

**Secretary's Department**

UBL/Notice/AGM-61/2020  
03 March 2020

The General Manager  
**Pakistan Stock Exchange Limited**  
Stock Exchange Building,  
Stock Exchange Road,  
Karachi.

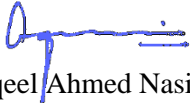
Dear Sir,

**NOTICE OF 61<sup>ST</sup> ANNUAL GENERAL MEETING OF UNITED BANK LIMITED**

Please find enclosed copy of Notice of 61<sup>st</sup> Annual General Meeting of the shareholders of United Bank Limited to be held on 25<sup>th</sup> March, 2020 at Islamabad Marriott Hotel, Islamabad, for circulation amongst the TRE Certificate Holders of the Exchange.

This is for your information and circulation accordingly.

Yours faithfully,



Aqeel Ahmed Nasir  
Company Secretary &  
Chief Legal Counsel

Encl: as above

## **Notice of 61<sup>st</sup> Annual General Meeting**

Notice is hereby given that the 61<sup>st</sup> Annual General Meeting (“AGM”) of the Shareholders of United Bank Limited (the “Bank” or “UBL”) will be held on Wednesday, 25<sup>th</sup> March 2020 at 09:30 a.m. at Islamabad Marriott Hotel, Islamabad to transact the following business:

### **Ordinary Business:**

1. To confirm the minutes of the 60<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> March, 2019.
2. To receive, consider and, if thought fit, adopt the Annual Audited Financial Statements (consolidated and unconsolidated), Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 of the Bank for the year ended 31<sup>st</sup> December, 2019 together with the Directors’ Report and Auditors’ Reports thereon.
3. To consider and, if thought fit, approve and declare as recommended by the Board of Directors, final cash dividend at the rate of Rs.4/- per share i.e.40%, in addition to 80% interim cash dividend already declared/paid for the year ended 31<sup>st</sup> December 2019.
4. To consider and, if thought fit, appoint External Auditors to hold office from this AGM till the conclusion of the next AGM of the Bank and to fix their remuneration. The retiring External Auditor namely, M/s. A.F. Ferguson & Company, Chartered Accountants have consented to be so appointed and the Board of Directors has recommended its appointment.
5. To elect eight (08) Directors as fixed by the Board of Directors of the Bank under Section 159(1) of the Companies Act, 2017 (“Act”) in accordance with the provisions of the said Act for a period of three years to commence from 25<sup>th</sup> March 2020. The total strength of the Board of Directors of the Bank shall be eight (08) elected directors and the President & CEO of the Bank, will be a deemed Director under section 188(3) of the Companies Act, 2017.

The retiring Directors, Sir Mohammed Anwar Pervez, OBE, HPk, Lord Zameer M. Choudrey, CBE, SI Pk, Mr. Arshad Ahmad Mir, Mr. Haider Zameer Choudrey, Mr. Rizwan Pervez, Mr. Khalid Ahmed Sherwani, Mr. Amar Zafar Khan and Mr. Tariq Rashid are eligible for re-election.

### **Special Business:**

6. To consider and, if thought fit, approve “Directors Remuneration Policy”, as approved by the Board of Directors of the Bank for the Chairman and other Non-Executive Directors, including independent directors and in this connection to pass Ordinary Resolutions as proposed in the Statement of Material facts annexed to Notice.
7. To consider and, if thought fit, approve/ratify the amount of remuneration paid to the Non-Executive Directors including independent Directors of the Bank for attending the Board and/or Committees meetings and in that connection to pass the Ordinary Resolution as proposed in the Statement of Material facts annexed to Notice.
8. To consider and, if thought fit, approve winding-up of United Executors and Trustees Company Limited (UET), a wholly owned subsidiary of UBL, as approved and recommended by the Board of Directors of the Bank, and pass the Ordinary Resolution as proposed in the Statement of Material facts annexed to Notice.

9. To transact any other business with the permission of the Chairman

By order of the Board

Sd/-  
Aqeel Ahmed Nasir  
Company Secretary &  
Chief Legal Counsel

Karachi, 04 March 2020

Attached to this Notice is a Statement of Material Facts covering the above mentioned Special Business, as required under Section 134(3) of the Companies Act, 2017 and Statement of Material Facts covering the winding up of United Executors and Trustees Company Limited (UET) as required under S.R.O. 423 (I)/2018 dated 3 April 2018.

**NOTES:**

1. The Share Transfer Books of the Bank shall remain closed from 17<sup>th</sup> March 2020 to 25<sup>th</sup> March 2020 (both days inclusive). Transfers received at M/s. THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, Karachi-75400, the Registrar and Share Transfer Agent of the Bank, by the close of the business on 16<sup>th</sup> March 2020 will be treated in time for the purpose of the above entitlement.
2. A member entitled to attend and vote at this AGM is entitled to appoint a person as a proxy to attend and vote for and on his/her behalf. A proxy need not be a member. Procedure including the guidelines as laid down in Circular No. I- Reference No. 3(5-A) Misc/ARO/LES/96 dated 26th January 2000 issued by Securities & Exchange Commission of Pakistan for appointment of proxies is as follows:
  - i. Members, proxies or nominees shall authenticate their identity by showing their original national identity card or original passport and bring their folio numbers at the time of attending the meeting.
  - ii. In the case of corporate entity, Board of Directors' resolution/power of attorney and attested copy of the CNIC or passport of the nominee shall also be produced (unless provided earlier) at the time of meeting.
  - iii. In order to be effective, the proxy forms must be received at the office of the Share Registrar (address given below) not later than 48 hours before the meeting, duly signed and stamped and witnessed by two persons with their names, address, CNIC numbers and signatures.
  - iv. In the case of individuals, attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
  - v. In the case of proxy by a corporate entity, Board of Directors resolution/power of attorney and attested copy of the CNIC or passport of the proxy shall be submitted along with proxy form.

Address of Share Registrar:

M/s. THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, Karachi-75400.

3. Pursuant to the Companies (Postal Ballot) Regulations, 2018, for the purpose of election of Directors and for any other agenda item subject to the requirements of Section 143 and 144 of the Companies Act, 2017, members will be allowed to exercise their right to vote through postal ballot, that is voting by post or through any electronic mode, in accordance with the requirements and procedure contained in the aforesaid Regulations.
4. Any person who seeks to contest the election to the office of a Director, whether he/she is a retiring Director or otherwise, shall file the following with the Company Secretary of the Bank at Secretary's Department, United Bank Limited, 2nd Floor, UBL Tower, I. I. Chundrigar Road, Karachi not later than fourteen (14) days before the date of the meeting:
  - i. His/her intention to offer him/herself for the election of Directors in terms of Section 178(3) of the Companies Act, 2017 along with duly signed consent in Form 28 under Section 167 of the Companies Act 2017 and certify that he/she is not ineligible to become director of the Bank under any applicable laws, rules and regulations and circulars / directives.
  - ii. Declaration in respect of being compliant with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the eligibility criteria as set out in the Companies Act, 2017 to act as the director of a listed company.
  - iii. Declaration by independent director(s) in terms of Regulation 6(3) of the Listed Companies (Code of Corporate Governance) Regulations, 2019, wherever applicable.
  - iv. Undertaking on non-judicial stamp paper that he/she meets the requirements of sub-regulation (1) of Regulation 4 of the Companies (Manner and Selection of Independent Directors) Regulations, 2018, wherever applicable.

- v. A questionnaire duly completed, recent photograph, copy of CNIC / Passport and an Affidavit to, inter alia, meet the requirement of State Bank of Pakistan's Prudential Regulations G-1 and the Fit and Proper Test for Appointment of Directors, as contained in Corporate Governance Annexures A, I and II of the Prudential Regulations.
5. In terms of the criteria prescribed by the State Bank of Pakistan, association of the following person as director is undesirable and against public interest:
  - i. A person who is / has been associated with any illegal activity, especially relating to banking business;
  - ii. A person who is in his individual capacity or a proprietary concern of any partnership firm or any private limited company or any unlisted public company or any listed public company (of which he has been a proprietor, partner, director or shareholder), has been in default of payment of dues owed to any financial institution and / or in default of payment of any taxes;
  - iii. Has not been associated as director and/or chief executive with the corporate bodies who have defaulted in payment of Government duties/taxes etc.; and
  - iv. Has not sufficient means to discharge his/her financial obligations, if any.

6. Deposit of Physical shares into Electronic / Book Entry form (Mandatory Requirement):

As per section 72 of the Companies Act, 2017 (the "Act"), every listed company is required to replace its physical shares with book-entry form. Therefore, the shareholders having physical shares are requested to convert their shares into book entry.

7. The CDC Account Holders and Sub-Account Holders, whose registration details are available in the Share Book Details Report, shall be required to produce their respective original Computerized National Identity Card (CNIC) or original Passport at the time of attending the Annual General Meeting to facilitate identification. Such Account Holders and Sub-Account Holders should also bring / know their respective participation I.D. No. and the CDC Account No. and in case of proxy, he/she must enclose an attested copy of his/her CNIC or Passport. Representative(s) of corporate member(s) should bring attested copy of Board Resolution / Power of Attorney and/ or all such documents that are required for such purpose under Circular No.1 dated 26<sup>th</sup> January 2000 issued by the Securities and Exchange Commission of Pakistan ("SECP").
8. Members are requested to timely notify any change in their addresses and provide copies of their CNIC /NTN (if not provided earlier) to Bank's Registrar / Share Transfer Agent, M/s. THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, Karachi-75400.

9. Deduction of Tax on the Amount of Dividend:

As per the provisions of Section 150 of the Income Tax Ordinance, 2001 ("Ordinance"), different rates are prescribed for deduction of tax on the amount of dividend paid by the companies. The current tax rates are as under:

- |                                                                                                         |     |
|---------------------------------------------------------------------------------------------------------|-----|
| (a) Rate of tax deduction for persons appearing in active taxpayers' list (ATL) for income tax returns: | 15% |
| (b) Rate of tax deduction for persons not appearing in ATL for income tax returns:                      | 30% |

To enable the Bank to make tax deduction on the amount of cash dividend @15% instead of 30%, all the shareholders not appearing in ATL provided on the website of the Federal Board of Revenue ("FBR"), despite the fact that they are filers of income tax returns, are advised to make sure that their names are entered into ATL before the date of issuance of Dividend Warrants, otherwise tax on their cash dividend will be deducted @30%.

The corporate shareholders having CDC account are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificates to Bank's Share Registrar and Share Transfer Agent, M/s. THK Associates (Pvt.) Limited. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective Folio numbers.

As per FBR's clarification letters C.No. 1(29) WHT/2006 dated June 30, 2010 and C.No.1(43) DG(WHT)/2008-Vol-II.664 17-R dated May 12, 2015, a valid Exemption Certificate under Section 159 of the Ordinance is mandatory to claim exemption of withholding tax under Clause 47(B) of Part-IV of Second Schedule to the Ordinance. Those who fall in the category mentioned in above Clause must provide valid Tax Exemption Certificate to our Registrar and Share Transfer Agent, otherwise tax will be deducted on dividend amount as per rates prescribed in Section 150 of the Ordinance.

For shareholders holding their shares jointly as per the clarification issued by the FBR, withholding tax will be determined separately on "Persons appearing in ATL/Persons not appearing in ATL" status of principal shareholder as well as joint-holder(s) based on their shareholding proportions. Therefore, all shareholders who hold shares jointly are required to provide shareholding proportions of principal shareholder and Joint-holder(s) in respect of shares held by them to the Registrar and Share Transfer Agent in writing as follows:

Folio / CDC Account No.	Total shares	Principal Shareholder		Joint Shareholder(s)	
		Name and CNIC No.	Shareholding Proportion (No. of Shares)	Name and CNIC No.	Shareholding Proportion (No. of Shares)

For any query/information, the members may contact the Bank's Share Registrar and Share Transfer Agent, at the following address, phone/fax numbers or e-mail address:

THK Associates (Pvt.) Limited  
1st Floor, 40-C,  
Block-6, P.E.C.H.S, Karachi-75400.  
UAN: 021-111-000-322.  
Direct: 021- 34168270  
Fax: 021- 34168271  
Email: [sfc@thk.com.pk](mailto:sfc@thk.com.pk)  
Web: [www.thk.com.pk](http://www.thk.com.pk)

#### 10. Provision of Valid CNIC Copy (Mandatory)

In terms of Regulation No.06 of the Companies (Distribution of Dividends) Regulations, 2017 read with Section 242 (3) of the Companies Act, 2017, the shareholders who have not provided copies of their valid Computerized National Identity Cards ("CNIC")/Passport Number as well as complete and valid details of designated bank accounts (IBAN) for direct credit of cash dividend will be constrained to withhold the payment of dividend of such shareholders. The shareholder while sending CNIC must quote their respective folio numbers and names.

The shareholders are therefore requested to submit a copy of their valid CNIC/NTN/Passport Number within ten (10) days from the date of this Notice to the Bank's Registrar and Share Transfer Agent. In case the same have already been provided, then these instructions may be ignored.

#### 11. Submission of Bank Mandate with International Bank Account Number (IBAN) for payment of Cash Dividend Electronically into the Bank Accounts of the Shareholders (Mandatory Requirement)

Under the provisions of Section 242 of the Companies Act, 2017 and the Companies (Distribution of Dividend) Regulations, 2017, all listed companies including UBL are required to pay cash dividends only through electronic mode directly into the designated bank accounts of the entitled shareholders.

In view of foregoing, all the shareholders are requested to provide the information mentioned on the eDividend Mandate form, available at the website of the Bank and can be accessed on the following link:

<https://ubldigital.com/Portals/0/InvestorRelation/Bank%20Mandate%20Form.pdf>

In case of non- provision of eDividend Mandate, cash dividend(s) could be withheld according to SECP directives.

The shareholders who hold shares in CDC are requested to submit the above mentioned eDividend Mandate Form, duly filled-in, to the relevant Broker/Participants/Investor Account Services of the CDC where member's CDC account is being dealt.

The shareholders who hold shares in physical form are requested to submit the above-mentioned eDividend Mandate Form, duly filled-in, to Company's Registrar and Share Transfer Agent, as mentioned below:

**M/s THK Associates (Pvt.) Limited**

1<sup>st</sup> Floor, 40-C,  
Block-6, P.E.C.H.S.,  
Karachi-75400.

For any query, you may please contact on Tel # 021-111-000-322 or email us at [sfc@thk.com.pk](mailto:sfc@thk.com.pk)

**12. Consent for Video Link Facility:**

Members can attend and participate in the AGM through video-link. The Bank will provide the facility of video-link on demand of members residing in a city, collectively holding 10% or more shareholding in the Bank. Members who wish to avail this facility are requested to fill the below Video Link Form and submit it to the Company at its registered office at least seven (7) days prior to date of the AGM.

The Bank will intimate members regarding venue of video-link facility at least five (5) days before the date of the AGM along with complete information necessary to enable them to access such facility.

<u>Video-Link Form</u>
<p>I/We, _____ of _____, being a member of United Bank Limited, holder of _____ Ordinary Share(s) as per Register Folio No./CDC Account No. _____ hereby opt for video-link facility at _____ (Name of City) _____.</p> <div style="text-align: right; margin-top: 20px;"> <p>_____</p> <p>Signature of the Member</p> </div>

**13. Placement of Financial Statements on Website:**

The financial statements of the Bank for the year ended 31<sup>st</sup> December, 2019 along with reports have been placed on the website of the Bank:

<https://ubldigital.com/Investor-Relations/Financial-Statements>

Further, if a shareholder, in addition to the above, also requests for the hard copy of Annual Financial Statements, then the same shall be provided free of cost within seven (7) days of receipt of such request.



**STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017, CONCERNING TO THE SPECIAL BUSINESS:**

This statement sets out the material facts pertaining to the special business to be transacted at the Annual General Meeting of United Bank Limited (“the Bank”) to be held on 25<sup>th</sup> March 2020.

**Item No. 6: REMUNERATION POLICY FOR THE NON-EXECUTIVE DIRECTORS INCLUDING THE CHAIRMAN OF THE BANK**

In compliance with the requirements of the SBP BPRD Circular No. 03 of 2019 dated 17 August 2020 (“Circular”) the Board of Directors of the Bank, on recommendation of the “Human Resource & Compensation Committee” have approved a comprehensive and transparent remuneration policy titled “Directors Remuneration Policy” and determined the scale of remuneration to be paid to the Non-Executive Directors including the Chairman for attending the Board meetings and/or Committees meetings.

1. Policy has been formulated taking into consideration the governance structure, the level of responsibility & expertise of the concerned directors, the assets size and the profitability of the Bank while remaining within the limits and parameters given in the Circular.
2. Remuneration has been fixed in Pak Rupees (PKR) invariably; however, the payment of the same can be made to non-resident Directors in equivalent foreign currency(ies), where necessary.
3. No remuneration shall be paid to the Executive Directors except usual TA/DA as per the Bank’s standard rules and regulations.
4. Policy will be reviewed by the Board of Directors of the Bank on need basis and any major changes shall be approved by the shareholders of the Bank on post facto basis, in the next General Meeting.
5. Complete document of the policy is available at the website of the Bank under “Investors Relations” for the review of the shareholders. This Policy is effective from 17<sup>th</sup> February 2020.

If deemed fit, following Resolutions may please be passed:

“RESOLVED that the “Directors Remuneration Policy” as recommended by the Board of Directors of the Bank, effective from 17 February, 2020 in compliance with the SBP BPRD Circular No. 03 of 2019 dated 17<sup>th</sup> August 2020, be and is hereby approved.

FURTHER RESOLVED that the payment of Rs.750,000/- to all non-executive directors, including the chairman and independent directors, for attending each meeting of Board of directors, as per the Directors’ Remuneration Policy, approved by the Board of directors, be and is hereby approved.

AND FURTHER RESOLVED that the payment of Rs.750,000/- to all non-executive directors, including the chairman and independent directors, for attending one meeting of any Board Committee, as per the Directors’ Remuneration Policy, approved by the Board of directors, be and is hereby approved.



AND FURTHER RESOLVED that the non-executive directors will be eligible for boarding/lodging, travelling and ancillary expenses as per actuals for attending the Board and Board Committees' meetings, as per the Remuneration Policy approved by the Board.

AND FURTHER RESOLVED that the Chairman of the Board of Directors is entitled to receive 20% of the Board meeting fee, for holding the office of the Chairman, as per the Remuneration Policy approved by the Board.

AND FURTHER RESOLVED that the Board of Directors is authorized to make amendments and changes in the fee structure for attending the Board and Board Committees' meetings and Directors' Remuneration Policy within the parameters fixed or to be fixed by the regulators from time to time."

**Item No. 7: REMUNERATION OF THE NON-EXECUTIVE DIRECTORS OF THE BANK**

Further as required under the Prudential Regulations and SBP guidelines total amount of remuneration paid to the non-executive directors including the Chairman for attending the Board meetings and/or Committees meetings during the year 2019 is submitted for the approval of the shareholders.

If deemed fit, the following Resolution may be passed:

"RESOLVED that the remuneration paid to the Non-Executive Directors of UBL including the Chairman during the year 2019, for attending the Board and / or Board Committees meetings as disclosed in the Note 40 of the Audited Financial Statements of the Bank for the year ended 31<sup>st</sup> December 2019, be and is hereby confirmed and approved on post facto basis."

**Item No. 8: WINDING UP OF UNITED EXECUTORS AND TRUSTEES COMPANY LIMITED**

United Executors and Trustees Company Limited ('the Company') is a wholly owned subsidiary of United Bank Limited that was incorporated in Pakistan in 1965 as an unlisted public limited company. The Company was incorporated to undertake the business of trusteeship. The company is dormant and is not performing any function.

If deemed fit, the following Resolutions may be passed:

"RESOLVED that the winding up of United Executors and Trustees Company Limited (UET), a wholly owned subsidiary of UBL, be and is hereby approved.

FURTHER RESOLVED that the Board of Directors of UET and management of UBL be and are hereby authorized to initiate and complete the process for the winding up of UET and all the related regulatory, legal and other formalities including the authorization of person(s) to deal and negotiate, execute and implement the winding up with the party(ies) involved."

**Information to be disclosed under SRO 423 (I)/2018 dated 3<sup>rd</sup> April 2018 (“SRO”)**

The information required to be disclosed under the SRO is set out below:

<b>i) Name of the subsidiary;</b>	<b>United Executors and Trustees Company Limited</b>
ii) Cost and book value of investment in subsidiary; Un audited 31 <sup>st</sup> December 2019 (Audited 31 <sup>st</sup> December 2018)	<b>Investment in PKR 30.1 million (PKR 30.1 million).</b>
iii) Total market value of subsidiary based on value of the shares of the subsidiary company:	<b>31<sup>st</sup> December 2019 (Un-Audited)</b> Breakup value PKR.39.66/- per share. <b>31<sup>st</sup> December 2018 (Audited)</b> Breakup value PKR.37.16/- per share. (Valuation is not required as the whole assets base of the company consists of liquid cash and bank balance)
iv) Net worth of subsidiary as per latest audited financial statements and subsequent interim financial statements, if available;	<b>31<sup>st</sup> December 2019 (Un-Audited)</b> PKR. 128.02 million. <b>31<sup>st</sup> December 2018 (Audited)</b> PKR. 119.02 million
v) Total consideration for disposal of investment in subsidiary, basis of determination of the consideration and its utilization;	The asset base of the company has cash and bank balance that on disposal will realize circa PKR 127 million.
i) Quantitative and qualitative benefits expected to accrue to the members.	<p><b><u>Qualitative factors:</u></b></p> <ol style="list-style-type: none"> <li>1. The Company is dormant and no economic activity currently being performed;</li> <li>2. The Company being unlisted public company is required to comply with all regulatory guidelines and instructions.</li> <li>3. Upon winding up, the proceeds from subsidiary can be utilized by the parent company in a better manner;</li> </ol> <p><b><u>Quantitative factors:</u></b></p> <ol style="list-style-type: none"> <li>1. The Company hold reserve of PKR 95 million as of 31<sup>st</sup> December 2019 which is available for declaration of dividend to the parent company;</li> <li>2. After winding up, UBL will save the essential costs required to keep the company compliant with various regulatory and taxation laws/regulations.</li> <li>3. The annual audit fee and tax advisor fee will also be saved at liquidation which is mandatory requirement despite of dormant status.</li> </ol>