

TRUST DEED

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STATE BANK OF PAKISTAN EMPLOYEES WELFARE TRUST

1. INTRODUCTION AND COMMENCEMENT:

This Deed of Trust is made **and** executed on this 9th day of June 2005 at Karachi by the State Bank of Pakistan, a body corporate established under the State Bank of Pakistan Act, 1956 having its Head Office at I.I. Chundrigar Road, Karachi hereinafter referred to as the “**State Bank of Pakistan**” being the author of the Trust.

WHEREAS the State Bank desires to constitute a Trust, namely, **The State Bank of Pakistan Employees Welfare Trust** hereinafter referred to as the “Trust”.

The Trust shall be an institution and shall have regular succession and common seal.

2. DEFINITIONS:

Unless there is anything contrary in the subject or context, in this document

- “Trust” means “**The State Bank of Pakistan Employees Welfare Trust**”.

- “Beneficiary(y/ies)” means member(s) of the Trust who are deemed appropriate by the Board of Trustees to get the benefit of the Trust, from amongst the employee(s) of the State Bank of Pakistan, employee(s) of its subsidiaries, serving, retired and members of the family /dependents of serving/ retired/ deceased.

-“State Bank of Pakistan” means and includes State Bank of Pakistan and all its subsidiaries including, but not limited to **SBP-BSC (Bank)** and **NIBAF**.

3. CREATION/ESTABLISHMENT OF TRUST:

State Bank of Pakistan with the execution of this deed shall make available an amount of Rs. 10,000,000/- (Rupees Ten million only) and subsequently every year up to a maximum duration ranging from three to five years from the inception of the Trust same amount of Rs. 10,000,000/- (Rupees Ten million only) will be allocated with a view to carry out objectives of the Trust, which is completely vested into the Trustees designated, nominated and constituted and now confirmed by these presents for the purpose of managing, controlling, utilizing and disposing of the said fund/property for the benefits and welfare of the Beneficiaries through a proper regulated system designed by the Trustees of the Trust.

The Trust shall be an institution and it shall have regular succession and a common seal and it shall have power to acquire, take under custody and transfer any property, be it movable or immovable.

4. NAME OF THE TRUST:

The Trust shall be called “State Bank of Pakistan Employees Welfare Trust”.

5. HEAD OFFICE OF THE TRUST:

The Head Office of the Trust shall be situated in Karachi, Sindh and it may, if need be, establish sub-office at any place in Pakistan where the SBP Offices exist.

6. EXCLUSIVE RIGHTS TO NAME AND INSIGNIA:

The Trust shall have the sole and exclusive right to use the words “**State Bank of Pakistan Employees Welfare Trust**” and any seal, emblem, or any other insignia adopted by its Board of Trustees.

7. PURPOSE OF THE TRUST:

In General:

The Trust is formed to provide better material and financial help to the employees of the State Bank of Pakistan, serving, retired and members of the family /dependents of serving/ retired/ deceased needing such help through a proper regulated system designed and approved by the Board of Trustees provided that these facilities are not ordinarily admissible under the Bank’s rules/regulations/procedure.

8. AIMS AND OBJECTIVES OF THE TRUST:

- Granting benefits at the time of need to the Beneficiaries.
- Rendering financial support to Beneficiaries who have for one reason or the other, fallen into distress.
- To aid and promote educational and vocational learning facilities/activities for the Beneficiaries.
- To advance as a loan or stipend or grants to the Beneficiary for the purpose of education at approved institutions as per criteria laid down by the Board of Trustees.
- Providing for the welfare of the Beneficiaries on case to case basis with the discretion of Board to render financial support.
- To promote social, cultural and sports activities among the beneficiaries as per the approval of the Board of Trustees.
- Taking all measures necessary for fulfillment of the above mentioned objectives.
- To undertake any other activity in the furtherance of the Trust’s aims and objects.

9. LIMITATIONS OF FUNDING:

The trust shall prepare a plan to achieve self-sufficiency for the Trust within a span of three to five years.

10. DONATIONS:

To receive and accept gifts, grants, aids, donations, benefactions of any nature and kind whatsoever for the purpose of fulfilling its objects.

11. MEMBERSHIP & CONTRIBUTION BY BENEFICIARY EMPLOYEES:

Membership of the Trust shall be compulsory for incumbents, but optional for retired employees/dependents of the deceased employees with varying rates of contribution.

Every serving or retired employee shall pay contributions as entry-fee¹ a sum of Rs. 1,000/- and a monthly contribution to the fund of the Trust as determined by the Board of Trustees from time to time.

If any member refuses to pay the contributions or if his/her contributions are outstanding for more than three months, he/she shall not be entitled to receive any benefit under this Trust.

Provided that where, in the case of outstanding contributions, the Board of Trustees comes to the decision that the contributions have not been left outstanding willingly, or that the contributions have been left outstanding due to circumstances which are out of control of the members, the Board of Trustees may, after providing for the payment of outstanding contributions, grant him/her or any member of family or dependent the benefits under this Trust.

12. PROCEEDS:

All proceeds and other revenues received by the Trust shall be retained by the Trust. Those proceeds shall be available to the Trust for the administration, operations and maintenance, improvement and related expenses incurred with respect to Trust. The Trust shall invest such excess money that it determines is not required to meet current withdrawals or retire such investment as it deems fit. Such investment shall be made in Government securities with the maturities suitable to the needs and requirements of the Trust. The Board of Trustees may frame an investment plan for allocation of funds after its first meeting.

13. BOARD OF TRUSTEES:

The business of the Trust shall be under the overall supervision of its Board of Trustees.

Maximum and minimum number of trustees and founder trustees:

There shall at all times be not less than 6 (six) and no more than 9 (nine) Trustees including the Chairman of the Board of Trustees.

¹ Optional for retired employees and Free for family members/dependents of deceased employees.

Notwithstanding any thing contained herein it would be prerogative of the Board of Trustees (by two third majority) to grant/approve membership and/or debar/cancel the membership of any Trustee for the reasons to be recorded in writing.

The Governor of State Bank of Pakistan, Deputy Governor, Managing Director SBP-BSC and Director HR or Accounts shall be the ex-officio Trustees. The Governor shall preside over all the meetings of the Board of Trustees. If the Governor for some reason is unable to attend the meeting, the Deputy Governor shall chair the meeting. The First Board of Trustees of the State Bank of Pakistan Employees Welfare Trust will consist of the following:-

- | | | |
|----|--|----------|
| 1. | Governor, State Bank of Pakistan | Chairman |
| 2. | Deputy Governor, State Bank of Pakistan
(to be nominated by the Governor, State Bank of Pakistan). | Trustee |
| 3. | Managing Director, SBP, Banking Services Corporation. | Trustee |
| 4. | Director, Accounts or Human Resources (HR) Department, State Bank of Pakistan | Trustee |
| 5. | Two Representatives of Beneficiaries from amongst the retired employees, nominated by Governor. | Trustee |
| 6. | One female employee to be nominated by Governor. | Trustee |
| 7. | One Representative of Clerical/ Non-Clerical employees from SBP Banking Services Corporation, nominated by Governor. | Trustee |
| 8. | One Representative of Beneficiaries from amongst the SBP employees, nominated by Governor. | Trustee |

The Board of Trustees shall have a Secretary who should be nominated by the Chairman from amongst the Trustees.

The nominated Trustees except the Deputy Governor shall hold the office for a period of 3 years. They would be eligible for re-nomination for another term of three years. As the first Board of Trustees the following terms with the number of trustees (Representatives of Beneficiaries) nominated for each term shall prevail: Three Trustees for two years, Two Trustees for one year.

Any vacancy in the Board of Trustees shall be filled in the same manner in which the original appointment was made and any member appointed to fill a vacancy shall serve for the remainder of the term for which his/her predecessor was appointed.

14. DUTIES AND AUTHORITIES OF TRUSTEES:

Trust is subject to the Prudent Man Rule which states that “a Trustee shall exercise the judgment and care, under the circumstances then prevailing, which men of prudence, character and intelligence exercise in the management of their own affairs, not in regard to speculation, but in regard to permanent disposition of their funds, considering the probable income as well as the probable safety of their capital.”

All acts and proceedings of the Trust shall be taken and conducted in the name of the Trust. And Trustees are authorised:

- To receive, retain, use/spend/dispose of, transfer, invest, disinvest the money, property/rights and otherwise deal with the subject matter and property of the Trust in such a manner as the Board of Trustees may deem fit within the framework of the objectives of the Trust and defined Rules and Regulations.
- To draw, make, accept, endorse, discount, execute, retire, issue and negotiate promissory notes, bills of exchange, warrants, debentures and other negotiable instruments or transferable instruments within the defined parameters of the Trust’s Rules and Regulations.
- To execute their responsibilities as assigned to them in the light of this Trust Deed and covered in the Rules and Regulations.

15. INDEMNITY TO THE TRUSTEES:

The Chairman and the Trustees acting in relation to any of the affairs of the Trust in good faith shall be indemnified out of the assets of the Trust from and against all suits, proceedings, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by reason of any act done or omitted in or about the execution of their duty in their respective offices or trusts and no Trustees shall be answerable for the acts, receipt, neglects or defaults of any other such persons or Trustees with whom any money or effects belonging to the Trust may be lodged or deposited.

16. QUORUM FOR THE MEETING OF THE BOARD OF TRUSTEES:

At least 4 (four) Trustees (including the Chairman of the Board of Trustees) shall constitute quorum of the meeting of the Board of Trustees. Presence of the Chairman or his nominee, in case of his absence, shall be necessary for the quorum.

17. ORGANIZATION & COMPENSATION:

The Board of Trustees shall organize itself in such a manner, as it deems most appropriate to effectively carry out the authorized activities of the Trust. Board of Trustees members shall serve without pay, but may be reimbursed for actual and necessary travel and subsistence expenses incurred by them in the performance of the duties of the Trust.

18. STAFF:

The Trust may appoint such number of officials/employees as may be required to perform its function properly and the conditions of the employment shall be determined by regulations framed/designed by the Board of Trustees.

19. MANAGEMENT PROGRAM:

The Trustees shall develop a comprehensive program for the management of the Trust within the framework set by the objectives of the Trust.

20. MEETING OF THE BOARD OF TRUSTEES:

Subject to the provisions of this section, the Board of Trustees may determine the procedure of its meetings.

The secretary shall convene the meetings of the Board of Trustees after the consent of its Chairman and it shall be held at any place in Pakistan, at the convenience of the Trustees.

21. MINUTES OF THE MEETING:

Minutes of the meeting or proceedings of all meetings signed by the Chairman shall be recorded and kept by the Secretary for the Board of Trustees in a Minutes Book to be kept for that purpose.

22. RULES AND REGULATIONS FOR ADMINISTRATION OF TRUST TO BE FRAMED:

The affairs of the Trust/Trust herein contained shall be carried on, administered and managed in accordance with the Rules and Regulations to be framed by the Board of Trustees.

23. AMENDMENT/ ADDITION IN THE RULES AND REGULATIONS:

Changes/additions in this Deed or any Rules or Regulations framed and formulated by the Trustees shall be made, amended or abrogated as the Trustees may decide by the Board of Trustees by a two third majority.

Besides Chairman, presence of any of the two amongst Deputy Governor and Managing Director, SBP, Banking Services Corporation is must in the meeting held for the above purpose.

24. TRUST INCAPABLE OF EXECUTION WITHOUT EXHAUSTING TRUST PROPERTY:

The Trust can only be revoked by SBP and in the event of revocation of the Trust, all property, funds and assets remaining after the payment of all debts and liabilities of Trust, shall be transferred to the State Bank of Pakistan.

25. ACCOUNTS OF THE TRUST:

- i) The Trust will maintain its account with State Bank of Pakistan.
- ii) A proper system of maintenance of Account Books and vouchers and schedule of Financial Powers of various Trust officials will be prepared in the form of "Trust's System of Accounts".

26. OPERATIONS OF THE BANK ACCOUNT:

All Cheques shall be signed jointly by the Secretary along with any of the three i.e. the Deputy Governor, Managing Director, SBP- Banking Services Corporation and Director, Accounts/HR Department.

27. AUDIT:

The Accounts of the Trust will be annually audited by a firm of Chartered Accountants.

IN WITNESS THEREOF the State Bank of Pakistan declares the "State Bank of Pakistan Employees Welfare Trust" with the approval of Central Board of the Bank vide Memo No.52/2004 dated 18-10-2004 and the Trustees accepted the same to these presents have hereunto set their respective hands the day, month and year first hereinabove written for forming this Trust.

Signed and delivered by the Founder Trustees:

1. Dr.Ishrat Husain _____
2. Mr.Mansur-ur-Rehman Khan. _____
3. Mr.Liaquat Durrani . _____
4. Mr.Aftab Mustafa Khan _____
5. Mr.Mukhtar Nabi Qureshi _____
6. Mr.Muhammad Akram Shad _____

7. Mrs.Feroza Nabeel _____

8. Mr.Zafar Iqbal _____

9. Hafiz Muhammad Sarwar _____

WITNESSES:

1. Saleem Akhtatr 2. Noor-ul-Haque