

NOTICE OF 3rd EXTRA ORDINARY GENERAL MEETING

Notice is hereby given that 3rd Extra Ordinary General Meeting of the Shareholders of Alfalah Insurance Company Limited (the "Company") will be held on September 20, 2014 at 11:00 a.m. at Alfalah Insurance Head Office (5-Saint Mary park, Gulberg III), Lahore to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the 8th Annual General Meeting held on April 29, 2014 at Lahore.

SPECIAL BUSINESS:

2. To amend Company's objects contained in Clause 3(1) of Memorandum of Association and to consider and if thought fit, to pass with or without modification, the following resolution as a special resolution;

RESOLVED that, "The necessary alteration in the Memorandum of Association of the Company (the "MOA") be and is hereby considered and approved for amending the existing Clause 3 (1) of the MOA as follows:

"3(1). To undertake and carry on in Pakistan and in any part of the world the business of accident, fire, marine, aerial navigation, marine and aerial hull, explosion, lighting, earthquake, storm, tempest, flood, hail, transit, workmen's compensation, riot, public, liability, personal accident, burglary, robbery, theft, fidelity, livestock, plate-glass, boiler explosion, vehicle, engineer and contractor liability, consequential loss, third party risk and mortgage or other investment insurance/takaful or any of them and to transact all or any other kinds of insurances and re-insurance including general takaful, general re-takaful business which are permissible under the laws and are decided by the Company to be carried on according to the provision of any other laws and rules for the time being in force in Pakistan and in particular;-

FURTHER RESOLVED that, "The following sub clauses are inserted to form part of Clause 3 of the MOA:

- "(29) To design General Takaful schemes or plans in order to meet the needs of participants in accordance with the Takaful Rules and to act as a Takaful/Re-Takaful Operator to manage insurable risks.*
- (30) To underwrite any or all classes of General Takaful business provided that under each of the classes of Takaful Business, to obtain approvals, including approval from the Shariah Advisor as to the permissibility of*

underwriting that class of Takaful Business and the types of risks that may be permissible within each class.

- (31) *To cede the risk of Takaful Business to the Re-Takaful Operator with the advice of the Shariah Advisor of the Company in compliance with the applicable rules and regulation for Takaful Industry in Pakistan.*
- (32) *To establish the Participant Takaful Fund (PTF), in accordance with the generally accepted principles and norms of business and to modify the PTF in line with the guidance given by the Shariah Advisor of the Takaful Operation. To obtain and execute subsequent changes to the PTF policies, as approved by the Shariah Advisor.*
- (33) *To do all other acts and deeds required for the purposes of undertaking general takaful and re-takaful business, including but not limited to obtaining approvals, directions and any other form of consent and/or permission required from within the Company and/or any concerned authorities including the Securities and Exchange Commission of Pakistan, with the view for Alfalah Insurance Company Limited to act as Takaful Window Operator.*


FURTHER RESOLVED that, "The Company Secretary be and is hereby authorized to do all acts, deeds and things, take any and all necessary steps to fulfill the legal, corporate and procedural formalities and file all necessary documents/returns as he deems necessary, expedient and desirable to give effect to the above resolution."

3. To consider and approve allocation of initial amount of Rs.50,000,000 (Pak Rupees Fifty Million Only) to be used for Window Takaful Operations and to consider and if thought fit, to pass with or without modification, the following resolution as a special resolution;

RESOLVED THAT "The sum of Rs.50,000,000 (Pak Rupees Fifty Million Only) for Window Takaful Operation be and is hereby allocated from Company's paid up Capital or by way of transfer from Assets or any other source be acceptable to the SECP and Shariah Advisor of the Company"

4. To transact any other business with the permission of the Chair.

Date: August 29, 2014
Lahore


By order of the Board
Adnan Waheed
Company Secretary

Notes

- 1) The Share Transfer Books of the Company will be closed from September 13, 2014 to September 20, 2014 both days inclusive.
- 2) A member entitled to attend and vote at the Meeting is entitled to appoint another person as a proxy to attend and vote instead of him/her.
- 3) Every proxy shall be appointed in writing under the hand of the appointer or by an agent duly authorized 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.
- 4) The instrument of proxy in order to be effective must reach the Company's registered address at 5-Saint Mary Park, Gulberg III, Lahore not less than 48 hours before the time for holding of the Meeting.
- 5) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.
- 6) The signature on the instrument of proxy must conform to the specimen signature recorded with the Company.
- 7) The proxy shall produce his/her original NIC or original passport at the time of the Meeting.
- 8) Shareholders are requested to notify change in their address, if any, to the Company Secretary.

**EXPLANATORY STATEMENT REQUIRED UNDER SECTION 160 (1) (B) & (C)
OF THE COMPANIES ORDINANCE, 1984**

This statement sets out the material facts pertaining to the Special business to be transacted at the Extra Ordinary General Meeting of the Company to be held on September 20, 2014.

1. Reason of this Alteration in the Memorandum of Association is that Company is intended to commence the General Takaful Business and to act as Window Takaful Operator and this alternation will enable the Company to do the same.
2. The Directors of the Company has already approved the Company to commence General Takaful Business and to complete all the formalities in connection with obtaining the license etc. to act as Window Takaful Operator.
3. The Directors have already approved to transfer an amount of not less than Rs.50,000,000 (Pak Rupees Fifty Million Only) to be deposited in a separate bank account for window takaful business in a scheduled bank. The directors have also undertaken that this transferred amount shall be used for Takaful Window operations only.
4. The Directors of the Company are interested in this business to the extent of their investment in this Company. The interest of the directors is the same as that of the shareholders of the Company.
5. The Directors have also declared that all the takaful undertakings will be in accordance with the injunction of Shariah.
6. Any information or documents related to above special resolutions will be available for review at the Registered Office of the Company and may be inspected during the business hours on any working day at the Registered Office of the Company.

Status of previous approvals for investments in associated company;

As required under the clause 4 (2) Companies (Investment in Associated Companies or Associated Undertakings) Regulation, 2012, the status of the investment in associated company against approval obtained by the Company in Annual General Meeting held on April 29, 2014 is as under:

Bank Alfalah Limited

Approval was given by the shareholders in respect of investment of Rs. 15 million in the ordinary shares of Bank Alfalah Limited. This investment was to be made during ordinary course of business from time to time in accordance with the investment policy of the Company. The Company has not utilized this limit so far and will consider for

investment when deemed appropriate and necessary in the best interest of the Company and its shareholders.

Material changes in financial statements of this company since date of the resolution passed for approval in investment are as follows:

a) Book value per share including revaluation of shares

2014 (June)	Rs. 23.50
2013	Rs. 23.66
2012	Rs. 19.04

b) Basic earnings per shares

2014 (HY)	Rs. 1.96
2013	Rs. 3.47
2012	Rs. 3.38