

Notice of Meeting

Notice is hereby given that the 24th Annual General Meeting of the Shareholders of EFU Life Assurance Ltd. will be held at Kamran Centre, 1st Floor, 85 East, Blue Area, Jinnah Avenue, Islamabad on April 2, 2016 at 11.30 am to:

A. ORDINARY BUSINESS:

1. confirm the minutes of the 23rd Annual General Meeting held on April 10, 2015.
2. receive, consider and approve the Audited Financial Statements for the year ended December 31, 2015 together with the Directors' and Auditors' reports thereon.
3. consider and if thought fit to approve the payment of Final Cash Dividend at the rate of Rs.7/- per share i.e. 70% as recommended by the Board of Directors and also approve the Interim cash dividend of Rs 3/- per share i.e. 30% already paid to shareholders for the year ended December 31, 2015.
4. appoint Auditors for the year 2016 and fix their remuneration.

B. SPECIAL BUSINESS:

5. Consider, and if thought fit, to pass the following Resolution with or without modification(s) as Special Resolution to amend the Articles of Association of the Company by inserting a new clause numbering 82 to introduce E-Voting as prescribed by Securities & Exchange Commission of Pakistan:

“RESOLVED that the Articles of Association of EFU Life Assurance Ltd. be and is hereby amended as under:-

RESOLVED that following amendment be made in Articles of Association of the Company.

To insert the following new clause No. 82:

82) Any member desiring to appoint an intermediary, as defined in “Companies (E-Voting) Regulations, 2016,” as may be amended from time to time, shall inform Secretary of the Company at least 10 days before the holding of Annual General Meeting or Extraordinary General Meeting of Shareholders of the Company intimating about his decision to appoint an intermediary to vote at a poll.

The clause appearing in the Articles of Association from Nos. 82 to 189 be renumbered as No. 83 to No. 190 in the same sequential order.”

6. Consider and if thought fit to pass the following Resolution with or without modification(s) as Special Resolution:

“RESOLVED that the approval be accorded for Investment in Shares of EFU General Insurance Ltd., an associated company, of Rs. 100 million and the said amount be invested within a period of next three years.

This investment be made from time to time as the Managing Director (Chief Executive) and/or other attorney(s) of the Company may deem fit.

FURTHER RESOLVED that Chief Executive or Corporate Secretary be and are hereby individually authorized to fulfill all legal and corporate formalities for making the above investment.

FURTHER RESOLVED that the Special Resolution be and is hereby passed for the purpose of compliance of Section 208 of the Companies Ordinance, 1984”

7. transact any other matter with the permission of the Chair.

The statement of material facts under Section 160(1)(b) of the Companies Ordinance 1984 relating to the aforesaid Special Business to be transacted at the Annual General Meeting is being sent to the Members with the Notice.

Attached to this notice of meeting being sent to the members is a statement under Section 160(1) (b) of the Companies Ordinance 1984 setting forth all material facts concerning the resolutions contained in items 5 and 6 of the notice.

By Order of the Board

Syed Shahid Abbas
Chief Financial Officer &
Corporate Secretary

Karachi February 13, 2016

NOTES:

1. A member entitled to attend, and vote at the Meeting is entitled to appoint another member as a proxy to attend and vote on his/her behalf. Form of proxy must be deposited at the Company's Registered Office not later than 48 hours before the time appointed for the meeting.
2. CDC Account holders are advised to follow the following guidelines of the Securities and Exchange Commission of Pakistan:
 - a. **For attending the meeting:**
 - (i) In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
 - (ii) 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.
 - b. **For appointing proxies:**
 - (i) In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
 - (ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
 - (iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - (iv) The proxy shall produce his original CNIC or original passport at the time of the meeting.
 - (v) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along-with proxy form to the Company.
3. The Share Transfer Books of the Company will be closed from March 26, 2016 to April 2, 2016 (both days inclusive). Transfers received at the office of our Share Registrar, Technology Trade (Pvt) Ltd., situated at Dagia House, 241- C Block 2, P E C H S. Shahrah-e-Quaideen, Karachi, before the close of business on March 25, 2016 will be considered in time to attend and vote at the meeting and for the entitlement of Dividend.
4. Members are requested to notify / submit the following, in case of book entry securities in CDC to respective CDC participants and in case of physical shares, to the Company's Share Registrar, if not earlier provided/ notified:-
 - a. Change in their addresses;
 - b. Valid and legible photocopies of Computerized National Identity card (CNIC) for Individuals and National Tax Number (NTN) both for individual & corporate entities; and
 - c. Consent Form to receive Annual Financial Statements through e-mail. The Securities & Exchange Commission of Pakistan (SECP) through its Notification SRO 787(1)2014 of September 8, 2014 has allowed companies to circulate Audited Financial Statements along with Notice of Annual General Meeting to its members through e-mail.

If any member intends to receive Annual Financial Statements through e-mail, he may provide us or to our Share Registrar, his consent on the consent form as available on Company's website, duly filled and signed.

Statement under section 160 of the Companies Ordinance, 1984 pertaining to the Special business

1. This statement sets out the material facts pertaining to the Special business to be transacted at the Annual General Meeting of the Company to be held on April 2, 2016.

2. Item 5 regarding e-voting:

To give effect to the Companies (E-Voting) Regulation 2016, shareholders' approval is being sought to amend the Articles of Association of the Company to enable e-voting.

3. Item 6 regarding investment in associated company:

The Shareholders at the Annual General Meeting held on April 05, 2014 had approved investment in shares of an associated Company EFU General Insurance Ltd., up to an amount of Rs. 100 million which remains un-invested.

The details and information to be furnished regarding item No.6 investment in associated company are as under:

EFU General Insurance Ltd. is the leading non-life insurance company in the private sector in the country. As on December 31, 2015 it has asset base of Rs.32 Billion. It's after tax profit for the years 2013, 2014 and 2015 have been Rs.1,392 million, Rs.1,829 million and Rs.4,034 million respectively. EFU General Insurance Limited as on December 31, 2015 has Paid-up Capital of Rs.1,600 million, General Reserve of Rs.10,500 million and Accumulated Surplus of Rs.3,747 million.

The information required under Companies (Investment in Associated Companies or Associated Undertakings) Regulation, 2012 is as under:

Regulation No. 3(1)a:

i) **Name of Associated Company along with criteria based on which the associated relationship is established:**

EFU General Insurance Ltd. being associated on the basis of more than 20% holding by EFU General Insurance Limited.

ii) **Purpose, benefits and period of investment:**

Long-term strategic investment for better return and capital appreciation by way of purchase from time to time from the Stock Exchange at a price ruling on the date of purchase.

iii) **Maximum amount of investment:**

Rs. 100 million in Ordinary shares of Rs.10 each.

iv) **Maximum price at which securities will be acquired:**

Not more than the price quoted on Stock Exchange.

v) **Maximum number of securities to be acquired:**

Equivalent to the amount of Investment.

vi) **Number of securities and percentage thereof held before and after the proposed investment:**

10,900,884 shares (6.81%) held to date i.e. before proposed investment. Number of Shares and percentage after proposed investment will depend on the prevailing prices at the time of actual acquisition of shares which could vary with the market price at which shares are purchased in future.

vii) **Average of the preceding twelve weekly average price (December 2015) of the security intended to be acquired:**

Rs.149.03 per share

viii) **In case of investment in unlisted securities, fair market value of such securities determined in terms of regulation 6(1):**

Not applicable

ix) **Break-up value of securities intended to be acquired on the basis of the latest audited financial statements:**

As on December 31, 2015 Rs.99/04

- x) Earnings per share of the associated company or associated undertaking for the last three years:
 - a. Year ended December 31, 2015 - Rs.25/21
 - b. Year ended December 31, 2014 - Rs. 11/43
 - c. Year ended December 31, 2013 - Rs. 8/70
- xi) Sources of fund from which securities will be acquired:
Internal generation.
- xii) Where the securities are intended to be acquired using borrowed funds,-
 - (i) justification for investment through borrowings; and
 - (ii) detail of guarantees and assets pledged for obtaining such funds;
Not applicable
- xiii) Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment;
Not applicable.
- xiv) Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration:
No Director or Chief Executive has any interest in the proposed investments, except in their individual capacities as "Directors/Chief Executive" and/or as shareholders of the Company.
- xv) Any other important details necessary for the members to understand the transaction;
None
- xvi) In case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information, is required, namely,-
 - (i) description of the project and its history since conceptualization;
 - (ii) starting and expected date of completion of work;
 - (iii) time by which such project shall become commercially operational; and
 - (iv) expected time by which the project shall start paying return on investment;
Not applicable

Regulation No. 3(3)

The directors of the investing company while presenting the special resolution for making investment in its associated company or associated undertaking shall submit an undertaking to the members of the investing company that they have carried out necessary due diligence for the proposed investment.

The Directors of the Company submit that they have carried out necessary due diligence for the proposed investment in shares of EFU General Insurance Ltd.

Regulation No. 4

Other information to be disclosed to the members.-

- (1) If the associated company or associated undertaking in which the investment is being made or any of its sponsors or directors is also a member of the investing company, the information about interest of the associated company or associated undertaking and its sponsors and directors in the investing company shall be disclosed in the notice of general meeting called for seeking members' approval pursuant to Section 208 of the Companies Ordinance.

EFU General Insurance Ltd. is holding 43,059,240 Shares to date of the investing company EFU Life Assurance Ltd. No Director or Chief Executive has any interest in the investing Company except in their individual capacities as "Directors/Chief Executive" and/or as shareholders of the investing Company. The Shareholding of the Directors

is Mr Rafique R. Bhimjee 3,482,596, Mr.Saifuddin N. Zoomkawala 500,000, Mr. Taher G. Sachak 675,928, Mr. Muneer R. Bhimjee 3,519,981, Mr Hasanali Abdullah 136,146 and Mr Mahmood Lotia 6,000.

(2) In case any decision to make investment under the authority of a resolution passed pursuant to provisions of section 208 of the Ordinance is not implemented either fully or partially till the holding of subsequent general meeting(s), the status of the decision must be explained to the members through a statement having the following details namely ,-

a) **total investment approved;**

Rs.100 million approved by the shareholders at Annual General Meeting of April 05, 2014.

b) **amount of investment made to date;**

Nil

c) **reasons for not having made complete investment so far where resolution required it to be implemented in specified time;**

Due to share market environment and the share prices uncertainty in the year 2014 & 2015 it was considered to delay the purchases of shares and therefore a fresh special resolution is being proposed to the shareholders for the remaining amount of Rs. 100 million.

d) **and material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company.**

Since the date of passing the resolution by the shareholders of the Company on April 05, 2014 the shareholders equity of the investee company has increased to Rs.15,847 million from Rs.13,111 million due to increase in Reserves of Rs.2,736 million.