

MCB ISLAMIC BANK LIMITED

The objects for which the Company is established are to undertake, subject to relevant laws and to the extent they do not contradict Islamic Shari'ah laws, any or all of the following forms of business in and outside Pakistan. The Company will conduct its activities, whatever they maybe, in accordance with and in conformity with Islamic Shari'ah laws.

- a. To carry on the business of a Banking Company under the Banking Companies Ordinance, 1962 (Ordinance No. LVII of 1962) or any other applicable law and to the extent they do not contradict Islamic Shari'ah laws.
- b. To accept deposits of money in current accounts or otherwise including saving accounts and fixed maturity deposit accounts) subject to withdrawals by cash, cheque, draft, money order or remittance.
- c. To carry on the business of financing and investments, raising, or taking up of deposits in current, saving and fixed maturity accounts, to receive the funds either upon or without security, drawing, making, accepting, using Shari'ah compliant modes as substitute for other prevalent modes of discounting, buying, selling, collecting and dealing in bills of exchange, promissory notes, coupons, drafts, bills of lading, railways receipts, warrants, sukuk, certificates of investments, scripts or other instruments and securities whether transferable depending upon Shari'ah rulings or negotiable depending upon Shari'ah rulings or not transferable or negotiable depending upon Shari'ah rulings; the buying, selling and dealing in bullion and in specie; the buying and selling in foreign exchange including foreign bank notes, the acquiring, holding or issuing on the basis of Shari'ah compliant mode as substitute for other prevalent modes of commission based underwriting and dealing in stock, fund, shares, Sukuk (whether structured on the basis of suitable security or Sukuk structured based on treating the underlying assets themselves as security to provide alternative for conventional debenture, stock), Sukuk based or Shari'ah compliant obligations securities like securitization, and investments of all kinds; the purchasing and selling of Sukuk, scripts, participation term certificates, term finance certificates, Musharakah certificates, Modaraba certificates and such other instruments as may be approved by the Shari'ah Advisor/Shari'ah Board and State Bank of Pakistan; or other forms of securities on behalf of the constituents or others; the negotiating of financings, investments and securities; the receiving of a II kinds of Sukuk provided they are approved by the Shari'ah Advisor/Shari'ah Board of the Company, scripts or valuables on deposit or for safe custody or otherwise; the collecting and transmitting of money and securities, Modaraba certificates and such other instruments as may be approved by the Shari'ah Advisor/Shari'ah Board of the Company and the state Bank of Pakistan.
- d. To carry on all the business allowed by the Banking Companies Ordinance, 1962 or any modification or statutory re-promulgation thereof.

- e. To carry on the business of providing finance as defined in the Financial Institution (Recovery of Finance) Ordinance, 2001 any modification or statutory re-promulgation thereof.
- f. To issue securities as substitute for other prevalent modes of short term paper/commercial paper of its own or certificate or deposit or investments.
- g. To trade in Shari'ah compliant securities as substitute for other prevalent modes of commercial paper issued by its clients, Government securities, Shari'ah Compliant substitute for prevalent promissory notes, Shari'ah compliant banker's acceptances and other Shari'ah compliant substitutes for other prevalent modes of money market investments, acting either as a broker or acting on its own account.
- h. To assist in the issue of commercial paper, money market activities, preparations of documentation, distribution and market making.
- i. To act as broker or on its own account in the call money market.
- j. To trade in listing securities, both equities and non-equity instruments, acting either as broker or acting on its own account.
- k. To provide professional analysis of securities to both institutional and individual investors.
- l. To issue long term certificate of deposit of investment, underwriting of stock and shares, short and long term Participation Term certificates and other negotiable term obligations of the corporations having Shari'ah compliant business activities and acting singly or jointly as manager, underwriter and distributor of such issues and taking an active part in all stages of preparation for such issues either public issues or private placement.
- m. To float and manage both open-end and closed-end mutual funds through establishment of a subsidiary or through agency agreement with an Asset Management Company and managing portfolios of stocks and shares, pension and provident funds, participation term certificates and other negotiable and debt instruments for both individual and institutional clients on a discretionary as well as non-discretionary basis to the extent Shari'ah rulings permit to do so.
- n. To provide Shari'ah compliant substitute for the prevalent modes of margin financings to individual, AOPs and institutional investors.
- o. To offer restricted investment account to enable clients to shift at their discretion among various investment alternatives.
- p. To make investments in projects having Shari'ah compliant business activities through underwriting of public issue of stocks and shares and securities, short term and long term participation term certificates and term finance certificates of varying features.
- q. TO guarantee and counter guarantee financing and obligations

- r. To act as advisor and financial agent for companies in obtaining Shari'ah Compliant financing including direct bank financing, syndicated financings, export financings, leases and project finances, both domestically and internationally.
- s. To assist individuals, AOPs and companies in private placement of debt and equity domestically and abroad.
- t. To act as adviser to individuals, AOPs and companies in corporate or financial restructuring as well as in the preparation of resource mobilization plans.
- u. To act as Shari'ah compliant advisor to individuals, AOPs and companies mergers, acquisitions and divestitures.
- v. To assist individuals, AOPs and companies with cash management systems.
- w. To prepare feasibility, market or industry studies for companies, both domestic and foreign.
- x. To raise equity, such as through venture capital, for new and existing companies by acting as a financial intermediary.
- y. To carry on and undertake the business of Ijarah and Ijarah operations of all kinds, including purchasing, selling based on Ijarah Muntahiya Bittamleek concept, hiring or letting on hire all kinds of plant, machinery, fixed assets, houses, land, buildings and equipment to provide assistance to others for the acquisition of plant and equipment of every kind of description of Ijarah and to deal in all kinds of movable and immovable plant, machinery, equipment and to provide Ijarah and advisory and counseling services, and to carry on and undertake the business of Ijarah or Ijarah Muntahiya Bittamleek, purchasing, selling based on Ijarah Muntahiya Bittamleek concept of all kind of plant and machinery and equipment.
- z. To assign, sell based on Ijarah Muntahiya Bittamleek or transfer any property subject to or by Ijarah or Ijarah Muntahiya Bittamleek based agreements and contracts or rental receivable at face value or in any other manner including securitization which may be deemed fit and proper.
- aa. To offer Asset Management Products, Takaful based substitute products for conventional Insurance, Investment services etc., through establishment of a subsidiary or through Shari'ah compliant agency agreement with an Asset Management Company.
- bb. To acquire business of another Islamic Bank or shares of the Islamic Bank or enter into joint venture with other Islamic Banks locally or abroad
- cc. To offer Islamic leasing/Ijarah products domestically or abroad
- dd. To buy and execute Ijarah and Ijarah Muntahiya Bittamleek agreements and contracts for consideration.
- ee. To provide finances based on securitization of Ijarah based portfolio of assets as substitute for other prevalent modes of secured assignment of rental receivables.

- ff. .Carrying on any other banking business specifically allowed by the laws and regulations of Pakistan to the extent they do not contradict Islamic Sha ri'ah laws, as applicable to the Company, and any other form of business which the Federal Government may, by notification in the official gazette, specify as a form of business in which it is lawful for a banking Company to be engaged.
- gg. Raising funds through equity, foreign Sukuk, both short and long term, subject to approval by the Shari'ah Advisor/Shari'ah Board of the Company Shari'ah compliant substitute for the prevalent modes of commercial paper issued abroad, sale of short and long term participation term certificates and term finance certificate deposit and investment certificate floating and managing of Modarabas and through other methods and instruments.
- hh. To amalgamate with or enter into partnership or any joint venture or profit sharing arrangement with, or cooperate or participate in any way with any Company or person carrying or proposing to carry on any business within the objects of the Company.
- ii. To carry on any operations or activities whatsoever which can in the opinion of the Company, be advantageously or conveniently carried on by the Company by way of extension of or in connection with any such business as aforesaid or is calculated directly or indirectly to develop any branch of the Company's business or to increase the value, or turn to account, any of the Company's assets, property or rights, subject to approval by the Shari'ah Advisor/Shari'ah Board of the Company.
- jj. To remunerate any person or Company rendering services to the Company either by cash payment or by the allotment to him or them of shares or securities of the Company credited as paid up in full or otherwise as may be thought expedient.
- kk. To remunerate the Directors, executives, officers and other staff of the Company and others out of or in proportion to the returns or profits of the Company or otherwise as the Company may think proper, and to formulate and carry into effect any scheme, for sharing the profits of the Company with the employees of the Company or any of them.
- ll. To pay all or any expenses incurred in connection with promotion, formation, launching and incorporation of the Company, or to contract with any person or Company to pay the same, and to pay commissions to brokers and others for Shari'ah compliant substitute for the prevalent modes of underwriting, placing, selling or guaranteeing the subscription of any shares, mutual funds, equity funds, Sukuk, as substitute for the prevalent modes of debentures stock or other securities of the company.
- mm. To erect, construct, laydown, enlarge, alter and maintain any building and works necessary or convenient for the Company's business.
- nn. To invest and deal with the funds of the Company not immediately required, upon such investment and in such manner as may from time to time be determined.
- oo. To adopt such means of making known the business of the Company as may seem expedient, and in particular but not by way of limitation, by advertising in the press, on the radio, television or media, by circulars, by purchase and exhibitions of works of art or

interest, or by publication of booklets and periodicals and by granting prizes, awards and donations.

- pp. To establish agencies and branches in Pakistan and abroad and to appoint agents and others to assist in the conduct or extension of the Company's business, and to regulate and discontinue the same except managing agency and managing agents as prohibited under the law.
- qq. To support and subscribe to any charitable or public object and any institution, society or club, which may be for the benefit of the Company or its employees, or may be connected with any town or place where the Company carries on business, to give pensions, gratuities, or charitable aid to any person, or persons who may have served the Company or to the wives, children or other relatives of such person, and to form and contribute to provident and benefit funds for the benefit of any persons employed by the Company.
- rr. Undertaking and executing trusts subject to approval by the Shari'ah Advisor/Shari'ah Board of the Company.
- ss. Undertaking the administration of estates as executor, trustee or otherwise subject to approval by the Shari'ah Advisor/Shari'ah Board of the Company.
- tt. Purchase or acquisition in the normal course of its banking business of any property, including commodities, patents, designs, trade marks and copyrights, with or without buy back arrangements by the seller or for sale in the form of hire purchase or on deferred payments basis with profit or mark up or for leasing or licensing or for rent sharing or for any other mode of financing.
- uu. Managing, selling and/or realizing any property which may come into the possession of the company in satisfaction or part satisfaction of any of its claims.
- vv. Acquiring, holding, and generally dealing with any property or any right title or interest in any such property which may form the security or part of the security for any financings or which may be connected with any such security.
- ww. Contracting for public and private financings and negotiating and issuing the same.
- xx. Using Shari'ah compliant modes to substitute other prevalent modes of underwriting of shares, stocks or securities of any other Company having Shari'ah compliant business activities and to pay consideration.
- yy. To distribute any of the property of the Company among its members in specie in case of winding up of the company.
- zz. To compromise or compound all actions, suits and other proceedings and differences or disputes to arbitration and adjust and settle all accounts and claims relating thereto.
- aaa. To do all such lawful things as indicated or conducive to the attainment of the above objects or any of them in Shari'ah compliant manner.
- bbb. To do all or any of the above things and all such others things, as are incidental or as may be thought conducive to the attainment of the above objects or any of them in

Pakistan or any other part of the world either as principals, agents, trustees, contractors, or otherwise and either alone or in conjunction with others and either by or through agents, contractors, trustees or otherwise.