokerage in respect of shares be paid or payable out of capital, the statutory conditions and requirements shall be observed and complied with and the amount or the rate of commission or brokerage shall be governed by rules and regulations framed by the Corporate Law Authority of Pakistan or any other legal authority in Pakistan, including the Controller of Capital Issues.

CERTIFICATES

22. The certificates of title to shares shall be issued under the seal of the company and shall bear the signature of one director.

23. Every member shall be entitled without payment to one certificate for all the shares of each class registered in his name or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates each for one or more shares. Every certificate of shares shall specify the number and denoting numbers of the shares in respect of which it is issued and the amount paid thereon and shall be in such form as the Directors shall prescribe or approve.

24. If any certificate be worn out, defaced or rendered useless, then upon production thereof 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 new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate(s), against payment of such sums as the Directors may fix from time to time.

25. The Company shall within ninety (90) days after the allotment and within forty five (45) days after the application for registration of the transfer of any share, complete and have ready for delivery the certificate for shares and unless sent by post or delivered to the person entitled thereto, within that period, shall give notice of this fact to the shareholder immediately thereafter. A duplicate of a certificate shall be issued within forty five (45) days from the date of application.

26. The company may enter into an agreement with any Investment Adviser or Manager to manage the business of the company. Such agreement will not be altered, modified or repudiated by the shareholders through any General Meeting during the term of the agreement

TRANSFER AND TRANSMISSION OF SHARES

27. The company shall keep a book to be called the "Register of Transfer" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

28. The instrument of transfer of any share shall be in writing in the usual or common form approved by the Directors.

29. Every such instrument of transfer shall be signed both by the transferor and the transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.

20

30. The Directors shall not refuse to register the transfer of any shares unless the transfer deed is defective or invalid. The registration of a transfer shall be conclusive evidence of the approval by the Directors of the transfer.

31. (1) An application for the registration of the transfer of shares may be made either the transferor or the transferee.

(2) It shall not be lawful for the company to register transfer of any shares unless the proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the company alongwith the script.

Provided that where it is proved to the satisfaction of the Directors of the company that an instrument of transfer signed by the transferor and the transferee has been lost, the company may, if the Directors think fit on an application in writing made by the transferee and bearing the stamp required by an instrument of transfer, register the transfer on such terms as to indemnity as the Directors may think fit.

(3) If the company refuses to register the transfer of any shares the company shall, within thirty (30) days from the date on which the instrument of transfer is lodged with the company, send to the transferee and the transferor notice of the refusal.

(4) Nothing in sub-clause (3) shall prejudice any power of the company to register as shareholder any person to whom the right to any share has been transmitted by operation of law.

32. The instrument of transfer shall after registration be retained by the company and shall remain in their custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. Directors may cause to be destroyed all transfer deeds lying with the company after such period as they may determine.

33. The Directors shall have powers on giving twenty one days notice by advertisements as required by Section 151 of the Ordinance to close the transfer books of the company for such period or periods of time not exceeding in the whole 45 days in each year but not exceeding 30 days at a time as to them may seem fit.

34. A person may on acquiring interest in the company as a member, represented by shares, at any time after acquisition of such interest deposit with the company a nomination conferring on one or more persons the right to acquire interest in the shares specified therein in the event of his death.

35. The executors or administrators or legal representatives of a deceased member or a holder of a Succession Certificate shall be the only persons whom the company will be bound to recognise as having any title to the shares registered in the name of such member and the company shall not be bound to recognise such executors or administrators or legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate, Letters of Administration or Succession Certificate as the case may be from a duly constituted Court; provided that in any case, where the Directors in their absolute discretion think fit, they may dispense with production of Probate or Letters of Administration or Succession Certificate and under the next Article register the name of any person

who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.

36. Any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this article or of his title, as the Directors shall require, either be registered as member in respect of such shares, or elect to have some person nominated by him and approved by the Directors, registered as a member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered, he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained, and until he does, so, he shall not be freed from any liability in respect of such shares. This clause is herein after referred to as the Transmission Clause.

37. Every transmission of a share shall be verified in such manner as the Directors may require and the company may refuse to register any such transmission until the same be so verified or until or unless indemnity be given to the company with regard to such registration which the Directors at their discretion shall consider sufficient; provided nevertheless that there shall not be any obligation on the company or the Directors to accept any indemnity.

38. The company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title 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 transfer and may have entered such notice or referred thereto in any book of the company and the company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitably 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.

INCREASE, REDUCTION AND ALTERATION OF CAPITAL

39. The company may from time to time in General Meeting increase its share capital by the issue of new shares of such amount as it may think expedient.

40. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as by the General Meeting creating the same shall be directed, and if no direction be given, as the Directors shall determine. However, the rights as between various classes of shares shall be strictly proportionate to the paid up value of shares.

41. Except so far as otherwise provided by the conditions of issue or by these presents 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 the transfer and transmission, voting and otherwise.

42. The company may from time to time by Special Resolution reduce its share capital any way authorised by law and may, if and so far as is necessary, alter its Memorandum by reducing the amount of its share capital and of its shares accordingly.

43. The company may in General Meeting by Ordinary Resolution alter the conditions of its Memorandum as follows:

(a) Consolidate and divide all and any of its share capital into shares of larger amount than its existing shares.

(b) Sub-divide shares or any of them into shares of smaller amounts than originally fixed by the Memorandum subject nevertheless to the provisions of the Ordinance in that behalf and so that as between the holders of the shares resulting from such sub-division one or more of such shares may be given any preference or advantage or otherwise over the others or any other such shares.

(c) Cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

MODIFICATION OF CLASS RIGHTS

44. If at any time the capital is divided into different classes of shares, all or any of the rights and privileges attached to each class may be modified abrogated or dealt with by agreement between the company and any person purporting to contract on behalf of that class, provided such agreement is:

(a) ratified in writing by the holders of at least one half of the nominal value of the issued shares of that class; or

(b) confirmed by a special resolution passed, at a separate General Meeting of the holders of that class, by a majority of at least three fourth of the members or the class of members affected by the alteration present personally or through proxy.

JOINT HOLDERS

45. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to the following and other provisions contained in these Article:-

(a) The company shall be entitled to decline to register more than 4 persons as the holders of any shares.

(b) On the death of any such joint holder the survivor or survivors shall be the only person or persons recognised by the company as having any title to the share but the Directors may require such evidence of death as may deem fit and 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.

(c) Any one of such joint holders may give effectual receipts of any dividends or

23

other moneys payable in respect of such shares.

(d) Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive notice (which expression shall be deemed to include all documents mentioned in Article 174) from the company and any notice given to such person shall be deemed notice to all the joint holders.

(e) Any one of two or more joint holders may vote at any meeting either personally or by an agent duly authorised under a power of attorney or by proxy in respect of such share as if he were solely entitled thereto and if more then one of such joint holders be present at any meeting personally or by proxy or by power of attorney then one of such persons so present whose name stands first or higher (as the case may be) on the Register in respect of such share shall alone be entitled to vote in respect thereof. Provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by an agent duly authorised under power of attorney or by proxy although the name of such person present by an agent or proxy stands first in the Register in respect of such shares. Several executors or administrators of a deceased members in whose (deceased member's) sole name any share stands shall, for the purposes of this sub clause, be deemed joint holders.

BORROWING POWERS

46. The directors may from time to time at their discretion borrow any sum or sums of money for the purposes of the company.

47. The directors may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respect as they think fit.

48. Any bonds, debentures, debenture stock, PTC's or other securities issued or to be issued by the company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the company.

49. Debenture, debenture stock, PTC's, bonds or other securities may be made assignable free from any equities between the company and the person to whom the same may be issued.

50. Any bonds, debentures, debenture stock, PTC's or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at General Meetings of the Company, appointment of Directors and otherwise; provided that debentures with the right to vote or allotment of shares shall not be issued without the consent of the company in General Meeting.

51. If the directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the company the directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the company by way of indemnity to secure the directors or person so becoming liable as aforesaid from any loss in respect of such liability.

52. The directors shall cause a proper Register to be kept in accordance with the provisions of Section 135 of the Ordinance of all mortgages, debentures and charges specially affecting the property of the company, and shall cause the requirements of Section 121 to 136 and 150 of the said Ordinance in that behalf to be duly complied with so far as they are to be complied with by the Company.

STATUTORY MEETING AND GENERAL MEETINGS

53. The Statutory Meeting of the Company shall be held at such place and time (not less than three months nor more than six months from the date at which the Company is entitled to commence business) as the Directors may determine and in connection therewith the Directors shall comply with the provisions of Section 157 of the Ordinance.

54. A General Meeting of the Company shall be held within eighteen months from the date of incorporation of the Company and thereafter once at least in every calendar year within a period of six months following the close of the financial year at such time and place as may be determined by the Directors provided that no greater interval than 15 months shall be allowed to elapse between two Ordinary General Meetings. Such General Meetings shall be called Ordinary Meetings, all other meetings of the Company shall be called Extra Ordinary Meetings.

55. The Directors shall prepare the annual list of members and summary and forward the same to the Registrar of Companies, in accordance with Section 156 of the said Ordinance.

56. The Directors may call an Extra Ordinary General Meeting whenever they think fit.

57. (1) The Directors shall on the requisition of the holders of not less than one-tenth of the voting power of the company forthwith proceed to call an Extra Ordinary General Meeting of the Company.

(2) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Registered Office of the Company and may consist of several documents in like form, each signed by one or more requisitionists.

(3) If the Directors do not proceed within 21 days from the date of requisition being so deposited to cause a meeting to be called, the requisitionists or a majority of them in value may themselves call the meeting but in either case any meeting so called shall be held within three months from the date of deposit of the requisition.

(4) Any meeting called under this Article by the requisitionists shall be called in the same manner, as early as possible, as that in which meetings are to be called by the Directors.

(5) Any reasonable expenses incurred by the recquisitionists by reason of the failure of the Directors duly to convene a meeting shall be repaid to the recquisitionists by the company and any sum so repaid should be retained by the company out of any sums due or to become due from the company by way of fees or other remuneration for their services to such of the Directors as were in default.

58. The notice of every General Meeting shall be sent to the shareholders at least twenty one (21) days before the day fixed for the meeting. The notice shall specify the place and the day and hour of the meeting alongwith a statement of business to be transacted at the meeting.

59. Any business other than the consideration of the accounts, balance sheet and the report of the directors and auditors, the declaration of dividend, the appointment and fixation of remuneration of auditors, and the election or appointment of directors shall be treated as Special Business.

60. Where any special business is to be transacted at a general meeting, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning such business, including in particular, the nature and extent of the interest, if any, therein of every Director, whether directly or indirectly and where any item of business consists of the according of an approval to any document by the meeting, the time when and the place where the documents may be inspected shall be specified in the statement.

61. In cases in which notice of a meeting called by the Directors is given to the shareholders individually, the accidental omission to give notice to any of the shareholders or the non-receipt thereof shall not invalidate any resolution passed at any such meeting.

62. Three members present personally who represent not less than twenty five percent of the total voting power either of their own account or as proxies shall be a quorum for a General Meeting and no business shall be transacted at any General Meeting unless the quorum be present at the commencement of the business.

63. No business shall be discussed at any General Meeting except the election of a chairman whilst the chair is vacant.

64. The Chairman of the Board of Directors shall be entitled to take the chair at every General Meeting. If there be no Chairman or if at any meeting he shall not be present within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Directors present may choose a chairman and in default of doing so, the members present shall choose one of the Directors to be chairman, and, if no Director present be willing to take the chair, the members present shall choose one of the members to be the Chairman.

65. If within half an hour after the time appointed for the holding of a General Meeting a quorum be not present, the Meeting if convened on the requisition of shareholders shall be dissolved and in every other case shall stand adjourned to the same day in the next week at the same time and place. If at such adjourned meeting a quorum is not present, those members present shall be a quorum and may transact the business for which the meeting was called.

66. The Chairman, with the consent of the meeting, may adjourn any meeting from time to time and from place to place.

67. Except as provided by the Act in the case of the Statutory Meeting no business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place.

26

68. At any General Meeting resolutions put to the vote of the Meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by at least 5 members having the right to vote on the resolution present in person or by proxy or the Chairman of the Meeting or any member or members holding not less than 1/10th of the issued capital carrying voting rights and unless a poll is so demanded, a declaration by the Chairman that a resolution has been carried or carried by a particular majority and an entry to that effect in the books of the proceedings of the meetings shall be conclusive evidence of the fact without further proof of the number or proportion of the votes recorded in favour of or against such resolution.

69. A poll demanded on the election of the Chairman or on a question of adjournment shall be taken forthwith and a poll demanded on any other question shall be taken at such time, not more that fourteen days from the day on which it is demanded, as the Chairman of the meeting may direct.

70. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands taken place or at which the poll is demanded, shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.

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

72. Minutes shall be made in books provided for the purpose of all resolutions and proceedings at General Meetings and any minutes, if signed by any person purporting to have been the Chairman of the Meeting to which it relates or by the Chairman of the Board, shall be receivable as evidence of the facts therein stated without further proof.

73. The books containing minutes of proceedings of General Meetings of the Company shall be kept at the Registered Office of the Company and shall during business hours (subject to reasonable restriction as the Directors may from time to time or the Company in General Meeting impose so that not less than two hours each day be allowed for inspection) be open to the inspection of any member without charge.

74. Any member shall at any time after seven days from the meeting be entitled to be furnished, within seven days after he has made a request in that behalf to the company, with a copy of any minutes referred to above at a charge not exceeding fifty paisas per every 100 words.

75. Upon a show of hands every member entitled to vote and present in person or by an agent duly authorised under a power of attorney shall have one vote and upon a poll every member entitled to vote and present in person or by an agent duly authorised under a power of attorney or by proxy shall have one vote for every share held by him.

76. No member not personally present shall be entitled to vote on a show of hands unless such member is present by an agent duly authorised under a power of attorney or unless such member is a corporation present by proxy or a Company present by representative duly authorised under Section 162 & 163 of the Ordinance in which case such agent, proxy or representative may vote on a show

of hands as if he were a member of the company.

77. Any person entitled under the Transmission Clause to transfer any shares may vote at any General Meeting in respect thereof as if he was the registered holder of such shares provided that at least 48 hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right to transmission of such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

78. No person shall be appointed proxy who is not a member of the company and qualified to vote save that a corporation being a member of the company may appoint as its proxy one of its officers though not a member of the company.

79. Vote may be given either personally or by an agent duly authorised under a power of attorney or by proxy or in the case of a company by a representative duly authorised as aforesaid.

80. Every proxy shall be appointed in writing under the hand of the appointer or by an agent duly authorised under a power of attorney or if such appointer is a company or corporation under the common seal of the company or corporation or the hand of its attorney who may be the appointer.

81. No person shall act as proxy unless the instrument of his appointment and the power of attorney, if any, under which it is signed, shall be deposited at the office of the company atleast forty eight (48) hours before the time for holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, but no instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution, or in the case of the adjournment of any meeting held previously, on the expiration of such time.

82. If any such instrument of appointment be confirmed to the object of appointing proxy or substitute for attending at meetings of the company, it shall remain permanently or for such time as the Directors may determine, in custody of the company; if embracing other objects, a copy thereof, examined with the original shall be delivered to the company to remain in custody of the company.

83. Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form or to the effect following or in the form set out in regulation 39 of Table "A" in the First Schedule to the Ordinance.

GOLDEN ARROW SELECTED STOCKS FUND LIMITED

I, ______________________________ a member of the "Golden Arrow Selected Stocks Fund Limited" hereby appoint ____________ of ____________ (or failing him) ____________________ of ____________________ as my proxy to attend and vote for me and on my behalf at the (Ordinary or Extra Ordinary, as the case may be) General Meeting of the Company to be held on the ______________________ day of ____________ and at any adjourned meeting thereof (or at any meeting of the Company that may be held within the period of twelve months from the date hereof).

As witness I set my hand this ______________________ day of ______________ 19 ____________ Signed by the said.

Ꝑ

84. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or of any power of attorney under which such proxy was signed provided that no intimation in writing of the death or revocation shall have been received at the office before the meeting.

85. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote, whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

86. The Chairman of any meeting shall be the sole judge of the validity of every notice tendered at such meeting. The Chairman present at the meeting at which a poll is taken shall be the sole judge of the validity of every vote tendered at such poll.

87. Any shareholder whose name is entered in the Register of Members of the Company shall enjoy the same rights and to subject to the same liabilities at all other shareholders of the same class.

DIRECTORS

88. There shall be not less than seven Directors of the company. The directors shall fix the number of elected Directors of the company not later than thirty five (35) days before the convening of the general meeting at which directors are to be elected, and the number so fixed shall not be changed except with the prior approval of the General Meeting of the company.

89. The first Directors of the Company are:-

1. **Mr. Abdul Wahab E. Galadari**
   Nominee of Golden Arrow Investment & Research (Private) Limited.

2. **Mr. Said Ahmed**

3. **Mr. Rafique Dhedhi**
   Nominee of Golden Arrow Investment & Research (Private) Limited.

4. **Haji Bashir Shamsuddin**
   Nominee of Golden Arrow Investment & Research (Private) Limited.

5. **Mr. Hamid Umer**

6. **Mr. Yakub Umer**

7. **Mr. Amin Umer**

90. Any trust deed for securing the debentures or of debenture stock or participation term certificates, term finance certificates may, if so arranged, provide for the appointment from time to time by the trustees thereof or by the holders of the debentures or debenture or debenture stocks of some person or persons to be a Director or Directors of the Company and may empower such trustees or holders of debentures or debenture stocks term finance certificates from time to time to remove any director or Directors so appointed. The Director or Directors appointed under this Article is herein referred to as the "Debenture/Participation Term

Certificate Director/Term Finance Certificate Director" or "Debenture/Participation Term Certificate Director/Term Finance Certificate Director"; the term "Debenture/ Participation Term Certificate Director/Term Finance Certificate Director" means a Director for the time being in office under this Article. A debenture Director/ Participation Term Certificate, Term Finance Certificate Director shall not be bound to hold any qualification share and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained. Unless otherwise expressly provided, all the provisions herein contained and which apply to directors generally shall also apply to a Debenture Director.

91. No person shall be appointed as Director of the company if he:-

(a) Is a minor;

(b) is of unsound mind;

(c) has applied to be adjudicated as an insolvent and his application is pending;

(d) is an undischarged, insolvent;

(e) has been convicted by a court of law for an offense involving moral turpitude;

(f) has been debarred from holding such office under any provision of the Ordinance;

(g) has betrayed lack of fiduciary behaviour and a declaration to this effect has been made by the court under Section 217 of the Ordinance at any time during the preceeding five years;

(h) is not a member except where the persons, represents the government or an institution or an authority which is a member, or is a whole time director who is an employee of the company or represents the creditors, or is the Chief Executive.

92. The qualification of a Director of the Company shall be the holding of shares in the Company, of the aggregate nominal value of Rs. 5,000/=. A Director may act before acquiring his qualification, but shall in any case acquire the same within two months from his appointment. In case of Directors nominated by the Investment Adviser no share qualification will be required.

93. The remuneration of a Director for his services shall be such sum as may be fixed by the Directors not exceeding Rs. 500/= for each meeting attended by him.

94. The Directors may allow and pay to any Director who is not resident of Karachi and who shall come to Karachi for the purpose of attending a meeting such sum as the Directors may consider fair compensation for travelling expenses, in addition to his fee for attending such meeting as above specified.

95. If any Director, being willing shall be called upon to perform extra services or to make any special exertion for any of the purposes of the Company, the Company may remunerate the Director so doing by a fixed sum or by a percentage on

profits, as may be determined by the Company at a General Meeting; provided that the extra remuneration shall be subject to such conditions as the Controller of Capital Issues may impose from time to time and such remuneration may be either in addition to or in substitution for his remuneration above provided for the Directors.

96. On the date of first Annual General Meeting of the company all the Directors, who are subject to election shall stand retired from office. All the directors elected in the First General Meeting or thereafter shall hold office for a period of three years, unless he earlier resigns, become disqualified from being a director or otherwise cease to hold office.

97. The Directors shall have powers at all the times and from time to time to fill a casual vacancy occurring among the directors. The person so appointed shall hold office for the remainder of the term of the director in whose place he is appointed.

98. The continuing Directors may act notwithstanding any vacancy in their body, but so that if the number falls below the minimum number fixed the Directors shall not, except in emergencies or for the purpose of filling up vacancies or for summoning a General Meeting of the Company, act as long as the number is below the minimum and they may so act notwithstanding the absence of a necessary quorum under the provisions of Article 125.

99. The office of a Director shall be vacated if:

(a) he becomes ineligible to be appointed a director on any one or more of the grounds enumerated in Section 187.

(b) he fails to obtain within two months of his appointment or at any time thereafter cease to hold the share qualification, if any, necessary for his appointment on.

(c) 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 a Chief Executive or a Legal or Technical Advisor or a Banker or

(d) 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

(e) he or any firm of which he is partner or any private company of which he is a Director accepts a loan or guarantee from the Company in contravention of Section 195 of the Ordinance.

(f) he suspends payment to or compounds with his creditors

(g) he resigns office by notice in writing addressed to the company or to the Directors

(h) he is removed from the office by the company in General Meeting.

100. Subject to the restriction imposed by the Articles hereof and the Ordinance and the

observance and fulfilment thereof, no Director shall be disqualified from his office by contracting with the company either as vendor purchaser, agent, broker 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 relied by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relation thereby established, but it is declared that the nature of his Interest must be disclosed by him at the meeting of the Directors at which the contract or arrangement is determined, 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, and if he does so vote, his vote shall not be counted nor shall his presence count for the purpose of forming a quorum at the time of any such discussions. Provided that the Directors, or any of them, may vote on any contract of indeminity against any loss which they or any one or more of them may suffer by reason of becoming or being sureties or a surety for the Company. A general notice that any Director is a member of any specified firm or a Director or member of any specified company and is to be regarded as interested in any subsequent transactions with such firm or company, shall be sufficient disclosure under this Article, 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.

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

102. The Company shall not make any loan or guarantee a loan made to a Director of the Company or to a firm of which such Director is a partner or to a private company of which such director is a director except for the matter and to the extend specified in section 195 of the Ordinance.

103. No Director or firm of which such Director is partner or private company of which such director is a director shall, without the consent of the Company in General Meeting, hold any office of profit under the Company except that of a Chief Executive or a Legal or Technical Advisor or a Banker.

104. Every Director shall be indemnified by the company against all losses and expenses reasonably incurred by him in the discharge of his duties except such as are caused by his own wilful act, negligence or default.

105. A Director shall not be personally responsible for the act of any other Director or of any officer or servant of the company for any loss or expense resulting to the company by reason of the insufficiency or deficiency in value of or title to any property or security acquired or taken on behalf of the company, or by the wrongful act of any person under a liability to the Company, or by anything done by him in good faith in the discharge of his duties.

106. Any person who seeks to contest an election to the office of Director shall, whether he is a retiring Director or otherwise, file with the company, not later than fourteen days before the date of the meeting at which elections are to be held, a notice of his intention to offer himself for election as Director.

27

ELECTION AND REMOVAL OF DIRECTORS

107. The Director shall be elected by the members of the company in General Meeting in the following manner; namely:

   (a) a member shall have such number of votes as is equal to the product of the number of voting shares held by him and the number of directors to be elected;

   (b) a member may give all his votes to a single candidate or divide them between more than one of the candidates in such manner as he 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.

108. A resolution for removing a Director elected in the manner provided for in Article 110 or for reducing the number of Directors shall not be deemed to have been passed if the number of votes against it is equal to, or exceeds the number of votes that would have been necessary for the election of a Director at the immediately preceding annual election of Directors in the aforesaid manner.

CHIEF EXECUTIVE

109. The Directors as from a date not later than the fifteenth day after the date of its incorporation, appoint any individual to be the Chief Executive of the Company.

110. The Chief Executive appointed as aforesaid shall, unless he earlier resigns or otherwise ceases to hold office, hold office upto the first Annual General Meeting or, if a shorter period is fixed by the Directors at the time of his appointment, for such period.

111. Within fourteen days from the date of election of Directors or the office of the Chief Executive falling vacant, as the case may be the Directors 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.

112. On the expiry of his term of office under Article 110 and 111 a Chief Executive shall be eligible for reappointment.

113. The Chief Executive retiring under Article 110 and 111 continue to perform his functions until his successor is appointed unless non-appointment of his successor is due to any fault on his part or his office is expressly terminated.

114. The Chief Executive shall be deemed to be its Director and be entitled to all the rights and privileges, and subject to all the liabilities of that office.

115. No person who is ineligible to become a director of the Company shall be appointed or continue as the Chief Executive.

116. The Directors by resolution passed by not less than three-fourths of the total

number of directors for the time being, or the Company by a special resolution, may remove a Chief Executive before the expiration of his term of office notwithstanding any thing contained in these articles or in any agreement between the Company and such Chief Executive.

117. The remuneration of a Chief Executive shall from time to time be fixed by the Directors and may be by way of salary or commission or participation in profits or by any or all of these modes, provided that such remuneration shall be subject to the prior approval of the Controller of Capital Issues.

118. The Directors may from time to time entrust to and confer upon a Chief Executive for the time being such of the powers exercisable under those presents by the Directors as they may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers either collaterally with or to the exclusion of, and in substitution for all or any of the powers of the Directors on that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

PROCEEDINGS OF DIRECTORS

119. The Directors may meet together for the despatch of business adjourn and otherwise regulate their meetings and proceedings as they think fit. The Directors shall meet at least twice in a year.

120. The Chief Executive on his own motion or on the written request of at least two directors convene a meeting of the directors.

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

122. The Directors may elect a Chairman of their meetings and determine the period for which he is to hold office; but if no such Chairman is elected or if at any meeting the Chairman is not present at the time appointed for holding the same, the Directors present shall choose one of their number to be the Chairman of the meeting.

123. The quorum for the meetings of the Directors shall be one third of their number or four whichever is greater.

124. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and are not superseded by any regulations made by the Directors under the last preceding Article.

125. A resolution passed without any meeting of Directors, or for a committee of Directors appointed under Articles 123 and signed by all the directors or members of the committee present in Karachi shall, subject to the provisions of the Ordinance, be as valid and effectual as a resolution duly passed at a meeting of the Directors, or of such committee called and held in accordance with the provisions of these Articles. A statement signed by any person authorised in that behalf by the Directors certifying the number of Directors for the time being present in Karachi shall for the purpose of this Article be conclusive.

34

126. All acts done by any meeting of the Directors, or by a Committee of Directors or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or that they or any of them were disqualified be as valid as if every such person had been duly appointed and was qualified to be a Director.

127. The Directors shall cause minutes to be duly entered in books provided for the purpose:

(1) of the names of the Directors present at each meeting of the Directors and of any Committee of Directors;

(2) of all orders made by Directors and by Committee of Directors; and

(3) of all resolutions and proceedings of meetings of Directors and of Committees.

128. All such minutes shall be signed by the Chairman of the meeting as recorded, or by the person who shall preside as Chairman at the next succeeding meeting and all minutes purporting to be so signed shall for all purposes whatsoever be prima facie evidence of the actual passing of the resolution recorded and the actual and regular transaction or occurrence of the proceedings so recorded and of the actual and regular transaction of occurrence of the proceedings so recorded and of the regularity of the meeting at which the same shall appear to have taken place.

129. The Directors shall cause to be kept at the Registered office (a) a register of the Directors and office of the Company containing the particulars required by Section 205 of the Ordinance and send a copy thereof to the Registrar of Companies and notify to the Registrar any change that takes place from time to time, and (b) a register in which shall be entered the particular of all contracts or arrangements as required by Section 214 of the Ordinance.

130. The Directors shall comply with the provision of Section 205 and 219 in relation to the inspection of such registers as aforesaid.

POWERS OF DIRECTORS

131. The management of the business of the Company shall be vested in the Directors, and the Directors may exercise all such powers and do all such acts and things as the Company is by its Memorandum of Association or otherwise authorised to exercise and do and are not hereby or by statute directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Ordinance and of the Memorandum of Association and these Articles and to any regulations not being inconsistent with the Memorandum of Association and these Articles from time to time made by the Company in General Meetings, provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

132. Without prejudice to the general powers conferred by the last preceding Article and the other powers conferred by these presents and so as not in any way to limit or restrict any or all these powers, it is hereby expressly declared that the Directors shall have the following powers:-

(1) to pay the costs, charges and expenses preliminary and incidental to the

promotion, formation, establishment and registration of the Company.

(2) to pay and charge to the capital account of the Company any interest lawfully payable.

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

(4) at their discretion to pay any property, or rights, privileges acquired by or services rendered to the Company either wholly or partially in cash or in shares debentures, or other securities of the Company, and any such shares may be issued as fully paid up and any such bonds, debentures, or other securities, may be either specifically charged upon all or any part of the property of the Company not so charged.

(5) 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 property of the company either separately or jointly, and to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.

(6) To open accounts with any bank or banks or pay money into and draw money from any such account from time to time as the Directors may think fit.

(7) to secure the fulfillment of any contracts or engagements entered into by the company by mortgage or charge of all or any of the property of the company or in such other manners as they think fit.

(8) to attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acqured by the company, or in payment for services rendered to the company, such conditions as to the transfer thereof as they think fit.

(9) Subject to the provisions of the Ordinance to accept from any member on such terms and conditions as shall be agreed as surrender of his shares or stock or any part thereof.

(10) 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 requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.

(11) to institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its officers, or otherwise concerning the affairs or the company, and also to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the company.

(12) to refer any claim or demands by or against the Company to arbitration and

36

observe and perform the award.

(13) to act on behalf of the company in all matters relating to bankrupts, and insolvents.

(14) to make and give receipts, releases and other discharge for money payable to the company and for the claims and demands of the company.

(15) to determine from time to time who shall be entitled to sign on the company's behalf bills, notes, receipts, acceptance, endorsements, cheques, dividend warrants, releases, contracts and documents.

(16) to invest and deal with any of the moneys of the company upon such shares, securities or investments and in such manner as they may think fit and from time to time to vary or realise such investments.

(17) 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 think fit, and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.

(18) to give to any Director, officer or the person employed by the Company an interest in any particular business or transaction either by way of commission or the gross expenditure thereon or otherwise or a share in the general profits to the company, and such interest, commission or share of profits shall be treated as part of the working expenses of the company; provided that no remuneration by way of percentage in the profits or a share in the general profits of the company shall be sanctioned by the Directors without the consent of the Company in General Meeting.

(19) To provide for the welfare of employees or ex-employees of the Company and the wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or chaws or by grants of money, pensions, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, or trusts and by providing or subscribing or contributing towards places or instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Directors shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other assistance as the Directors shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or objects which shall have any moral or other claim to support or and by the Company either by reason or locality of operation, or public and general utility or otherwise.

(20) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for Depreciation or Depreciation Fund, Reserve Fund or Sinking Funds or any special fund to meet contingencies, debentures or debenture stock, 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 cause) as the Directors may, in their absolute discretion, think conductive to the interest of th Company, and to invest the several sums so set aside or so much thereof as required to be invested upon such investments subject to the restrictions imposed by the Ordinances as the Directors my think fit; and from time to time to deal with and vary such investments and dispose of any apply and expand all or any part thereof for such purposes as the directors (subject to such restrictions as aforesaid) in their absolute discretion think conductive to the interest of the Company notwithstanding that the matters to which the Directors apply for upon which they expand the same, or any part thereof may be matters to or upon which the capital moneys of the company might rightly be applied or expanded, and to divide the Reserve Fund into such special funds as the Directors may think fit and to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the company in the purchase or repayment of debentures or debenture stock and that without being bound to keep the same separate from the other assets, and without being bound to pay interest on the same with power however to the Directors at their discretion to pay or allow to the credit of such funds interest at such rate as the Directors may think proper.

(21) To appoint and at their discretion remove or suspend such managers, secretaries, officers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit and also without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the company in any specified locality in Pakistan in such manner as they think fit and the provisions contained in sub-clause 23 and 24 following shall be without prejudice to the general powers conferred by this sub clause.

(22) To comply with the requirements of any local law which in their option it shall, in the interest of the company, be necessary or expedient to comply with.

(23) From time to time and at any time to establish any local Board for managing any of the affairs of the company any specified locality in Pakistan or elsewhere and to appoint any person to be members of any local Boards and to fix their remuneration. And from time to time and at any time to delegate to any person so appointed any of the powers authorities and discretion for the time being or 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.

(24) At any time and form time to time by power of attorney to appoint any person or persons to be the attorney or attorneys of the company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as Directors may form time to time think fit and any such appointment may, if the Directors think fit, be made in favour of the members or any of the members of any Local Board established as aforesaid, nominees or managers of any company or the firm

38

or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Directors, and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Directors may think fit, and may contain powers enabling any such delegate or attorney as aforesaid to sub-delegate all or any of the powers, authorities and discretion for time being vested in them.

(25) They may enter into all such negotiations and contracts and rescind and vary all such 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.

INVESTMENT ADVISER

133. Messrs AKD Investment Mangement Limited shall be the Investment Adviser of the Company in terms of an agreement for an initial period of ten years and may be renewed for successive periods not exceeding ten years on such modified, amended or new terms as may be authorized by the Company in general meeting and approved by the Securities & Exchange Commission of Pakistan.

134. Subject to the provisions of the Ordinance, the Securities and Exchange Ordinance, the Rules these articles and the directions of the Authority, the general management of the company subject to the control and directions of the Board of Directors shall vest in the hands of the Investment Adviser of the Company who shall carry on the business of the Company and have the general direction, management, superintendence and control of the Company and of its business transactions, books, papers investments, securities, stocks, funds, effects, property, affairs and concerns, with full power to purchase or otherwise acquire & sell or otherwise dispose of for the company any goods merchandise, property, rights, or privileges which the company is authorised to acquire at such price and generally on such terms and conditions as they think fit; to engage, suspend or dismiss managers, salesmen, assistants, engineers, mechanics, clerks and workmen in and for the purposes of the company; to purchase and obtain all necessary machinery, stores, and raw material for the purposes of the Company, and like-wise to enter into, make and sign all contracts necessary in the management of the affairs of the company and also to make, draw, endorse, sign, accept, negotiate and give all cheques, bills of lading, drafts, orders, bills of exchange, promissory notes and negotiable instrument required in the business and also to sign and give all receipts, releases and other discharges for money payable to the company and for the claims and demands of the company, and shall have power to institute, conduct, defend, compound or abandon any legal proceedings by or against the company or its officers and to refer any claims or demands by or against the company to arbitration and to observe and perform the awards and also to act on behalf of the company in all matters relating to bankrupts or insolvents and also to exercise such of the powers of the directors as may from time to time be delegated to them.

135. The Investment Adviser shall be authorised to sub-delegate all or any of the powers authorities and discretion for the time being vested in them, and in particular from time to time provide by the appointment of an attorney or attorneys for the management and transaction of the affairs and business of the company in any special or general area, direction or sphere in such manner as they may think fit.

136. That the Investment Adviser shall first incur and expand and then shall be paid the preliminary expenses in relation to the setting up and incorporation of the company in equal instalments over period of five years and shall be paid fee payable to auditors of the company, the Custodian and the taxes on the income of the company, brokerage, stamp duty and any other duty or taxes connected with the sale or purchase of the securities, purchased or sold by the Company. The Investment Adviser shall maintain books of account and other documents in accordance with the requirement of the law and shall publish periodical and annual reports for the purpose of the shareholders and also cause to be published in the Stock Exchange Bulletin or such other publication the names and value of the portfolio securities of the company at the end of each half year.

137. That the remuneration of the Investment Adviser shall be mutually agreed upon but in no case shall exceed the limits fixed by the Rules.

138. That in consideration of the said remuneration above mentioned the Investment Adviser shall provide Secretarial and office space of the Company and professional management, including administrative, accounting and legal services, and all other expenses including the fee payable to the Auditors, and the Custodian, taxes on income of the Company, brokerage, stamp duty and any other duties or taxes connected with the sale and purchase of securities shall be payable by the Investment Company.

139. The Investment Adviser, being an incorporated company, a Director for the time being may regulate or conduct their proceedings and exercise all or any or the powers and authority and discretion of that company as the Investment Adviser of this Company in such manner as the objects and the Article permit or direct and may delegate all or any of such powers, authority and discretion to such of the manager or others of Adviser Company and on such terms and conditions as the Directors of the company may see fit and accordingly all deeds and documents required to be signed by the Investment Adviser shall be deemed to be sufficiently so signed, if signed by any director of the Investment Adviser company or by any other officer of that company to whom its directors may have delegated their power in that behalf.

140. That the provisions of the last preceding Articles shall be embodical in an agreement between the Company and the Investment Adviser i.e. Messrs AKD Investment Management Limited and the Directors shall cause the common seal of the Company to be affixed to such agreement and shall carry the same into effect as soon as practicable after registration of the Company.

THE CUSTODIAN

141. The Company shall appoint a bank or a financial institution to act as custodian as required by the provision of the Investment Companies and Investment Advisers Rules, 1971 and shall enter into an agreement for this purpose.

THE SEAL

142. The Director shall provide a Common Seal for the purposes of the Company, and shall have power from time to time destroy the same and substitute a new Seal in lieu thereof, and the Directors shall provide for the safe custody of the Seal for the time being, and the Seal never be used except by or under the authority of the

Directors or a Committee of the Directors and in the presence of one Director at least, who shall sign every instrument to which the Seal is affixed.

143. The Company may exercise the powers to have seals abroad conferred by Section 213 of the Ordinance and such powers shall accordingly be vested in the Directors.

DIVIDENDS

144. The profits of the Company subject to any special rights relating thereto created or authorised to be created by the Memorandum and these Articles and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively.

145. The Company may pay dividends in proportions to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some shares than on others.

146. The Company in General Meeting may declare dividend to be paid to the members according to their respective rights and interest in the capital.

147. No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend. No dividend shall be payable except out of the profits of the year or any other undistributed profits or in contravention and no dividend shall carry interest as against the Company. The declaration of the Directors as to the amount of the net profits of the company shall be conclusive.

148. The Directors may from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.

149. The Directors may retain the dividends payable upon shares in respect of which any person is, under Article 35 hereof entitled to become a member or which any person under that article is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.

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

151. Unless otherwise directed any dividend may be paid by cheque or warrant sent through registered post to the registered address of the member or person entitled, or in case of joint holder to that one of them first named in the register in respect of the joint holding. The dividend shall be payable only to the registered holder of such share or to his order or to his banker or to a financial institution nominated by him for the purpose. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means.

152. Dividends unclaimed for the year after having been declared may be invested or otherwise used by the Directors for the benefit of the company until claimed.

153. Any General Meeting sanctioning or declaring a dividend in terms of these Articles may direct payment of such dividends, wholly or in part, by the distribution of

specific assets, and in particular of paid up shares, debentures or debenture stock of the Company, or in any one of more such ways, and the Directors shall give effect to such distribution and, when any difficulty arises in regard to the distribution, they may settle the same as they think expedient.

154. Any General Meeting may resolve that any moneys, investments, or other assets forming part of the undivided profit (including profits arising from appreciation in value of capital assets for the time being of the Company standing to the credit of the Reserve Fund or any other Fund of the company subject to the provisions of Section 235 of the Ordinance or in the hands of the company and available for dividend or representing premiums received on the issue of shares and standing to the credit of the share premium account) be capitalised by the distribution among the holders of the shares of the company or any of them on the footing that they become entitled thereto as capital in accordance with their respective rights and interest and in proportion to the amount paid or credited as paid thereon, of paid up shares, debentures or debenture stock, bonds, or other obligations of the company.

ACCOUNTS

155. The company shall maintain books of account and other records which shall depict a true and fair picture of its state of affairs. The books of account and other documents shall be maintained in accordance with the Rules and the Ordinance.

156. The company shall transmit to its shareholders the information, documents and statements as required under rule 17 of Investment Companies and Investment Adviser's Rules, 1971.

157. The financial statements shall be prepared in accordance with the provisions of Section 234 of the Ordinance and Investment Companies and Investment Adviser's Rules, 1971.

158. The financial statements shall be signed by the Chief Executive and one Director or in the absence of Chief Executive by two Directors and in such situation this shall be sub-joined to the financial statements a statement signed by director explaining that why these have not been signed by the Chief Executive. The copies of the financial statements together with the auditors report and the Directors report containing matter specified in Section 196 of the Ordinance shall be forwarded to the member at least twenty one days before the meeting. These statements and reports shall be simultaneously despatched to the Registrar, Corporate Law Authority and Stock Exchange.

159. The company shall lay the financial statements, and reports before the members in general meeting in accordance with the provision of section 233 of the Ordinance. The financial statement and reports after approval by the member shall be submitted to the Registrar as provided in Section 242 of the Ordinance.

160. The company shall within two months of the close of the first half of its year of account prepare and transmit to the members and Stock Exchange the financial statements in accordance with the provision of Section 245 of the Ordinance.

AUDIT

161. Once at least in every year the accounts of the company shall be audited by one

or more Auditor or Auditors. The Auditor or Auditors shall make a report on the book of accounts and financial statements of the company in accordance with the requirements of Section 255 of the Ordinance.

162. The company at each Ordinary Meeting shall appoint an Auditor or Auditors. For this the following provisions shall have effect, that is to say:-

(1) If the first auditors are not appointed within one hundred and twenty days of the date of incorporation, or where at an Annual General Meeting no auditors are appointed, or where auditors appointed are unwilling to act as auditor of the Company, or where a casual vacancy in the office of auditor is not filled within thirty days after the occurrence of the vacancy, the Authority may appoint a person to fill the vacancy.

(2) The Directors may fill up any casual vacancy that may occur in the office of Auditor by the appointment of a person who shall hold such office until the next Ordinary General Meeting but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act.

(3) A person who is, or at any time during the preceding three years was, a Director, Officer, employee of the company, and a person who is a partner of, or in the employment of, a director, officer or employee of the company, and the spouse of a Director, or a person who is indebted to the company and a body corporate shall not be appointed Auditor of the company.

(4) If after the appointment, an auditor becomes subject to any disqualification mentioned above, he shall be deemed to have vacated his office as auditor with effect from the date on which he become so disqualified.

(5) The first Auditor of the Company may be appointed by the Directors before the Statutory Meeting, and if so appointed shall hold office until the first Ordinary General Meeting unless previously removed by a resolution of the shareholders in General Meeting in which case the Shareholders at that meeting may appoint Auditors.

(6) Retiring auditors shall be eligible for re-election.

(7) No person other than a retiring Auditor shall be capable of being appointed to the office of Auditor at an Ordinary General Meeting unless notice of an intention to nominate him be given to the Company not less than fourteen days before the day appointed for the holding of such Ordinary General Meeting and upon the receipt of such notice the provisions of Section 253 of the Ordinance shall be complied with.

163. The remuneration of the Auditors of the Company shall be fixed by the Company in General Meeting except that the remuneration of any Auditors appointed before the statutory meeting or to fill any casual vacancy, may be fixed by the Directors.

164. The powers and duties of the auditor shall be governed by the provision of Section 253 of the Ordinance.

165. The Auditors of the Company shall be entitled to receive notice of and to attend any general meeting of the Company at which any accounts which have been examined or reported on by them are to be laid before the company and make any

statements or explanation they desire with respect to the accounts.

166. Every account when audited and approved by General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the account shall forthwith be corrected, and thenceforth shall be conclusive.

NOTICE

167. (1) A notice (which expression shall be deemed to include and shall include any summons, notice, process, order, judgment or any other document in relation to or in the winding up of the Company) may be given by the Company to any member either personally or by sending it by post to him to 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 the giving of notices to him.

(2) Where a notice is sent by post, the service of such 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 have been delivered in the ordinary course of post.

168. If member has no registered address in Pakistan and has not supplied to the Company an address within Pakistan for the giving of notices to him, a notice addressed to him and advertised in a newspaper circulating in the neighbourhood of the registered office of the company shall be deemed to be duly given to him on the day on which the advertisement appears.

169. Notice of all General Meetings shall in addition to its being published as provided in Article 170 be also published at least in one issue each of daily newspaper in the English language and a daily newspaper in Urdu language having circulation in the province in which the Stock Exchange on which the company is listed is situated.

170. A notice may be given by the company to the joint holder of shares by giving the notice to the joint holder named first in the register in respect of the share.

171. A notice may be given by the company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title or representatives of the deceased, or assignee of the insolvent or by any like description, at the address (if any) in Pakistan supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.

172. Notice of every General Meeting shall be given in the same manner as herein before authorized to (a) every member of the Company (including bearers of share warrants) except those members who (having no registered address within Pakistan) have not supplied to the company any address within Pakistan for the giving of notices to them and also to (b) every person entitled to a share in consequence of the death or insolvency of a member who but for his death or

insolvency would be entitled to receive notice of the meeting and also to (c) the auditors of the company.

WINDING UP

173. Any notice to be given by the Company shall be given by such officer as the Directors may appoint and the signature thereto may be written, printed, or lithographed.

174. If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be the losses shall be borne by the members in proportion to the capital subscribed at the commencement of the winding up by them respectively. And if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed among the members in proportion to the capital subscribed at the commencement of the winding up by them respectively. But this clause is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

175. (1) If the Company shall be wound-up, whether voluntarily or otherwise the liquidators may with the sanction of a Special Resolution divide amongst the contributories in specie or kind any part of the assets of the company and may with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them as the Liquidators, with the like shall think fit.

(2) If thought expedient any such division of assets on winding-up may be made otherwise than in accordance with legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part, but in case any division otherwise than in accordance with legal rights of the contributories shall be determined on any contributory who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were such a Special Resolution passed pursuant to Section 367.

(3) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing of the Special Resolution by notice in writing direct the liquidator to sell his proportion and pay him the net proceeds and the liquidator shall if practicable act accordingly.

176. A special resolution sanctioning a sale to any other company duly passed pursuant to Section 367 of the Ordinance may in like manner as aforesaid determine that any share or other consideration receivable by the liquidator he distributed amongst the members otherwise then in ordinance with their existing rights and any such distribution shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said section.

SECRECY CLAUSE

177. No member shall be entitled to visit or inspect any works of the company without

the permission of the Directors, Chief Executive or Secretary or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process, which may relate to the conduct of the business of the company, and which, in the opinion of the Directors, will be inexpedient in the interest of the members of the Company to communicate to the public.

INDEMNITY AND RESPONSIBILITY

178. Contingent upon good faith and:

(a) subject to the provisions of Section 194 of the Ordinance every Director of the Company, Manager, Secretary, Investment Adviser, his employees and other officer or employees of the company shall be indemnified by the company against and it shall be the duty of the Directors, out of the funds of the company, to pay all costs, losses and expenses (including travelling expenses) which any such Director, Directors, Officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, Officer or servant or in any way in the discharge of his duties,

(b) subject as aforesaid every Director, Managing Director, Manager, Secretary or other officers or employees of the Company as well as the Investment Adviser, his officers and employees shall be indemnified against any liability incurred by any of them in defending any proceedings whether civil or criminal.

179. Subject to the provisions of Section 179 of the Ordinance no Director or Directors or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by other of the Directors for or on behalf of the Company, or for the insufficiency or defficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same shall happen through his own dishonesty.

ARBITRATION

180. 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 the Articles, or of the Statutes or touching any breach or alleged breach of these Article, 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 other action at law be referred in conformity with the Arbitration Act, 1940 or any statutory modification thereof and any rules made thereunder to the decision of an

96

arbitrator to be appointed by the parties in different 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, then of an Umpire 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.

181. The cost of, and incidental to any such reference shall be in the discretion of the arbitrator or arbitrator or Umpire respectively, who may determine the amount thereof, or direct the same to be fixed as between attorney and client, or otherwise, and may award by whom and in what manner the same shall be borne and paid.

We several persons whose names and addresses are subscribed below 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 out respective names.

Name, addresses and descriptions of subcribers	No. of shares taken by each subscriber	Signature of the subscribers	Name, Address and description of witness
1. Golden Arrow Investments & Research (Private) Limited 135 Stock Exchange Building, I.I. Chundrigar Road, Karachi.	One		
2. Mr. Said Ahmed 50 Khayaban-e-Tanzeem 26th Street Phase V Defence Housing Society Karachi. (Business)	One		
3. Mr. Rafique Dhedhi 8/1/8, Tipu Sultan Road KDA Scheme No. 1, Karachi. (Business)	One		
4. Haji Bashir Shamsuddin Mohalla Shah Sadian Makan No. 30/161 Sialkot. (Business)	One		
5. Mr. Hamid Umer 360-East 72 Street New York NY 10021 U.S.A. (Business)	One		
6. Mr. Yakub Umer 24/2, 24th Street Phase V Defence Housing Society Karachi. (Business)	One		
7. Mr. Amin Umer 24/2, 24th Street Phase V Defence Housing Society Karachi. (Business)	One		

Dated the Day of

48