

**EXTRACT FROM ARTICLES OF ASSOCIATION OF
THE AMERICAN BUSINESS COUNCIL OF PAKISTAN**

4. Membership

- (a) There shall be two classes of Members of ABC (depending on the nature of their existence), namely, Associate Members and Corporate Members;
- (b) Any person
 - (i) which is not Ineligible as defined in Article 2(m) and:
 - (a) of which not less than twenty-five percent (25%) ownership or control is, directly or indirectly, vested with a US Entity, the value of such twenty-five (25%) ownership or control referred above being not less than United States Dollars one hundred thousand US\$100,000; or
 - (b) which has directly entered into with a US Entity a franchising or licensing arrangement (hereinafter collectively referred to as the “Arrangement”), such person being incorporated or established in Pakistan or having a legal presence in Pakistan and which makes a regular payment to the US Entity of a fee, royalty or any other consideration under or pursuant to the Arrangement (hereinafter collectively referred to as the “Fee”), the Fee being not less than US\$100,000 per year; and
 - (ii) which has a valid national tax number and sales tax registration, if applicable; and
 - (iii) which has made an application for membership which has been proposed and seconded by existing Members of ABC; and
 - (iv) who has been admitted to the membership of ABC by the Executive Committee;

shall become a Member of ABC provided such person pays the entrance fee/ subscription as may, from time to time, be prescribed by the Executive Committee.

- (c) The membership shall be granted for a period of one year and shall expire on the 31st day of March every year irrespective of the date of grant of membership.
- (d) The membership shall be renewable on annual basis subject to fulfillment of following conditions, namely:-

- (i) payment of prescribed subscription not later than 31st of March; and
 - (ii) proof of filing return of income tax and sales tax, if applicable, for the preceding year.
- (e) Members shall be entitled to all the rights, privileges and advantages of the membership of ABC, except that a Member may only become entitled to vote for the election of the office bearers in a General Meeting after the completion of two years of membership as on the date of announcement of election schedule by the Executive Committee.