

MUTUAL BUYOUT AGREEMENT

by and among

LSE VENTURES LIMITED
(as Transferor)

AND

MUMTAZ HUSSAIN
(As Buyer and Buyers Agent)

AND

SARDAR ALI
(As Buyer, acting through Buyers Agent)

AND

USMAN HAIDER
(As Buyer, acting through Buyers Agent)

AND

ADNAN AFAQ
(As Buyer, acting through Buyers Agent)

[] September 2024

MUTUAL BUYOUT AGREEMENT

This **MUTUAL BUYOUT AGREEMENT** (this "**Agreement**") is made at Islamabad on _____ September 2024, by and among:

- (1) **LSE Ventures Limited**, a company organized under the Companies Act, 2017, through its Chief Executive Officer, Mr. Aftab Ahmad Chaudhry, holder of CNIC #35201-2831813-3, acting under authority of shareholder resolution dated _____ (herein referred to as the "**Transferor**", which expression shall, wherever the context so permits, include its executives, shareholders, administrators, permitted assigns and successors-in-interest) of the First part, and
- (2) **Mumtaz Hussain**, holder of CNIC # _____, acting for himself and as agent (the "**Buyers Agent**") of the following individuals under authority of the special power of attorney dated _____:
 - a. **Sardar Ali**, holder of CNIC # _____;
 - b. **Usman Haider**, holder of CNIC # _____;
 - c. **Adnan Afaq**, holder of CNIC # _____;

All four (4) of whom are collectively referred to as the "**Buyers Group**", and individually as a "**Buyer**", each of which expressions shall, wherever the context so permits, include their respective heirs, assigns and successors-in-interest) of the Second part; and

- (3) **Pakistan Credit Rating Agency Limited**, a company organized under the Companies Act, 2017, Pakistan having its registered office at FB-1, Awami Complex, Usman Block, New Garden Town, Lahore, through its Chief Executive Officer, Mr. Usman Haider, holder of CNIC # _____, acting under authority of shareholder resolution dated _____ (hereinafter referred to as "**PACRA**" or the "**Company**", either of which expressions shall, wherever the context so permits, include its executives, shareholders, assigns and successors-in-interest) of the Third part,

(the Transferor, the Buyers Group and PACRA are collectively referred to as the "**Parties**", and each in its separate capacity as a "**Party**").

WHEREAS

- A. The Transferor has agreed to transfer to the Buyers Group all its unencumbered and exclusively owned shares in the Company, being 26,830,420 (twenty-six million eight hundred thirty thousand and four hundred and twenty) shares, which include the shares held in the name of the directors representing the Transferor (the "**Shares**") described in Schedule A (Particulars of Shares), and each Buyer has agreed to purchase the corresponding number of Shares specified against his name in Schedule B (Schedule of Sale and Payment of Purchase Price);
- B. This Agreement is executed to give effect to the Term Sheet whereby the Transferor agreed to transfer the Shares to the Buyers Group against a total consideration of Rupees six hundred million (PKR 600,000,000/-), which is to be paid in ten (10) equal semi-annual installments of Rupees sixty million (PKR. 60,000,000) (the "**Instalment**") over a period of five (5) years by way of payment to the Transferor of dividend from the Company (the "**Dividend Payment**"), as provided in this Agreement, provided, however, that, in the event dividend declared by the Company is less than the amount equal to an Instalment, such shortfall payment to the Transferor shall be made by the Buyers Agent, acting as the guarantor (the "**Guarantee Component**") under this Agreement;
- C. All Shares shall be held with the Escrow Agent, who shall, upon receipt of each Instalment (including the Guarantee Component, if any), without recourse to the Transferor, transfer 1,341,520 shares to the Buyers, as per Schedule B.

NOW, THEREFORE, in consideration of the mutual covenants and the respective representations, warranties and agreements set forth herein, the adequacy and sufficiency whereof is admitted by the Parties, the Parties agree as follows:

Article I: DEFINITIONS.

In this Agreement, the following capitalized terms have the following meanings:

- 1.01 **"Affiliate"** means, with respect to any Party, a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified.
- 1.02 **"Dividend Payment"** bears the meaning ascribed in Recital B above.
- 1.03 **"Escrow Agent"** means the Central Depository Company of Pakistan Limited or its designated representative in terms of the Escrow Agreement.
- 1.04 **"Escrow Agreement"** means the escrow agreement entered in to by the Parties and the Escrow Agent dated ____.
- 1.05 **"Guarantee Component"** bears the meaning ascribed in Recital B above. For avoidance of doubt, any shortfall due to payment of dividend to any new shareholder of the Company, if any (other than the Transferor or the Buyers Group), during the course of this Agreement, will also be part of the Guarantee Component of an Instalment.
- 1.06 **"Instalment"** bears the meaning ascribed in Recital B above. For avoidance of doubt, it includes the Guarantee Component, if any.
- 1.07 **"Law"** means the constitution, any act, statute, law, ordinance, rule or regulation applicable to the transactions contemplated in this Agreement.
- 1.08 **"Loss"** means any debts, obligations and other liabilities (whether known or unknown, absolute or contingent, liquidated or unliquidated, due or to become due, asserted or unasserted or otherwise), losses, claims, damages, taxes, interest obligations, deficiencies, judgments, assessments, fines, fees, penalties, expenses (including amounts paid in settlement, interest, court costs, costs of investigators, fees and expenses of attorneys, accountants, financial advisors, consultants and other experts, and other expenses of litigation), any incidental or consequential damages that are reasonably foreseeable and any punitive damages payable to third parties that may be imposed.
- 1.09 **"Material Adverse Event"** means any change, circumstance, development, state of facts, event or effect (i) that has had or would reasonably be expected to have a material adverse change or effect (taken alone or in the aggregate with any other adverse change or effect) that would reasonably be expected to prevent or materially impede, interfere with, hinder or delay the consummation of the transactions contemplated in this Agreement.

- 1.10 **"Person"** means an individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization or other entity or liable to pay tax under Law.
- 1.11 **"Third-Party"** means any Person other than the Parties and their Affiliates.
- 1.12 **"Third-Party Claim"** means any suit, proceeding, claim or demand by a Person other than a Person from which indemnification may be sought under this Agreement.
- 1.13 **"Restrictions"** means any transfer restrictions, proxies, voting agreements, voting trusts, agreements to sell or purchase, liens, rights of third parties generally or any encumbrances and similar restrictions whether arising by contract or operation of law.
- 1.14 **"Shares"** bears the meaning ascribed Recital A above.
- 1.15 **"Term Sheet"** means the Term Sheet dated _____, signed between the Parties, and a copy of which is attached herewith as Schedule C. For avoidance of doubt, this Agreement is based on the arrangement agreed in the Term Sheet.

Article II: APPROVALS

- 2.01 Shareholder Approval. Transferor confirms that this Agreement is executed by it under authority of the Board resolution dated ____ and shareholders resolution dated ____, an attested copy of each of which has been provided to the Parties and the Escrow Agent.
- 2.02 Buyers Agent's Authority. Buyers Agent confirms that this Agreement is executed by him under authority of the Special Power of Attorney dated ____, an attested copy whereof has been provided to the Parties and the Escrow Agent.
- 2.03 Company Approval. The Transferor and Buyers Agent agree that terms of this Agreement shall be approved in general meeting of the Company with unanimous vote of the shareholders, for which all directors representing the Transferor shall vote affirmatively along with the Transferor and the Buyers Group.
- 2.04 No Change. Parties agree that it is a material condition of the transactions herein contemplated that (i) the terms of this Agreement, (ii) the manner in which the transactions herein contemplated are required to be accomplished; and (iii) the authority to execute and/or perform obligations hereunder shall not be rescinded, withdrawn, cancelled or otherwise revised, prevented or obstructed by any Party, except by express prior written approval of all the Parties, through their designated representatives. To this end, the Transferor and the Company will share draft resolutions for comments of, and confirmation by all Transferor and the Buyers' Agent, before each proposes the same to its respective shareholders along with notice of such meetings. For avoidance of doubt, no party will be allowed to claim excuse from its obligations and responsibilities under this Agreement, including on account of the Transferor undergoing any restructuring, reorganization or other change in its legal status or shareholding structure, as the same exists on the date of this Agreement. In the event, the Transferor contemplates any of the foregoing or similar transformation, it will inform the Parties and the Escrow Agent in writing in advance. Any such circumstance shall not absolve the Parties of their respective obligations hereunder or of the Escrow Agent under the Escrow Agreement.

Article III: PURCHASE AND TRANSFER OF THE SHARES

- 3.01 **Transfer of Shares.** The Transferor shall, through the Escrow Agent, transfer to the Buyers Group, the Shares together with all of the Transferor's rights, privileges, title and interest therein to each Buyer, in the proportion set forth opposite each Buyer's name in **Schedule B** (Schedule of Sale and Payment of Dividend Payment). The Shares (and all rights attaching thereto) in the aggregate constitute all of the issued and outstanding _____ shares of the Company, representing the entire thirty six percent (36%) equity ownership of the Transferor in the Company, as of the date of this Agreement. Subject to payment of the Instalment to Transferor or to the order of the Transferor under the authority of its shareholders resolution, the Escrow Agent shall transfer corresponding number of Shares as per Schedule B to each Buyer, free and clear of any and all Restrictions. It is of the essence of this Agreement that the transfer of the Shares shall consummate upon Transferor entrusting the Shares to the Escrow Agent, however, transfer of corresponding number of Shares shall be made by the Escrow Agent at the time of payment of each Instalment.
- 3.02 **Payment of Consideration/Dividend Payment.** On the terms and subject to the conditions hereof, in consideration of the transfer of the Shares to each Buyer by the Transferor through the Escrow Agent, the Transferor shall receive full and final cumulative Dividend Payment in ten (10) Instalments, commencing after the close of financial year on 30 June 2024 and ending at the conclusion of financial year on 30 June 2029. The Parties agree that the Dividend Payment represents the annualised payment of dividend by the Company, including dividend in respect of the Shares. In the event that the dividend declared by the Company for the purposes of this Agreement is less than the amount equal to an Instalment and/or where the shortfall occurs because of payment of dividend to a new shareholder (as the case may be), such shortfall shall be met by the Guarantee Component, as provided in Section 8.02 below.
- 3.03 **Renunciation of Rights of Dividends.** The shareholders resolutions referred to in Article II above shall, among others, record that: (i) the Buyers Group has, for the term of this Agreement, renounced in favour of the Transferor its respective claims, right or entitlement to receive dividend on the shares of the Company held by them up to PKR 60,000,000/- (Pakistan Rupees Sixty Million only); (ii) the Transferor has renounced its respective claims, right or entitlement in respect of the Shares, including the right to receive any dividend declared by the Company for any year, over and above PKR 60,000,000/- (Pakistan Rupees Sixty Million Only) representing the Instalment of the Dividend Payment or any rights in respect thereof, all of which rights and entitlements stand renounced in favour of the Buyers Group as at the date of payment of the first Instalment. If any dividend over and above each Instalment for any year is declared by the Company, such additional dividend shall be distributed by the Company to each member of the Buyers Group (or a new shareholder, if any) in proportion to their respective shareholding in the Company. The Transferor does not have nor anyone claiming under it shall have any objection to the same. The Buyers Group's rights,

interest and entitlement to receive and deal with dividend on shares held by them or any other shares of the Company, over and above the Instalment shall remain unaffected.

- 3.04 Pledge on Shares. Upon execution of the Escrow Agreement, the Escrow Agent, acting as Share Registrar of the Company, shall mark a pledge on all the Shares of the Transferors in the Company with a notice that these Shares cannot be transferred to anyone except the Buyers Group in accordance with this Agreement. Written confirmation of the same shall be sent by the Escrow Agent to all Parties. This pledge shall take precedence over any other subordinate pledge asked by the Transferor to be created in favour of any financial institution/financier in terms of any financing arrangement entered into by the Transferor.
- 3.05 Transfer Date. The entrustment of the Shares to the Escrow Agent and the transfer of the Shares proportionate to the first Instalment shall take place at the next annual/extraordinary general meeting of the Company, ("**Closing**"). The Company shall invite the Escrow Agent to attend such meeting. Thereafter, the Escrow Agent shall transfer the corresponding number of Shares to the Buyers Group upon receipt of each instalment as per Section 3.08 (each date on which an Instalment is paid under this Agreement is referred to as the "**Transfer Date**").
- 3.06 Venue of Closing. The Closing shall take place at the registered office of the Company at 11:00 a.m., except where the Escrow Agent may notify the Parties an alternate time or venue with prior mutual written agreement of the Parties. For the avoidance of doubt, Closing refers to the entrustment of the Shares to the Escrow Agent for the purposes of this Agreement and the payment of the first Instalment, which shall occur at the annual/extraordinary general meeting of the Company scheduled after the execution of this Agreement. Thereafter, each Instalment will be paid semi-annually as per Schedule B. For the avoidance of any further doubt, the Buyers Group may arrange payment of any Instalment by way of payment of dividend (interim or otherwise) by the Company.
- 3.07 Agreement with Escrow Agent. As soon as practicable, the Parties will execute the Escrow Agreement, in substantially the form attached herewith as Schedule D (Form of Escrow Agreement). The terms agreed by the Parties shall be deemed incorporated in the Escrow Agreement to the extent the transactions contemplated herein and to be conducted by the Escrow Agent. For the ease of reference, a summary of Escrow Agents' responsibilities has been outlined in Section 7.06 below. Notwithstanding anything to the contrary contained in this Agreement or any matter or circumstance external to this Agreement, it is a material condition of this Agreement and an absolute and unexceptional obligation of the Escrow Agent that upon receipt of cheque(s) in the amount of an Instalment for delivery to the Transferor and or to the order of the Transferor under the authority of Transferors' shareholders resolution, the Escrow Agent shall record transfer of the corresponding number of Shares from the Transferor's name to that of each of the Buyers, as per Schedule B.

3.08 Delivery vs Payment Arrangement. For enabling the transactions herein contemplated, the following shall be achieved three (3) days prior to the Closing:

- (a) The Company shall announce dividend and communicate the same *via* Email to the Escrow Agent with all Parties to this Agreement in copy with the confirmation that a cheque in the amount of the first Instalment, minus (x) withholding tax, shall be ready for delivery to the Escrow Agent on the Closing (for avoidance of doubt, any shortfall in the Instalment supplemented by the Guarantee Component shall be specified). Thereafter, each Instalment shall be paid according to the timelines specified in **Schedule B**;
- (b) The Buyer Agent shall, on behalf of himself and other members of the Buyers Group, confirm *via* Email to the Escrow Agent with all Parties to this Agreement in copy, the number of Shares to be transferred in the names of each of the members of the Buyers Group or their respective nominees;
- (c) The Chief Executive Officer of the Transferor shall issue irrevocable instructions to the Escrow Agent *via* Email, with copy to all Parties to this Agreement, that the Shares be transferred in the Central Depository System (CDS) account of the Transferor to that of the Buyers Group (or their nominees) upon receipt of the original cheque(s) in the amount of the Instalment at Closing and that duly executed proxies/authority letters (as the case applies) referred to in Section 3.10 have been despatched by the Transferor to the Company in the name and for the benefit of the Buyers Group;
- (d) The Escrow Agent, acting in its capacity as the Share Registrar of the Company, after debit and credit of the above Shares from and to the respective CDC accounts of the Parties, shall deliver the cheque(s) of the Instalment to the Transferor, and require the Company to hand over the proxies/authority letters (as the case applies) mentioned in Section 3.10 to the Buyers Agent;
- (e) The above process shall be repeated for successive years up to the time the Transferor has received full and final Purchase Price of PKR 600,000,000/- (Pakistan Rupees Six Hundred Million) and all of the Shares in lieu thereof have been transferred in the name of the Buyers Group, as provided in this Agreement. For the avoidance of doubt, a general meeting need not be convened for purposes of payment of Instalment and the transfer of corresponding Shares thereagainst.

3.09 Reserved Matters. The Parties agree that the arrangement of payment of the Dividend Payment by way of assignment of dividend paid by the Company shall not be reversed except by unanimous resolution passed by the Company in general meeting, and the financial statements of the Company shall disclose the transactions contemplated in this Agreement.

- 3.10 Proxies/Authority Letters. At Closing, Transferor shall execute and deliver to the Company any instrument of transfer of Shares required by the Share Registrar to effect the transfer of Shares to the Buyers Group as per the terms of this Agreement, which, as provided in Section 3.08 above, shall be accompanied by a duly executed proxy/authority letters (as the case applies) executed by the Transferor and each director shareholder representing the Transferor in favour of the Buyers Agent in respect of the Shares relating to Instalment in the Company, which will be valid for the duration of the term of this Agreement, provided, that the Buyers Agent shall not vote on any matter in contravention of or contrary to the terms of this Agreement. Any vote cast by the Buyers Agent as proxy of the Transferor in contravention of this Agreement shall not be counted. The Company shall not acknowledge receipt of any subsequent proxy from the Transferor in favour of any person other than the Buyers Agent or a nominee/successor of the Buyers' Agent. It is of essence of this Agreement that the Buyers' Group shall have and exercise complete and unencumbered rights, including voting rights, in respect of the Shares, effective from the date of this Agreement, and the Transferor shall ensure that it or any one acting on its behalf, including directors representing the Transferor, shall not act or omit to act or abstain from acting in contravention to the terms of this Agreement. For avoidance of doubt, proxy shall be in the form provided in the Articles of Association of the Company and the authority letter shall be in the form attached as Schedule E.
- 3.11 Regulatory Consents. The Parties agree that Closing shall occur according to the procedure set out in this Article II subject to written confirmation by the Parties to the Escrow Agent that regulatory approvals, if any, required have been procured. The Parties shall cooperate with each other fully in good faith to procure, jointly, any and all regulatory approvals, if required, for the transfer of Shares to the Buyers or their respective nominees.

Article IV: REPRESENTATIONS AND WARRANTIES OF THE COMPANY

- 4.01 Organization and Standing. The Company represents and warrants for the benefit of the other Parties that it: (a) is a company duly organized and validly existing under the Companies Act, 2017; and (b) has all requisite corporate power and authority to consummate transactions contemplated in this Agreement.
- 4.02 Power and Authority -Binding Agreement. This Agreement has been duly executed and delivered by the Company and, assuming due execution by the other Parties, constitutes a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms. This Agreement is executed under the authority of unanimous resolution of the Board dated ____ and the unanimous resolution of the shareholders in general meeting dated _____. The Company further confirms that the duties entrusted to the Escrow Agent in respect of this Agreement are irrevocable.
- 4.03 Limitation of Liability. The Company has no notice of any contract between its members whereby any member has created, except as disclosed in this Agreement, any rights in favour of third-parties relating to the sale or transfer of, or of any past or subsisting Restriction on, the Shares (including agreements relating to rights of first refusal, co-sale rights or drag along rights or voting rights or otherwise). The Company shall not be liable for any claim of any member or third-party claiming any rights under authority of its member, which is contrary to the position herein recorded. The Company shall not be liable for tax liability of any Party, directly or indirectly. The Company shall withhold applicable taxes or other levy on dividend payable by the Company with respect to each Instalment.
- 4.04 Financial Statements. The Company shall ensure that its annual accounts are duly audited and finalized within the statutory timelines so that the transactions contemplated in this Agreement are consummated expeditiously, and such statements duly record the declaration and utilization of dividend for the purposes herein intended. The Company shall not change, in any material respect, any of the accounting methods used by it, and the Company shall not change its fiscal year until the last of the Transfer Dates shall have occurred.
- 4.05 Notice of Material Adverse Event. The Company shall promptly inform the Parties of any event that materially affects the performance of its obligations under this Agreement, in which eventuality, the Transferor and Buyer, being shareholders of the Company, shall cause said event to be mitigated expeditiously so that the transactions contemplated herein are consummated as intended.

4.06 Validity. The Company hereby represents and warrants to Transferor and Buyer Group that each of the representations, warranties and statements in this Article shall be true and correct as at each Transfer Date.

Article V: REPRESENTATIONS AND WARRANTIES OF THE TRANSFEROR

- 5.01 Title to and Transfer of the Shares. The Transferor is the sole beneficial and record owner of the Shares, and owns such Shares free and clear of any Restrictions, purchase options, calls or similar Third-Party rights on sale or transfer, pre-emptive right, limitations on voting rights or options and has due authority to dispose of such Shares pursuant to this Agreement. The transfer of the Shares to each Buyer as contemplated by this Agreement shall transfer good title to such Shares free and clear of all Restrictions, purchase options, calls or similar Third-Party rights. Transferor confirms that as of the date of this Agreement, all rights and interests in the Shares shall vest in the Buyers Group as contemplated in this Agreement, and complete control with respect to voting rights in respect of the Shares shall be exercised in the manner required by the Buyers Group in terms of this Agreement. Transferor further confirms that the duties entrusted to the Escrow Agent in respect of this Agreement are irrevocable.
- 5.02 Binding Agreement. This Agreement has been duly executed and delivered by the Transferor and, assuming due execution by the other Parties, constitutes a valid and binding obligation of the Transferor, enforceable against the Transferor in accordance with its terms. No legal or other proceedings or circumstances exist that could justify the avoidance of this Agreement or any action pursued pursuant thereto. This Agreement is executed under authority of unanimous resolution of the Board dated ____ and the special resolution of the shareholders in general meeting dated _____. The Company further confirms that the duties entrusted to the Escrow Agent in respect of this Agreement are irrevocable.
- 5.03 Non-contravention. The execution and delivery by the Transferor of this Agreement, the consummation of the transactions herein contemplated and the compliance of the Transferor with the provisions of this Agreement do not and will not conflict with, or result in any violation or breach of, or default (with or without notice or lapse of time or both) under any law applicable to the Transferor.
- 5.04 Consents. The Transferor has procured all consents, approvals, orders or authorization of, registration, declaration or filing with, or notice to, any regulatory or governmental entity that is required by or with respect to the Transferor in connection with the execution and delivery by the Transferor of this Agreement, the consummation by the Transferor of the transactions or the compliance of the Transferor with the provisions of this Agreement.
- 5.05 Validity. The Transferor hereby represents and warrants to Buyer that each of the representations, warranties and statements contained is true and correct as of each Transfer Date.

Article VI: REPRESENTATIONS AND WARRANTIES OF BUYERS GROUP

- 6.01 Binding Agreement. This Agreement has been duly executed and delivered by each Buyer through the Buyers' Agent and, assuming due execution by the other Parties, constitutes a valid and binding obligation of each Buyer, enforceable against each Buyer in accordance with its terms. No legal or other proceedings or circumstances exist that could justify the avoidance of this Agreement or any action pursued pursuant thereto. The Buyers Agent shall not be responsible or be held to account for any act or omission on part of the individual Buyers (except in his personal case as a Buyer) not specifically provided for in this Agreement. This Agreement is executed under authority of the special power of attorney dated ____.
- 6.02 Non-contravention. The execution and delivery of this Agreement by each Buyer, the consummation of the transactions herein contemplated and the compliance of by each Buyer with the provisions of this Agreement do not and will not conflict with, or result in any violation or breach of, or default (with or without notice or lapse of time or both) under any law applicable to by each Buyer.
- 6.03 Consents. Each Buyer has procured all consents, approvals, orders or authorization of, registration, declaration or filing with, or notice to, any regulatory or governmental entity that is required by or with respect to each Buyer in connection with the execution and delivery by each Buyer of this Agreement, the consummation by each Buyer of the transactions or the compliance by each Buyer with the provisions of this Agreement.
- 6.04 Validity. The Buyers Group hereby represents and warrants to Transferor that each of the representations, warranties and statements contained is true and correct as of each Transfer Date.

Article VII: COVENANTS

- 7.01 Deduction of Tax. The payment of each Instalment (including the Guarantee Component, if any) shall be paid subject to deduction of withholding tax or other levy at the rate applicable as on the Transfer Date.
- 7.02 Confidentiality. From and after each Transfer Date, the Transferor shall ensure that all information concerning the Company, which the Transferor and any of its affiliates, any of its respective employees, attorneys, agents, bankers or accountants may now possess or may hereafter become aware of or create or obtain relating to the transactions herein contemplated or future prospects of the Company or relating to the assets of the Company or any customer or supplier of the Company, shall not be published, disclosed, or made accessible by any of them to any person not specifically authorized by the Buyers' Agent or at any time be used by any of them without the prior written consent of Buyers Agent; provided, however, that such restriction shall not apply (a) as may otherwise be required by law, (b) as may be necessary or appropriate in connection with the enforcement of this Agreement, or (c) to the extent such information shall have otherwise become publicly available other than as the result of a breach by the Transferor or any of its affiliates, any of its respective employees, attorneys, agents, bankers or accountants or others. This restriction is not bound by time limitation.
- 7.03 Publicity. No public announcement of this Agreement or the transactions contemplated herein, except as required under the law, shall be made without the express written consent of Buyers Agent.
- 7.04 Expenses. Whether or not the transactions herein contemplated are consummated, and except expressly set forth in this Agreement with respect to fee payable to the Escrow Agent, each of the Parties shall bear its own fees and expenses (including legal and accounting fees and expenses) incurred or owed in connection with the transactions herein contemplated and this Agreement.
- 7.05 Further Assurances. From time to time, as and when requested by the Escrow Agent, the Parties shall execute and deliver, or cause to be executed and delivered, all such documents and instruments and shall take, or cause to be taken, all such further or other actions as the Escrow Agents deems necessary to secure due performance of obligations by each Party, and the Parties confirm their intent to accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.
- 7.06 Responsibilities of Escrow Agent. To be contained in the Escrow Agreement, which shall, be made an integral part of this Agreement.

Article VIII: SURVIVAL; GUARANTEE OF PAYMENT; INDEMNITY

- 8.01 Survival of Representations and Warranties. The representations and warranties contained in this Agreement shall survive the Closing and each Transfer Date.
- 8.02 Guarantee. In the event the Company is unable to pay whole or part of the Instalment on each Transfer Date, Mumtaz Hussain shall, as guarantor, make good the difference without delay and within the timelines agreed in this Agreement. A cure period of not more than thirty (30) days may be availed by Mumtaz Hussain. The Escrow Agent shall call upon Mumtaz Hussain to make good this guarantee in the event the Company fails to provide confirmation to the Escrow Agent, as required under Section 3.08(a) above, and upon receipt of the relevant Instalment, including the Guarantee Component, transfer corresponding Shares to the Buyers Group.
- 8.03 Indemnity. The Transferor does hereby indemnify, shall defend and hold harmless each Buyer and the Company (collectively, the "**Indemnified Parties**"), for any and all Loss to the extent such losses directly or indirectly arise out of or result from (each a "**Buyer Claim**"): (a) the breach of any representation or warranty made by the Transferor; (b) any claim by any person arising out of or relating to ownership or sale or transfer of or an interest in or to the Shares; and (c) any Third-Party Claims that are not paid or satisfied in full at or prior to the Closing.
- 8.04 Notice of Indemnity Claim. The Buyers Agent may give written notice of a Buyer claim under this Agreement (a "**Notice of Claim**") to the Transferor promptly after the Indemnified Party becomes aware of the existence of any potential claim by an Indemnified Party for indemnification under Section 8.03 above. Each Notice of Claim shall include the following information: (i) a statement that the Indemnified Party has directly or indirectly incurred or paid, or in good faith, believes that it shall have to directly or indirectly incur or pay, losses arising from such Buyer claim (which amount may be an estimated amount or may be the amount of damages claimed or estimated by a party, based on alleged facts, that, if true, would give rise to liability to such Indemnified Party; and (ii) a brief description, in reasonable detail (to the extent such information is available to the Indemnified Party) of the facts, circumstances or events giving rise to the alleged losses, based on the Indemnified Party's good faith belief thereof, including the identity and address of any third party claimant (to the extent available) and copies of any formal demand or complaint, the amount of losses (to the extent known), or the basis for such anticipated liability, and the specific nature of the breach to which such item is related. Within three (3) days of the Notice of Claim, the Transferor shall, through its chief executive officer, engage with the Buyers Agent to conclusively settle the matter or issue notice to contest the said claim. The Buyers Agent shall serve a copy of the Notice of Claim to the Escrow Agent. An affidavit duly signed by the Buyers Agent attesting the fact that the Transferor has refused to engage with the Buyers Agent and has not issued notice to contest the Buyers claim will be sufficient for

the Escrow Agent to deem the Buyer claim a Third-Party Claim under Section 1.09 above, and adjust the said amount from the next due instalment of the Purchase Price.

- 8.05 Exclusive Remedy. Notwithstanding anything to the contrary contained in this Agreement or any prior understanding or arrangement between the Parties, it is agreed that invoking guarantee obligations under Section 8.02 above in the case of a Buyer's breach and invoking indemnity obligations under Section 8.03 in the case of Transferor breach, constitute sole and exclusive remedy for the relevant Party under this Agreement. Notwithstanding the preceding sentence, each of the Parties acknowledges and agrees that the other Parties hereto would be damaged irreparably in the event that any of the provisions of this Agreement are not performed in accordance with its specific terms or otherwise as may be agreed in writing. Accordingly, each of the Parties hereto agrees that the other Parties hereto shall be entitled to an injunction to prevent breaches of the provisions of this Agreement, and to enforce specifically this Agreement and the terms and provisions hereof (including the guarantee and/or indemnification provisions hereof) in any competent court having jurisdiction over the Parties, in addition to any other remedy to which they may be entitled at law or in equity, without the necessity of posting bond. Further, the foregoing shall in no event limit remedies or recourse in the event of fraud or willful misconduct.

Article IX: BUYERS AGENT

- 9.01 **Appointment.** Upon execution of this Agreement, the Buyers Agent is appointed to give and receive notices and communications under this Agreement, for and on behalf of the Buyers Group.
- 9.02 **Powers.** The Buyers Agent is empowered to authorize payment of the Dividend Payment to the Transferor subject to agreed deductions, to agree to, negotiate, enter into settlements and compromises of, Buyer claims, to waive any breach or default of Buyers Group under this Agreement, to receive service of process on behalf of Buyers Group in connection with any claims under this Agreement, the Escrow Agreement or any related document or instrument, and to take all other actions that are either: (a) necessary or appropriate in the judgment of the Buyers Agent for the accomplishment of the foregoing; or (ii) specifically mandated by the terms of this Agreement. Notices or communications to or from the Buyers Agent shall constitute notice to or from each of the Buyers.
- 9.03 **Survival.** The grant of authority to the Buyers Agent is coupled with an interest and is being granted, in part, as an inducement to enter into this Agreement, and shall be irrevocable and survive the death, incompetency, bankruptcy or liquidation of any or all of the Buyers and shall be binding on any successor thereof.
- 9.04 **Binding Effect.** A decision, act, consent or instruction of the Buyers Agent, including an extension or waiver of this Agreement, as applicable, shall constitute a decision of each Buyer and shall be final, binding and conclusive upon each Buyer, and each Buyer and the Company, and the Transferor may rely upon any such decision, act, consent or instruction of the Buyers Agent as being the decision, act, consent or instruction of each Buyer.
- 9.05 **Successor.** In the event of death or if the Buyer Agent is otherwise incapable of performing services or undertaking obligations under this Agreement, the Buyers shall meet to appoint a new Buyers Agent for purposes of this Agreement. Any question relating to the capacity or availability of Mumtaz Hassan to act as Buyers Agent shall be referred to the Escrow Agent, who decision shall be binding and final.

Article X: MISCELLANEOUS

- 10.01 Notices. All notices, requests, claims, demands, waivers and other communications under this Agreement shall be in writing sent to the addressee by Email followed by delivery of original communication through courier delivery or personal delivery providing evidence of delivery to the addresses of the Parties given in this Agreement, or to such other addresses as shall be designated from time to time by a Party. All notices and communications under this Agreement shall be deemed to have been duly given when delivered by hand, if personally delivered, or on the fifth (5th) calendar day after delivery by courier, if delivered by courier service, or if sent by facsimile, with an acknowledgment of sending being produced by the sending facsimile machine, or if sent by Email, with an acknowledgment of sending being produced by a return email or other reliable indication of receipt.
- 10.02 Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned, in whole or in part, by operation of law or otherwise by any of the Parties without the prior written consent of the other Parties, except that each Buyer may assign, in its sole discretion, any of or all its rights, interests and obligations under this Agreement to an Affiliate of Buyer, but no such assignment shall relieve Buyer of any of its obligations hereunder. Subject to the preceding sentence, this Agreement shall be binding upon, inure to the benefit of and be enforceable by, the Parties hereto and their respective successors and assigns.
- 10.03 Amendment and Waiver. No failure or delay on the part of any Party in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The remedies provided for herein are cumulative and are not exclusive of any remedies that may be available to any Party at law, in equity or otherwise.
- 10.04 Amendment. Except as otherwise specifically set forth in this Agreement, any amendment, supplement or modification of or to any provision of this Agreement and any waiver of any provision of this Agreement shall be effective (i) only if it is made or given in writing and signed by each of the Parties or, in the case of a waiver, by the Party granting the waiver, (ii) only in the specific instance and for the specific purpose for which made or given, and (iii) its receipt is acknowledged by the Escrow Agent.
- 10.05 Entire Agreement. This Agreement contains the entire agreement and understanding between the Parties with respect to the subject matter hereof and thereof and supersedes all prior or contemporaneous contracts or agreements or understandings, written and/or oral, relating to such subject matter.
- 10.06 No Third-Party Beneficiaries. Except as otherwise expressly provided in this Agreement, this Agreement is for the sole benefit of the Parties and their permitted successors and

assigns and/or designated nominees and nothing herein expressed or implied shall give or be construed to give to any Person, other than the Parties and such successors and assigns and/or nominees, any legal or equitable rights hereunder.

10.07 Counterparts. This Agreement may be executed in any number of counterparts and by the Parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

10.08 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of Pakistan as applicable.

10.09 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

10.10 Section Headings; Interpretation. Reference in this Agreement to a Section, Article, or Schedule, unless otherwise indicated, shall constitute references to a Section or an Article of this Agreement or a Section of this Agreement, as the case may be. The table of contents, section headings and article titles contained in this Agreement are for convenience of reference only and do not form a part thereof and shall not affect in any way the meaning or the interpretation of this Agreement. Wherever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation." The words "herein," "hereinafter," and "hereunder," and words of similar import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The singular of a term shall also include the plural of that term and the plural shall also include the singular and the masculine shall include the feminine, unless the context clearly indicates otherwise.

10.11 Acknowledgment of Payment. Each Party agrees and acknowledges that an Instalment or any portion of the Dividend Payment, including the Guarantee Component, that would otherwise be payable to the Transferor but is paid, or may be paid, to any third party nominated by the Transferor, shall be deemed payment to the Transferor pursuant to this Agreement. Likewise, a payment by Mumtaz Hussain, as guarantor, under Section 8.02 shall be deemed payment by the Buyers Group.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized Representatives as of the date first written above.

For and on behalf of the Transferor:

Aftab Ahmed Chaudhree
Chief Executive Officer

Witnesses:

1. _____ 2. _____

For and on behalf of the Buyers Group:

Mumtaz Hussain (as Buyers Agent)

Witnesses:

1. _____ 2. _____

For and on behalf of the Company:

Usman Haider
Chief executive Officer

Witnesses:

1. _____ 2. _____

LIST OF SCHEDULES

Schedule A (Particulars of Shares)

[To be inserted]

Schedule B (Schedule of Sale and Payment of Dividend Payment)

[To be inserted]

Schedule C (Copy of Term sheet)

[To be inserted]

Schedule D (Form of Escrow Agreement)

[To be inserted]

Schedule E (Form of Authority Letter)

[To be inserted]