

NOTICE OF THIRTEEN ANNUAL GENERAL MEETING

Notice is hereby given that the Thirteen Annual General Meeting of the shareholders of JS Bank Limited (the “Bank”) will be held on Thursday, March 28, 2019 at 9:30 a.m. Sapphire Hall, Ramada Karachi Creek, Zulfikar Street 1, D.H.A. Phase VIII, Karachi, to transact the following business

ORDINARY BUSINESS:

- To receive, consider and adopt the Annual Audited Standalone and Consolidated Financial Statements of the Bank for the year ended December 31, 2018 together with the Directors' and Auditors' Reports thereon.
- To appoint Bank’s Auditors and fix their remuneration. Audit Committee and the Board of Directors have recommended the appointment of the retiring auditors, Messrs EY Ford Rhodes, Chartered Accountants, (a member firm of Ernst & Young Global Limited) who being eligible have offered themselves for re-appointment.
- To consider and approve final cash dividend on matured preference shares @ 12% p.a. (i.e. PKR 1.20 per preference share) for the period from January 1, 2018 to February 18, 2018 subject to deduction of income tax, to the holders of Preference Shares as on February 18, 2018 pro-rated for the year ended December 31, 2018, as recommended by the Board of Directors.
- To elect eight (8) directors as fixed by the Board of the Bank under section 159(1) of the Companies Act, 2017 for three years commencing from March 29, 2019. The names of retiring directors, who are eligible to offer themselves for re-election, are as follows:

Mr. Suleman Lalani	Mr. Adil Matcheswala
Mr. Ashraf Nawabi	Mr. G.M. Sikander
Mr. Kalim-ur-Rahman	Mr. Munawar Alam Siddiqui
Ms. Nargis Ali Akber Ghaloo	Mr. Shahab Anwar Khawaja

SPECIAL BUSINESS:

- To consider and if thought fit, approve the conversion of Additional Tier–I (“ADT-I”), rated, privately placed/listed (*at the option and discretion of the Bank, pursuant to the Privately Placed Debt Securities' Listing Regulations*), unsecured, subordinated, perpetual and non-cumulative Term Finance Certificates (“TFCs”) of PKR 2,500 Million (two thousand five hundred million) of JS Bank Limited (the “Bank”) into common shares if (i) directed by State Bank of Pakistan (“SBP”) on the occurrence of a point of non-viability as determined by SBP, or (ii) upon the occurrence of a pre-specified trigger point pursuant to Basel III Capital Instructions of SBP, or (iii) due to any inability to exercise the Lock-in Clause or Non-Cumulative features of TFCs, on such terms and conditions as may be determined by SBP, subject to a maximum of 329,595,476/- (three hundred twenty nine million five hundred ninety five thousand four hundred seventy six) additional ordinary shares to be issued, and which ordinary shares shall be issued other than by way of rights in accordance with section. 83(1)(b) of the Companies Act, 2017.

The resolutions to be passed by the members as Special Resolutions are as under:

“RESOLVED THAT with respect to the Additional Tier-I capital raised by JS Bank Limited (the “Bank”) in the amount of up to PKR 2,500,000,000/- (Pak Rupees Two Billion Five Hundred Million) in the form of rated, privately placed / listed, unsecured, subordinated, perpetual and non-cumulative Term Finance Certificates (“TFCs”) as approved by the Board of Directors on November 8, 2018, and in accordance with the directions under the ‘Instructions for Basel III Implementation in Pakistan’ (“Basel III Regulations”) issued by the State Bank of Pakistan (“SBP”), the TFCs may be converted into ordinary shares of the Bank (i) if so directed by SBP on the occurrence of a point of non-viability as determined by SBP, at a price equivalent to the market value of the shares of the Bank on the date of trigger of the point of non-viability as declared by SBP, or (ii) upon the occurrence of a pre-specified trigger point pursuant to Basel III Capital Instructions, at a price equivalent to the market value of the shares of the Bank on the date of occurrence of the pre-specified trigger point, or (iii) due to any inability to exercise the lock-in clause or non-cumulative features of the TFCs, on such terms and conditions as may be determined by SBP, in accordance with the applicable rules and regulations of SBP (collectively the “Conversion Events”), which ordinary shares shall be issued other than by way of rights in accordance with s. 83(1)(b) of the Companies Act, 2017.”

“FURTHER RESOLVED that the issuance of such shares upon the occurrence of any of the Conversion Events shall be subject to a cap of 329,595,476/- (three hundred twenty nine million five hundred ninety five thousand four hundred seventy six) additional ordinary shares to be issued and shall further be subject to approval of the Securities and Exchange Commission of Pakistan in accordance with s. 83(1)(b) of the Companies Act, 2017.”

“FURTHER RESOLVED that any two of the President & CEO, Deputy CEO, Chief Financial Officer and Company Secretary of the Bank (the “Authorized Representative”), be and are hereby authorized to take all steps necessary, ancillary, and incidental to the above-mentioned resolutions, as and when required, and are further authorized to sign, execute, and deliver all necessary documents, agreements, and letters on behalf of the Bank, as may be deemed appropriate and as may be required for the purposes above-mentioned.”

Statement under Section 134(3) of the Companies Act, 2017 is being sent to the Shareholders.

By Order of the Board
Ashraf Shahzad
Company Secretary

Karachi: March 7, 2019

Notes:

- Share transfer books of the Bank will remain closed from March 21, 2019 to March 27, 2019 (both days inclusive). Transfers received in order at Bank’s Independent Share Registrar, Central Depository Company of Pakistan Limited, CDC House, Shakra-e-Faisal, Karachi at the close of business on March 20, 2019 will be treated in time for purpose of attending and vote at the Meeting.
- A member of the Bank entitled to attend, and vote may appoint another member as his/her proxy to attend and vote instead of him/her.
- Proxies must be received at the Registered Office of the Bank not later than 48 hours before the time of the Meeting.
- Beneficial owners of the shares registered in the name of Central Depository Company of Pakistan (CDC) and/or their proxies will have to follow the following guidelines as laid down by the Securities and Exchange Commission of Pakistan:

For Attending the Meeting

- In case of Individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original CNIC or original Passport along with Participant ID number and the account number at the time of attending the Meeting.
- In case of corporate entity, the Board’s 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.

For Appointing Proxies

- In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
- The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
- Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
- The proxy shall produce his original CNIC or original passport at the time of the Meeting.
- In case of corporate entity, the Board’s resolution / power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Bank.
- Shareholders are requested to notify immediately for any change in their address to the Bank Registrar.
- Any person seeking to contest the election, whether retiring Director or otherwise, must file with the Company at its Registered Office the following documents not later than fourteen (14) days before the date of the meeting:
 - The intention to offer himself/herself for the election of Directors in terms of Section 159(3) of the Companies Act, 2017 along with (a) consent on Form 28 (Consent to act as a Director) under Section 167 of the Companies Act, 2017; (b) a declaration under clause (3) of the Listed Companies (Code of Corporate Governance) Regulations 2017 that he/she is not serving as a director in more than five (5) listed companies (including JS Bank Limited and excluding the listed subsidiaries of listed holding companies); and (c) a declaration that he/she is not ineligible to become a director in terms of Section 153 of the Companies Act, 2017 or under any circular/directive of the State Bank of Pakistan or any other applicable laws and regulations.
 - Person contesting as Independent Director shall also submit a declaration that he/she qualifies the criteria of eligibility and independence notified under the Companies Act, 2017 and rules and regulations issued thereunder.
 - Duly filled proforma for Fit and Proper Test and Questionnaire in the prescribed form along with an affidavit, recent photograph and copy of attested CNIC/passport to meet the requirement of State Bank of Pakistan’s Prudential Regulation G-1 and Fit and Proper Test for Appointment of Directors. Elected director shall remain subject to the fit and proper test approval of the State Bank.
- Shareholders are requested to notify immediately for any change in their address.

Notice to Shareholders who have not provided CNIC:

The Companies (Distribution of Dividends) Regulations, 2017 requires that the dividend warrants should bear the Identification Number which includes: (i) in the case of a registered shareholder or an authorized person, the Computerized National Identity Card Numbers (CNIC); (ii) in the case of a minor, child registration number or juvenile card number; and (iii) in the case of corporate shareholders registration number or national tax number. The Identification Number of the shareholders is, therefore, mandatory for the issuance of dividend warrants and in the absence of such information, payment of dividend may be withheld in terms of the Companies (Distribution of Dividends) Regulations, 2017. Therefore, the shareholders who have not yet provided their Identification Numbers advised to provide their Identification Numbers (if not already provided) directly to our Independent Share Registrar at the address given herein above without any further delay.

Placement of Financial Statements

The Bank has placed the annual Audited Financial Statements for the year ended December 31 2018, along with the Auditors and Directors Reports on its website: www.jsbl.com

Mandate for E-DIVIDENDS for shareholders

Under the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed Company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders. In order to receive dividends directly into their bank account, shareholders are requested to fill in Electronic Credit Mandate Form available on Company’s website and send it duly signed along with a copy of CNIC to the Registrar of the Company M/s. Central Depository Company of Pakistan Limited, CDC House, Shakra-e-Faisal, Karachi in case of physical shares. In case shares are held in CDC then Electronic Credit Mandate Form must be submitted directly to shareholder’s broker/participant/CDC account services.

Deduction of Income Tax from Dividend at Revised Rates

Pursuant to the provisions of the Finance Act deduction of income tax from dividend payments shall be made on the basis of filers and non-filers as follows:

S.No	Nature of Shareholders	Rate of deduction
1	Filers of Income Tax Return	15%
2	Non-Filers of Income Tax Return	20%

Income Tax will be deducted on the basis of Active Tax Payers List posted on the Federal Board of Revenue website.

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate are requested to submit a valid tax certificate or necessary documentary evidence, as the case may be.

E-Voting

Pursuant to SECPS R.O. No. 43(I)/2016 dated January 22, 2016, members can also exercise their right to vote through e-voting by giving their consent in writing at least 10 days before the date of meeting to the Bank on the appointment by the Intermediary as a Proxy.

Provision of Video Link Facility

Shareholders may participate in the meeting via video-link facility. If the Bank receives a demand (at least 7 days before the date of meeting) from shareholder(s) holding an aggregate 10% or more shareholding residing in any other city, to participate in the meeting through video link, the Company will arrange video link facility in that city.

Shareholders, who wish to participate through video-link facility, are requested to fill in ‘Video Link Facility Form’ available at Bank’s website and send a duly signed copy to the Registered Address of the Company.

Distribution of Annual Report

The audited financial statements of the Bank for the year ended December 31, 2018 have been made available on the Company’s website (<http://www.jsbl.com/>) in addition to annual and quarterly financial statements for the prior years.

Further, Annual Report of the Bank for the year ended December 31, 2018 is dispatched to the shareholders through CD. However, if a shareholder, in addition, requests for hard copy of Annual Audited Financial Statements, the same shall be provided free of cost within seven days of receipt of such request. For convenience of shareholders, a “Standard Request Form for provision of Annual Audited Accounts” has also been made available on the Bank’s website (<http://www.jsbl.com/>).