النظام الأساسي للبنك العربي المتحد
شركة مساهمة عامة

ARTICLES OF ASSOCIATION
OF
UNITED ARAB BANK
PUBLIC JOINT STOCK COMPANY
النظام الأساسي
للشركة العربية المتحدة
المملكة العربية المتحدة
المقر:

(أ) تأسس البنك العربي المتحدة (الشركة)، شركة مساهمة عامة في إمارة الشارقة بدولة الإمارات العربية المتحدة بموجب المرسوم الأميري الصادر من حضررة صاحب السمو حاكم الشارقة في 21 يناير 1975.


(ج) أدرج رأس المال المقر للشركة في سوق أبوظبي للأوراق المالية بتاريخ 21 مارس 2005.

(د) قيدت الشركة في سجل الشركات التجاري لدى وزارة الاقتصاد برقم (5) بتاريخ 31 يناير 1990 و

(ه) بموجب القرار الخاص للجمعية العمومية للشركة الصادر بتاريخ 14 مارس 2016، تقرر تعديل النظام الأساسي وإعادة صياغته على النحو التالي وفقاً لأحكام قانون الشركات التجارية الجديد رقم 2 لسنة 2015.

تعريفات

في هذا النظام الأساسي، يكون للتعبير التالي، المعاني المحددة مقابل كل منها حيثما يجيء في سياق النص:

DEFINITIONS

In these Articles the following expressions shall where the context allows have the meanings set opposite each of them respectively:
'Articles' or 'these Articles', means these articles of association as amended from time to time.

'Central Bank', means the Central Bank of the United Arab Emirates.

'Central Bank Law', means Federal Law No. (10) of 1980 in respect of the Central Bank, the Monetary System and Organization of Banking and its amendments, and as amended, updated or replaced from time to time.

'Company', has the meaning set out in Article (1) of these Articles.

'Board' or 'Board of Directors', means the board of directors of the Company.

'Cumulative Voting', means the voting where each shareholder has a total number of votes equal to the number of shares he owns such that the shareholder will give all his votes to one candidate or distribute them among several candidates, provided that the number of votes given to his chosen candidates does not exceed the number of votes belonging to the shareholder.

'General Meeting' or 'General Assembly', means the Company's shareholders general meeting held as per the provisions of Part 5 of these Articles.

'Law', means Federal Law No (2) of 2015 concerning the Commercial Companies as amended or updated from time to time.

'Relevant Competent Authority(ies)', means as the case may require the party entrusted in the Emirate of Sharjah with the implementation of the provisions of the Law and/or, the Central Bank and/or, the SCA and/or any other governmental entity or authority, whether federal or local, competent to with or concerned by the matter at stake by virtue of the applicable laws and regulations.

'SCA', means the Securities and Commodities Authority of the State.

'Special Resolution' means a resolution that has been passed by shareholders holding at least three quarters of the shares represented in the General Assembly.
'State' or the "UAE", means the United Arab Emirates.

'Transfer of the Company' means a situation in which the decision making could be impaired or influenced by personal, material or moral benefits; or when related parties' interests interfere with the company's interests; or when an individual exploits his or her professional or formal duty for personal gains.

'Conflict of Interest' means a situation in which the decision making could be impaired or influenced by personal, material or moral benefits; or when related parties' interests interfere with the company's interests; or when an individual exploits his or her professional or formal duty for personal gains.

'Seisar table', the power to influence or control, directly or indirectly, the appointment of the majority of the Board members, or the ability to exercise a controlling influence over the resolutions passed by the Board or the general assembly of the company; through the ownership of a certain percentage of the company's share or through any other agreement or arrangements that create similar influence.

'Seisar of the Company' means the chairman and members of the Board and members of the senior executive management and employees of the Company; companies to which such persons own thirty percent (30%) or more of the share capital thereof; and subsidiary, sister or affiliate companies of the Company.

PART ONE

INCORPORATION OF THE COMPANY

ARTICLE (1)

The name of the Company is "United Arab Bank Public Joint Stock Company" and may be abbreviated for trading or commercial purposes to "United Arab Bank P.J.S.C."

ARTICLE (2)

The Company's headquarters and legal domicile shall be situated in the Emirate of Sharjah, United
Arab Emirates. The Board of Directors may decide to establish branches, offices or agencies inside and/or outside the UAE, provided that the necessary prior approvals of the Relevant Competent Authorities are obtained, in compliance with the applicable laws, decrees and regulations.

ARTICLE (3)

The duration of the Company shall be 100 (one hundred) calendar years to be automatically extended for similar consecutive periods, commencing from the date the Emiri Decree of His Highness the Ruler of Sharjah was issued on 21 January 1975, unless a Special Resolution is issued to terminate the Company or otherwise reduce the term.

ARTICLE (4)

The objects for which the Company is established are:

To carry out for its own account or for the account of third parties all banking and financial transactions permitted under the prevailing laws and the laws in force from time to time without any restrictions or limitations and to transact and deal with all matters in connection therewith or incidental thereto which may be considered to be within the usual activity of commercial banks in accordance with locally and internationally recognized principles, customs and rules. The Company may carry on all acts and transactions necessary for the realization of the said objects without any limitation and in particular:

4-1 To carry on all acts and transactions, conclude all types of contracts and agreements which may be relevant or necessary for the attainment of its objects, or such other acts, transactions, contracts and agreements which may assist the Company in realizing its objects, increase the value of its assets properties or rights or realize higher profits whether directly or indirectly subject to the provisions of the Central Bank Law.

4-2 To receive and accept funds as deposits whether on term deposit, call terms or upon notice basis.

4-3 To employ loan bonds or deposit certificates for use wholly or partly for the granting of loans and advances.

ويجوز لمجلس الإدارة أن ينتشل لها فروعًا أو مكاتب أو وكيلات في الدولة وأو خارجها شرطة الحصول على الموافقة المسبقة من السلطات المختصة المعنية، وذلك طبقًا لقوانين الأنظمة والقرارات واللوائح المعمول بها.

المادة (3)

مدة هذه الشركة 100 (مائة) سنة ميلادية تبدأ من تاريخ صدور المرسوم الأميري نصي حاكم الشارقة في 21 يناير 1975، ثم تمتد تلقائيًا لفترات مماثلة متتالية ما لم يصدر قرار خاص بإنهاء الشركة أو تغيير مدةها.

المادة (4)

الأغراض التي تأسست من أجل الشركة هي:

القيام لحسابهم أو لحساب الغير بأي ويكافة الأعمال المصرفية والمالية التي تسمح بها القوانين المرعية والناقدة، من وقت لأخر دون حصر أو استثناء، والتعامل والتعامل مع الأمور المتعلقة بها والتي تدخل ضمن اختصاص المعاصفة التجارية وفق القواعد والأعراف المتعارفة عليها محليًا ودوليا، والشركة تندفع لأغراضها المذكورة أن تجري جميع التصرفات والمعاملات والعقود اللازمة لذلك ومنها على سبيل المثال لا الحصر:

1-4 إجراء جميع التصرفات والمعاملات وعقد جميع أوراق العقود المتعلقة بالأغراض والالتزامة تخفيفها أو تلك التي من شأنها أن تساعدها أو تتفق غرامتها أو تزيد قيمة أصولها أو ممتلكاتها أو حقوقها أو تحقق بها ربح أو أضرار بصورة مباشرة أو غير مباشرة، وتحاطها بمهام أحكام قانون المصرف المركزي.

2-4 تلقي الأملاك على شكل ودائع لأجل أو تحت الطلبات أو الأشعارات.

3-4 تنفيذ أوراق القروض أو سندات الأذون لاستغلالها كليا أو جزئيا في محل القروض والسندات.
4-4 To lend, borrow and grant various banking facilities against securities or without, create or accept mortgages, pledges, liens, charges, and hypothecations in accordance with prevailing laws and customs.

4-5 To open, amend, extend, revoke or confirm all types, kinds and forms of documentary credits. To issue, renew, extend, revoke all kinds and forms of letters of guarantee, issue guarantees and give all kinds and forms of securities.

4-6 To issue all types of cheques and receive the value thereof. To sell travellers cheques and issue credit cards in accordance with prevailing laws.

4-7 To issue public or special loan bonds and to organize share subscriptions.

4-8 To trade in foreign currencies and precious metals in its name and for its account and in the name and for the account of others.

4-9 To buy and sell various financial instruments, whether local or foreign in its name and for its account and in its name and for the account of others, through a broker or agent in accordance with the concerned laws.

4-10 To own, sell, rent, let, mortgage all moveable and/or immovable goods, properties, and all kinds of rights as much as the prevailing laws, including the Central Bank Law, permit from time to time.

4-11 To discount, buy, sell and deal with all kinds of bonds, bills, promissory notes, cheques, drafts, bills of lading, and all other commercial and financial instruments.

4-12 To lease safety deposit boxes and accept all kinds of various deposits and charges.

4-13 To appoint and nominate lawyers, agents or other persons to act on its behalf and in its name and to transact and carry on all acts and things necessary to implement and realize its objects before all official and semi-official departments, courts, arbitration panels, institutions, companies, et al.
individuals or any other body or party whether locally or internationally.

4-14 To carry on, perform and execute all acts and things which may be considered to be within its business activity or which may deemed necessary to realize all or part of its objects.

4-15 -To issue from time to time internal regulations necessary to manage its business and affairs and amend same as may be needed.

4-16 To have interest in or participate in any manner with other bodies, companies, banks or financial intuitions engaged in similar business as that of the Company which may assist in realizing its objects in or outside the UAE. It may acquire or buy such bodies, companies, banks or financial institutions or have same joined with it.

4-17 To manage funds or portfolios for its account or for the account of third parties whether directly or through brokers or agents.

4-18 To engage in any banking or financial activity whether for its account or for the account of third parties subject to the provisions of the Central Bank Law, prevailing laws and customs.

4-19 To establish companies and establishments and to participate in their capital, to own trademarks, patents, authors rights and any other rights, industrial forms and any intellectual property rights the Company's deems it necessary for its business, inside and outside the State.

4-20 To deal with and trade in commodities, including derivatives and futures of every kind in its name and for its account and in the name and for the account of others.

4-21 To manage and invest its funds in securities and in other investment assets which are approved by the Board of Directors and approved by the competent authority.

4-22 The Board of Directors shall have the power to invest the Company's funds in securities and in other investment assets as it deems necessary for the Company's business, both inside and outside the UAE.

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4-45 The Board of Directors shall have the power to invest the Company's funds in securities and in other investment assets as it deems necessary for the Company's business, both inside and outside the UAE.
4-21 To secure or discharge any debt or obligation in any manner and in particular without limitation by granting mortgages of or charges upon all or any part of the undertakings, properties, mortgages, assets and uncalled capital of the Company or by the issuance of securities.

The Company shall carry out its objects in accordance and as allowed by the laws and regulations regulating such activities from time to time and subject to obtaining the relevant licenses from the Relevant Competent Authorities.

PART TWO
CAPITAL OF THE COMPANY

ARTICLE (5)

5-1 The issued capital of the Company shall be one billion three hundred and seventy five million and thirty three thousand seven hundred and sixty six UAE Dirhams (AED 1,375,033,766) divided into one billion three hundred and seventy five million and thirty three thousand seven hundred and sixty six shares (1,375,033,766) of nominal value of one UAE Dirham (AED 1) each. All the shares of the Company are fully paid up cash shares.

5-2 The authorized share capital of the Company shall be two billion seven hundred fifty million and sixty seven thousand five hundred and thirty two UAE Dirhams (AED 2,750,067,532).

ARTICLE (6)

All the shares of the Company are nominal shares, and subject to any laws or regulations issued by the Relevant Competent Authorities concerning the ownership of commercial banks, the proportion of the ownership of UAE nationals shall not, at any time during the existence of the company, be more than 35%.

الباب الثاني
رأس مال الشركة

المادة (5)

1-5 عدد رأس مال الشركة المصدر بمبلغ 1,375,033,766 درهم إماراتي (ملار وثلاثمائة وخمسة وسبعين مليون وثلاثة وثلاثين ألفاً وسبع مائة ومائتين درهم) موزعة على 1,375,033,766 سهم (ليلار وثلاثمائة وخمسة وسبعين مليون وثلاثة وثلاثين ألفاً وسبعين مليون وثلاثة وثلاثين درهم) قيمة أساسية قدرها 1 درهم إماراتي (درهم إماراتي واحد) للسهم الواحد. وجميع الأسس عبارة عن أسس تقديرية متفق عليها بالكامل.

المادة (6)

جميع أسس الشركة إضافة، ومع مراعاة أية قوانين أو نظامية تصدرها السلطات المختصة المعنية في شأن ملكية المصارف التجارية، يجب أن لا تقل مشاركة مواطني الدولة في أي وقت طوال مدة بقاء الشركة عن 51% (واحد وخمسون) من رأس مال الشركة.
ARTICLE (7)

7-1 The shareholders' liability in the Company shall be limited to the unpaid amount (if any) for their shares and their liability may not be increased without their unanimous consent.

7-2 A shareholder may not demand the recovery of the amount paid to the Company as a contribution to the capital.

ARTICLE (8)

8-1 Where the Company's issued shares are not fully paid-up, the unpaid balance of the nominal amount shall become payable within a maximum period of three years from the date of the decision of the Relevant Competent Authority approving the issue of shares, on the day and in the manner determined by the Board of Directors, which date shall be published at least 15 (fifteen) days in advance in two local newspapers, one of them in Arabic.

ARTICLE (9)

The Board of Directors shall maintain a register of shareholders or shares in whatever form permitted or required by the Law, including in electronic form, as per the clearing and
depositing system records of the financial market on which the Company’s shares are listed.

ARTICLE (10)

10-1 The capital of the Company shall consist of equal shares. All the shares of the Company shall have equal rights and obligations. Unless permitted under applicable law and approved by the Company in accordance with applicable laws, rules and regulations, the Company may not issue shares conferring any preferential rights upon their holders.

10-2 Each share shall entitle its holder to an equal right to the ownership of the assets of the Company and in the dividends declared and to attend General Assemblies and vote on resolutions passed in those General Assemblies.

ARTICLE (11)

A share shall be indivisible. Nevertheless, if the ownership of a share is devolved by inheritance to several heirs, or if it is held by several persons, they shall elect one from among themselves to represent them vis-à-vis the Company. Such persons shall be jointly responsible for the obligations arising from the ownership of the share.

ARTICLE (12)

The ownership of a share evidences the acceptance of these Articles of the Company and the resolutions of its General Assembly.

ARTICLE (13)

The Company shall comply with the laws and regulations applied by the stock exchange in which it is listed, with regard to the issuance, registration, trading, transfer of ownership, pledge, and variation of the rights attached to its shares. Any registration of a variation to the Company’s shares that is created by assignment, disposal or pledge may not be perfected if the assignment, disposal or pledge are exercised in contradiction with these Articles or the Law or any of the applicable laws in the UAE.

ARTICLE (14)

Dividends payable on each share shall be paid in accordance with applicable laws, rules and regulations and to the last holder entered in the
share register of the Company on the applicable record date who shall solely be entitled to receive
the amounts due on the share, whether in the form of dividends or as a new share in the assets
of the Company.

ARTICLE (15)

The Company may refuse to register a transaction with respect to the shares in the
following circumstances:

(a) if the transaction was contrary to the provision of applicable law, rules or
regulations or to the Articles;

(b) if the shares were pledged to a third party or their transfer was otherwise attached
by a court order;

(c) if a debt was due to the Company in respect of the shares, the Company may
suspend the registration of the shares until the debt is paid to it; and

(d) if one of the contracting parties had no, or lacked, capacity or if such party was
declared bankrupt or insolvent.

ARTICLE (16)

16-1 The heirs or creditors of a shareholder may not, under any circumstances, demand
the sealing of the books or property of the Company nor may they demand the division thereof or the sale
thereof in whole due to the inability of division or to interfere in any way in the
management of the Company.

16-2 In the exercise of their rights, the heirs or creditors of a shareholder shall rely on the
inventory lists of the Company, its final accounts and the resolutions of the
General Assembly.

ARTICLE (17)

17-1 No attachment may be levied on the assets of the Company on account of
debts owed by a shareholder. Nevertheless, the creditors of a
shareholder may attach the shares of a
shareholder and the dividends generated therefrom, and the attachment on the
shares shall be recorded in the share register pursuant to a judicial notice.

بها، لأخر مالك مقدر اسمه في سجل الأسهم
بالشركة ويكون له وحدة الحق في هذا المبلغ
المستحق عن الأسهم سواء كانت حصصًا في
الأرباح أو نصيب في موجودات الشركة.

المادة (15)

يكون للشركة الامتناع عن قيد التصرف في الأسهم
في الحالات التالية:

(أ) إذا كان التصرف مخالفًا للقوانين والأنظمة
والمقررات والتواريخ المعمول بها أو لهذا النظام
(ب) إذا كانت الأسهم مرهونة للغير أو محتولة
عليها بأمر من المحكمة.

(ج) إذا كان هناك دين مستحق للشركة على الأسهم
فإنها توافق تسجيل الأسهم إلى حين ضبط هذا
الدين، و

(د) إذا كان أحد المتعاقدين عديم الأهلية أو ناقصها
أو أشهر إفلاسه أو إعساره.

المادة (16)

لا يجوز لورثة الأسهم أو لدائنيها بآية حجة
كانت أن يطلبوا وضع الاختم على ذخائر
الشركة أو ممتلكاتها ولا أن يطلبوا قسمتها
أو بيعها جملة لعدم يمكن القسمة ولا أن
ينتشرعوا بأي طريقة كانت في إدارة الشركة.

2-16 في إطار ممارسة حقوقهم، يجب على الورثة
والدائنين التعويل على قوام جرد الشركة
وحساباتها الختامية وعلى قرارات الجمعية
العمومية.

المادة (17)

لا يجوز للحجز على أصول الشركة بسبب
ديون مترتبة على أحد المساهمين ومع ذلك
يجوز لدائني السهم توقع الحجز على
الأسهم والأرباح الناتجة عنه ويؤثر بالحجز
على الأسهم في سجل الأسهم بناءً على إعلان
قضائي.
17-2 Shares may be pledged by delivering the same to the pledgee and recording the pledge in the share register following compliance with the applicable procedures in the UAE in this regard.

17-3 The pledgee shall be entitled to the dividends and to exercise the rights attached to the share unless it has been agreed otherwise in the pledge contract.

ARTICLE (18)

18-1 It shall be permissible by a Special Resolution of the General Assembly to increase the issued share capital of the Company within the limits of the authorized capital, subject to obtaining the required approvals from the Relevant Competent Authorities and provided that the Company's issued capital has been paid up in full. The Special Resolution shall determine the amount of the increase in the share capital and the price at which the new shares shall be issued.

18-2 The nominal value of each new share shall be equal to the nominal value of each original share. It is permissible to add an issue premium to the nominal value of the shares conditionally on the approval of the Relevant Competent Authorities and approved by the General Assembly by way of Special Resolution. The said premium shall be added to the legal reserve even though the latter would thereby exceed half of the capital.

18-3 Subscription for the new shares shall be governed by the regulations concerning subscription for the original shares.

ARTICLE (19)

Shareholders shall have the priority to subscribe for the new shares which are issued in the case of an increase of the capital and any provision contrary thereto shall be deemed null and void.

Notwithstanding the regulations of SCA in this regard, the Company may increase its issued share capital (a) for the purpose of applying employees' incentive schemes; (b) for the purpose of the entry of a strategic partner; or (c) for the purpose of capitalizing the Company's debts, all of which without triggering the pre-emption rights of the existing shareholders, and provided that (a) the Company obtains all the
required approvals from the Relevant Competent Authorities and (b) any such increase has been approved by a Special Resolution.

ARTICLE (20)

Any resolution passed by the General Assembly prejudicing the rights of the shareholders considered upon by virtue of the applicable laws or these Articles, or which would increase its liability, shall be deemed null and void.

ARTICLE (21)

21-1 On the recommendation of the Board and after consideration of the auditor's report and subject to the approval of the Relevant Competent Authorities, the Company's issued share capital may be reduced by a Special Resolution in either of the following two circumstances:

a) If the issued share capital exceeds the Company's requirements.

b) If the Company has sustained a loss which cannot be made up from future profits.

21-2 The issued share capital shall be reduced by any of the following methods, as may be approved by Special Resolution of the General Assembly:

(a) Reducing the nominal value of each share either by refunding the same to the shareholders or by releasing them from their liability in respect of all or part of any amount unpaid thereon;

(b) Reducing the value of the shares by cancelling part thereof equivalent to the losses;

(c) Cancellation of a number of shares equivalent to the size of the reduction; or
(d) Purchase by the Company of a number of shares equivalent to the portion to be reduced and their destruction.

(e) The Special Resolution of the General Assembly shall specify which method is to be applied in the reduction.

PART THREE

DEBENTURE BONDS

ARTICLE (22)

Without prejudice to Articles (229) and (230) of the Law and other laws and regulations issued by the Relevant Competent Authority, the Company, by a Special Resolution, may decide to issue any type of bonds or Sukuk. The resolution shall determine the type, value, conditions and terms of the issue, convertibility into shares. The General Assembly, may also resolve to generally authorize the Board of Directors to determine the a date to issue the bonds or Sukuk as it deems appropriate provided that such date shall not exceed one year from the date of approval of the authorization.

ARTICLE (23)

Bonds and Sukuk shall be subject to the provisions of the relevant prospectus or in the arrangement creating such bonds or Sukuk, with respect to the rights of their holders and the applicable procedures, in accordance with the applicable laws and the rules set out under the regulations of the Relevant Competent Authorities.

PART FOUR

BOARD OF DIRECTORS OF THE COMPANY

ARTICLE (24)

24-1 The management of the Company shall vest in a Board of Directors comprised of nine (9) members, elected by the General Assembly by secret Cumulative Voting, subject to the approval of the Relevant Competent Authorities and in accordance with the applicable conditions and
standards set out by the Relevant Competent Authorities.

24-2 The majority of the directors must be UAE nationals.

24-3 The General Assembly may, under any of the following circumstances, appoint a number of individuals other than the shareholders of the Company and who have relevant experience, as Board members, provided that they do not exceed one third (1/3) of the total number of the Board size as determined under these articles:

a. If, during the opening of candidacy for Board directorship, the number of candidates fall short of the required the board size, which prevents the constitution of a valid quorum;

b. Approval to confirm the directorship of any Members appointed by the Board to fill vacancies

c. Resignation of the Board of Directors during the General Assembly and the appointment of a transitional Board of Directors to serve until the opening of candidacy for Board directorship.

24-4 The Board shall appoint, from outside their members, a secretary to perform the Board’s secretarial works in addition to any other duties that may be entrusted to him, and the Board shall fix his salary and other benefits.

ARTICLE (25)

25-1 The directors shall be elected for a term of 3 (three) years, at the end of which the Board of Directors shall be reconstituted and the directors whose terms have expired may be re-elected.

25-2 The Board of Directors may appoint directors in the offices becoming vacant during the year, provided that such appointment is put before the General Assembly at its first meeting either to approve their appointment or elect others. If the number of vacancies during the year reaches a quarter of the number of directors, the Board of Directors shall convene an General Assembly within a maximum period of thirty days from the
The last office is vacated in order to elect directors to fill the vacancies. In all cases, the new director shall complete the term of his predecessor.

ARTICLE (26)

Subject to the provisions of the applicable laws and regulations, a member of the Board must not be elected if he has been convicted of an offence involving moral turpitude or of a crime of breach of trust unless he has been rehabilitated or an amnesty has been issued in his favour by the Relevant Competent Authorities.

ARTICLE (27)

The Board of Directors shall elect from among its number a chairman and a vice chairman. The chairman of the Board shall be a UAE national and shall represent the Company before the courts. The vice chairman shall replace the chairman in his absence or when he is unable to attend.

ARTICLE (28)

The Board of Directors may appoint from amongst its members or others a chief executive officer, a managing director or general manager of the Company, the Board should specify his/her authorities and remunerations.

The Board of Directors may delegate some of its powers and authorities relating to the day-to-day management of the Company to the chairman, the vice chairman, the chief executive officer, the managing director, the general manager (if applicable) or any other person or committees as it may determine in its absolute discretion. Such delegation may be made for such periods and upon such terms and conditions and with such powers and authorities as the Board may form from time to time determine in its absolute discretion.

ARTICLE (29)

The Board of Directors shall form the permanent committees and systems required under the applicable laws and regulations issued by the Relevant competent Authorities, such as the audit committee, the follow up and remuneration committee and the internal control system. The Board may as well establish any specialized committee to monitor or study or implement any matters as he deems suitable.

المادة (26)

مع مراعاة أحكام قوانين وأنظمة السارية، يشترط في عضو مجلس الإدارة إلا يكون محكوماً عليه بعقوبة في جريمة من الجرائم المخلة بالشرف أو الأمانة، ما لم يرد إليه اعتبار ويعتبر عنه عفو من السلطات المختصة المعنية.

المادة (27)

يتنبى مجلس الإدارة من بين أعضاءه رئيس ونائب للرئيس ويتنبى في رئيس مجلس الإدارة أن يكون من مواطني الدولة، وترمو نائب الرئيس مثلاً الرئيس عند غيابه أو قيام ماعن لديه.

المادة (28)

يجوز لمجلس الإدارة أن يعين من بين أعضائه أو من غيرهم رئيساً تنفيذياً أو عضواً ممندوباً أو مديرًا عامًا للشركة، ويحدد المجلس اختصاصاته ومكانته.

المادة (29)

يشكل مجلس الإدارة اللجان والأجهزة الدائمة التي ينوي عليه تشكيكها وفقاً لأحكام القوانين والإستراتيجية الصادرة عن السلطات المختصة المعنية، وكليات التدقيق ولجنة المتابعة وال الإمام، وعظام الرقابة الداخلية مثلاً. كما أن يكون أي لجان مخصصة إضافية لـ واقة أو دراسة أو تنفيذ أية مسائل وفقاً لما يراه مناسباً.
Procedures for forming such committees shall be laid down by the Board of Directors, including mission, term of office, powers and method used by the Board of Directors to monitor such committees. A committee shall submit a written report to the Board specifying with absolute transparency its actions, findings and recommendations. A regular follow up of the committees shall be ensured by the Board of Directors to verify their adherence to their assignments.

ARTICLE (30)

The Board of Directors shall have full authority and all the powers necessary to manage the Company and to do all such acts as required by its objects, which powers shall only be limited by the provisions of applicable laws and regulations, these Articles or the resolutions of the General Assembly and subject to the prior approval of the Relevant Authorities. Notwithstanding the provisions of the Law and the Relevant Authorities’ regulations, the Board of Directors may grant term loans in excess of three years, sell or mortgage the property of the Company, discharge the creditors of the Company from their obligations and compromise or agree to resort to arbitration.

The Board of Directors may lay down the regulations pertaining to its administrative and financial affairs and the affairs and financial transactions of its personnel and shall adopt a charter for the organization of its functions and meetings and the allocation of powers and responsibilities among its members.

ARTICLE (31)

The chairman of the Board presides over the Company, appears on behalf of the Company in courts and is authorized by the Board to sign on behalf of the Company any arrangements concluded with third parties. The chairman shall execute and abide by the resolutions and recommendations of the Board and he may delegate some of his authorities to any other Board member or employee of the Company, subject to the Board’s approval.

ARTICLE (32)

The Board of Directors shall hold its meetings at the principal office of the Company or at such other place as shall be determined by the Board whenever the need arises for a meeting to be convened, at the invitation of the chairman or at the request of two directors. The Board of
Directors shall meet at least once every 2 (two) months.

ARTICLE (33)

33-1 Meetings of the Board shall only be valid if all Board members are invited and the majority of them attended in person. Meetings of a committee of the Board shall also be only valid if attended by the majority of the committee members.

33-2 A member of the Board of Directors, who is not able to attend a Board meeting, may designate another member to cast his vote; provided that the latter does not exercise proxy for more than one Board member. Each Member holding a proxy shall cast 2 (two) votes that are deemed to be valid and binding.

33-3 The resolutions of the Board of Directors and committees of the Board shall be adopted by a majority vote of the directors present or represented. In the event of an equality of votes, the vote of the chairman or his representative shall prevail.

33-4 In addition to the minimum number of meetings required under Article 33 herein, urgent decisions can be approved by the Board by means of Resolutions passed by circulation. A resolution shall be deemed to have been duly and validly passed by the Board by circulation if it has been circulated in a written form and signed by all the Board members, subject to all the regulations and rules set out by the competent authorities in this regard.

33-5 Minutes of the meetings of the Board and the meetings of each committee of the Board shall be recorded and shall be signed by the directors attending the relevant meeting and by the Board secretary, in accordance with the applicable provisions of the Law. A dissenting director may record his opinion in the minutes. However, the non-signing by the attending director of the minutes of the relevant meeting shall not prejudice his knowledge of the resolutions adopted or recorded in the minutes nor shall it affect the recording of his dissenting opinion in the minutes.

المادة (32)

1- لا يكون اجتماع مجلس الإدارة صحيحاً إلا بدعوة جميع أعضاءه وحضور أغلب أعضائه شخصياً، كما لا تكون جلسات أي لجنة لمجلس الإدارة صحيحة إلا بحضور أغلب أعضائها.

2- ويجب لعضو مجلس الإدارة أن ييبقى فيه غيرهم من أعضاء المجلس في التصويت، على أنه لا يكون للعضو النائب أكثر من عضو واحد، وفي هذه الحالة يكون للعضو النائب صوتان (2) وتكون أصوات هذا العضو النائب صحيحة ومتميزة.

3- تصدر قرارات مجلس الإدارة ولجان مجلس الإدارة بأغلبية أصوات الأعضاء الحاضرين والممثلين، وإذا تساوت الأصوات يرجح صوت الرئيس أو ممثله.

4- بالإضافة إلى إلتزام مجلس الإدارة بالحد الأدنى لعقد جلساته الوراثة (23) من هذا النظام، فإنه يجوز لمجلس الإدارة إصدار بعض قراراته بالتمир في الحالات الطارئة ويعتبر قرار مجلس الإدارة المكتوب والمقروء عليه من جميع أعضاء مجلس الإدارة نافذاً وصحيحاً بمثابة قرار اتخذ في اجتماع مجلس إدارة متى الدعوة إليه والعدد أصواتاً مع مراجعة القواعد والإحكام التي تضعها السلطات المعتمدة المعنية في هذا الصدد.

5- تثبت اجتماعات المجلس ولجان المجلس في محاضر الاجتماعات، ويوفر على المحضر الأعضاء الذين حضروا الاجتماع ومقرر المجلس وفقاً لأحكام قانون الشركات. ويوجز للعضو المعارض أيته في المحضر، على أن عدم توقيع الحاضر على المحضر الحلقة لن يتقصى من عمه بالقرارات المتخذة فيها والمدونة في المحضر، ولن يؤثر على رأيه المعارض في المحضر.
33-6 Members of the Board, the chief executive officer, the general manager, the Board secretary, the general counsel of the Company and delegated officers of the Board secretariat, are each authorised by the Company individually to provide certified copies of extracts taken from the minutes of any Board meeting, by signing such extracts, identifying that it is a certified true copy of the original and including the date that the certification is provided. Any party dealing with the Company may rely absolutely on such certified copy as being a true and accurate copy of the original document.

33-7 Board and committee meetings may be held by means of audio and video conference or by means of any communication method that is recognized and approved by the applicable regulations and laws, as long as the attendees are able to clearly communicate, hear and see each other. The Board secretary shall circulate the minutes of the discussions and resolutions deliberated during such meeting to the directors for their signature.

ARTICLE (34)

If a member of the Board shall fail to attend more than three successive or five intermittent meetings during the Board's term without an excuse acceptable to the Board, the Board of Directors shall pass a resolution considering him as having resigned.

The position of a member of the Board of Directors shall also become vacant if that member:

(a) dies or becomes incapacitated for any reason or is unable to carry on its duties as a member of the Board of Directors;

(b) is convicted of any dishonouring offense;

المادة (34)

إذا تخلف أحد أعضاء مجلس الإدارة عن حضور أكثر من ثلاث جلسات متتالية أو خمس جلسات مقطعة خلال مدة مجلس الإدارة بدون عذر يقبله المجلس، يصدر مجلس الإدارة قراراً باستجبه مستقبلاً.

كما يشترط أيضاً منصب عضو المجلس في حال أن

ذلك عضو:

أ - توفي أو أصيب بمرض من عواطف
الأهلية أو أصبح عاجزاً بصورة أخرى
عن النهوض بهمراه كعضو في المجلس،

أو

ب - أدبر بناء جريمة محلة بالشرف والأمانة،

أو
(c) is declared bankrupt or ceases to pay his commercial debts even if bankruptcy is not declared;

(d) resigns from his post by written notice sent to the Company to this effect;

(e) his term of Board membership has elapsed and was not re-elected;

(f) is dismissed by a resolution of the General Assembly;

(g) his membership is not in compliance with Article (149) of the Law;

(h) For any other reason provided for under the applicable laws and regulations.

ARTICLE (35)

The Board of Directors shall be entitled to appoint one or several managers or authorised agents for the Company and to determine their powers.

ARTICLE (36)

Directors shall not be responsible for any personal commitment in connection with the Company's undertaking by virtue of performing their functions within the parameters of their powers, subject to the provisions of Article 162 of the Law.

ARTICLE (37)

The chairman and directors of the Board shall be responsible to the Company, the shareholders and third parties for all acts of fraud and misuse of power and for any violation of the Law or any other law or of these Articles and for mismanagement. Any condition providing otherwise shall be null and void.

ARTICLE (38)
38-1 A director should disclose to the Board any personal interest he has in a matter which relates to or conflicts with the affairs of the Company that are submitted for Board approval, as soon as the director becomes aware of their interest. The disclosure should be recorded in the minutes of the meeting and the director may not vote on that matter, in accordance with the applicable laws and regulations.

38-2 No director or manager of the Company may, without the yearly renewable permission from the annual General Assembly, undertake the management of another commercial bank or be a member on its board.

38-3 Subject to the Central Bank Law and the rules and regulations issued by the Central Bank, the Company may not grant loans, advance funds or grant credit facilities to the Board members, managers or similar executives, or grant any securities in relation to loans given to them without prior license from the Central Bank’s board of directors. Such license must be renewed annually. Such restriction shall not apply in the case of commercial papers discounting, bank guarantees or letter of credits.

38-4 Related Parties shall be prohibited from exploiting any information that they may have acquired while a Board member or an employee of the Company, for personal gain or for the gain of others when trading in the securities of the company or when executing any other transactions. Additionally, they may not have any direct or indirect interest with any third party that is involved in transactions involving with any third party that is involved in any transaction that have an effect on the share price of the Company.

38-5 The Company may not enter into Related Party transactions representing up to 5% of the Company’s share capital without Board approval. Any related party
transaction that exceeds 5% of the Company's share capital shall be submitted to the General Assembly for approval. In all cases, Related Party transactions shall be evaluated by a qualified evaluator accredited by SCA. Furthermore, the external auditors of the Company shall include in their report all that is required by virtue of Article (250) of the Law including, but not limited to, details of the Conflict of Interest and Related Party transactions and outline the procedures adopted in the arrangement of those transactions.

ARTICLE (39)

The remuneration of each of the members of the Board of Directors shall be determined as a lump sum pursuant to a recommendation by the Board of Directors and the approval of the General Assembly. In all events, the remuneration may not exceed 10% of the net profit at year-end after depreciation and reserve were deducted.

PART FIVE

GENERAL ASSEMBLY

ARTICLE (40)

A properly constituted General Assembly shall represent all the shareholders and may be held in the Emirate of Sharjah or at such other place within the UAE as may be determined by the Board of Directors, subject to the approval of the relevant competent authority.

ARTICLE (41)

Each shareholder shall be entitled to attend the General Assembly of the shareholders and shall have a number of votes equivalent to the number of his shares.

A shareholder may appoint a proxy, who must not be a member of the Board of Directors, to attend the General Assembly on his behalf. For the proxy to be valid, it shall be confirmed in a special power of attorney or the signatures shall be attested if the proxy is a non-shareholder, and in all cases - with the exception of corporate bodies - the number of shares held by the proxy in such capacity shall not exceed 5% (five) percent of the capital of the Company.

وبموافقة الجمعية العمومية للشركة فيما زاد على ذلك وتم تقييم الصفقات في جميع الأحوال بواسطة مقيم معتمد لدى الهيئة، ويتبع على مبتدئ حسابات الشركة أن يشتمل تقريره على كل ما هو مقصود عليه بموجب المادة 250 من قانون الشركات ويتبع ذلك على سبيل المثال لا الحصر بيان فواتر تغطية المصالح والعمليات المالية التي تتم بين الشركة وأي من الأطراف ذات العلاقة والإجراءات التي أتخذت بشأنها.

المادة (39)

يتم تحديد مكافأة أعضاء مجلس الإدارة بمبلغ مقطوع لكل منهم بناءً على اقتراح مجلس الإدارة ومواقفة الجمعية العمومية عليه. وفي جميع الحالات يجب أن لا تزيد مكافأة أعضاء مجلس الإدارة على 10% من الربح الصافي للسنة المالية المنهجية بعد خصم الاستدلالات والاحتياطي.

المادة (40)

الجمعية العمومية المكونة تكون صحيحة تمثل جميع المساهمين ويجوز انعقادها في مدينة الشارقة ويجوز انعقادها في أي مكان آخر داخل الدولة حسبما يحدده مجلس الإدارة بعد موافقة السلطات المختصة.

المادة (41)

لكل مساهم الحق في حضور الجمعية العمومية للمساهمين، ويكون له عدد من الأصوات يعادل عدد أسهمه.

ويجوز للمساهم أن ينيب عنه غيره من غير أعضاء مجلس الإدارة في حضور الجمعية العمومية. ويستثني صحة التأييد التي تكون ناجحة في توقيعه شخص وأي من موظفوه أو مناصب على التوقيعات فيما كان البالغ من غير المساهمين. وفي جميع الأحوال، باستثناء الأشخاص الأشخاص الاحترام، لا يجوز أن يزيد عدد الأشخاص الاحترام. بإلحนา البالغ هذه الصفة على 50% (خمسة) بالمائة من رأس مال الشركة.
Persons lacking capacity or who have lost their capacity shall be represented by their legal guardians.

ARTICLE (42)

Notices of General Assemblies shall be given to shareholders, after obtaining the Relevant Competent Authorities’ approval, by publishing a notice of the meeting and the agenda in two (2) daily local newspapers, one of which is published in the Arabic language, and by registered mail to each shareholder (and, in the case of the annual General Assembly, together with the Board’s report and auditor’s report), of which notice shall be given at least (15) fifteen days before the date specified for holding the meeting. A copy of the notice and agenda of the same shall also be sent to the Relevant Competent Authorities within the same time frame.

A shorter notice is valid, if approved by a number of shareholders representing 95% of the share capital of the Company.

ARTICLE (43)

43-1 The Board of Directors shall draw up the agenda of the General Assemblies. In cases where a General Assembly may be convened at the request of the shareholders, the auditors or the SCA, the agenda shall be drawn up by the party requisitioning the convening of the General Assembly.

43-2 The General Assembly may not transact any business which goes beyond the scope of the agenda. However, the General Meeting shall have the right to discuss serious matters which are revealed during the meeting. If the SCA or a number of shareholders representing at least one tenth of the capital of the Company request the inclusion of specific matters in the agenda, the Board of Directors shall accede to such request; otherwise, the General Assembly shall be entitled to resolve to discuss such matters.

ARTICLE (44)

44-1 Shareholders wishing to attend the General Assembly shall record their names in a special register maintained for this purpose at the principal office of the

ويمثل ناقصي الأهلية وقادتها الذين عليهم

المادة (42)

يتم توجيه الدعوة لحضور اجتماعات الجمعية العمومية إلى المساهمين بعد موافقة السلطات المسؤولة الممثلة في باللغة العربية بواسطة البريد المسجل إلى كل مساهم (وفي حالة الجمعية العمومية السنوية، مصحوبة بمجلس الإدارة وتقرير مدقق الحسابات). يتم توجيه تلك الدعوة قبل ما لا يقل عن (15) خمسة عشر يوماً من التاريخ المحدد لعقد الاجتماع. يتم إرسال نسخة من الإشعار وجلد الأعمال أيضاً إلى السلطات المختلفة المعنية، خلال الفترة الزمنية ذاتها.

في حال الإعلان عن الدعوة لاجتماع الجمعية العمومية قبل موعد الاجتماع بقليل عن المدة المنوطة بها إعلان، تعتبر الدعوة صحيحة في حال وقوع عليها مساهمون يمثلون 95% من رأس مال الشركة.

المادة (43)

43-2 يضع مجلس الإدارة جدول أعمال الجمعية العمومية. وفي الأحوال التي يجوز عند الجمعية العمومية بناءً على طلب المساهمين أو مدقق الحسابات أو الهيئة بحث جدول الأعمال من طلب اجتماع الجمعية العمومية.

43-2 لا يجوز للجمعية العمومية المذكورة في غير المسائل المدرجة بجدول الأعمال ومع ذلك يكون للجمعية حق المداخلة في الواقعية التي تكتسب أثناء الاجتماع. وإذا طلبت الهيئة أو عدد المساهمين يمثل عشر رأس مال الشركة على الأقل إدراج مسألة معينة في جدول الأعمال وجب على مجلس الإدارة إدراج طلب ولا كان من حق الجمعية أن تقرر مناقشة هذه المسائل.

المادة (44)

44-4 يسجل المساهمون الذين يرغبون في حضور الجمعية العمومية مشاركتهم في سجل خاص
Company prior to the time fixed for holding the General Assembly.

The register shall include the name of the shareholder, the number of shares held by him, the number of shares represented by him and the names of their holders, in addition to submitting the instrument of proxy.

The shareholder or proxy shall be given a card for attending the meeting stating the number of votes to which he is entitled in person and by proxy.

ARTICLE (45)

45-1 The convening of a General Assembly shall only be deemed valid if attended by shareholders representing not less than 50% (fifty percent) of the capital of the Company. If such quorum is not present at the first meeting, the General Assembly shall be adjourned to another future date at least 5 (five) days, but not more than 15 (fifteen) days after the date of the first meeting. A quorum at the adjourned meeting shall be present irrespective of the number of shareholders in attendance.

45-2 The resolutions of the General Assembly shall be passed by an absolute majority of the shares represented at the meeting with due regard to the provisions of these Articles.

45-3 Board members shall not vote on items pertaining to the discharge of Board members from their liability for their management or concerning a special benefit for directors, a Conflict of Interest, or a dispute between the directors and the Company. If the Board member is representing a juristic person, such juristic person shall also not vote on the said items.

ARTICLE (46)

46-1 A General Assembly shall be chaired by the chairman of the Board and, in his absence, by the vice chairman or by the director appointed by the Board of Directors for that purpose.
46-2 The chairman shall appoint the secretary of the meeting and two tellers, the appointment of whom shall be approved by the General Assembly.

ARTICLE (47)

Voting at a General Assembly shall be carried out in such manner as the chairman of the meeting shall determine unless the General Assembly has fixed a specific method of voting. The voting, if it relates to the election, dismissal or impeachment of the Board of Directors, shall be conducted in secret ballot.

ARTICLE (48)

A person entitled to attend General Assemblies may not participate in the vote, either on his own behalf or on behalf of the person he represents, in matters relating to a private interest or to a dispute existing between him and the Company.

ARTICLE (49)

49-1 The Board of Directors may convene a General Assembly whenever it deems fit. A General Assembly must be held at least once a year on the requisition of the Board within four months following the end of the financial year at the place and time specified in the notice calling for the meeting.

49-2 The following matters shall be included in the agenda of the annual General Assembly:

(a) The report of the Board on the Company’s activities and its financial position during the preceding year, and the report of the auditors and the approval thereof.

(b) A discussion of the Company’s balance sheet and profit and loss account and the approval thereof.

(c) The election of members of the Board where necessary, the appointment of the auditors and the determination of their fees.

(d) The Board’s proposals with respect to the distribution of profits.
(e) The Board’s proposals concerning the remuneration of the Board members and to determine such remuneration.

(f) Discharging the members of the Board and the auditors from liability or resolving to initiate legal proceedings against them, as the case may be, in accordance with applicable laws and regulations in this regard.

ARTICLE (50)

The Board of Directors shall convene a General Assembly whenever the auditor or upon the request of one or more shareholders holding shares representing at least 20% of the capital. In both cases, the invitation to convene the General Assembly shall be sent within 5 (five) days from the date of the request. The General Assembly shall convene within not less than 15 (fifteen) days, but not more than 30 (thirty) days from the date of invitation to the meeting.

In addition, the General Assembly may be convened by the SCA or the Central Bank in accordance with the applicable laws and regulations.

ARTICLE (51)

Subject to the provisions of the Law and the approval of the relevant competent authorities, the General Assembly may, by a Special Resolution, amend these Articles in any respect; whether to increase or decrease the share capital of the Company, to extend or shorten its duration, its merger with another Company or liquidating it or to sell or otherwise dispose of the business of the Company, provided always that the contemplated amendment had been detailed in the invitation to the meeting. With the exception that the General Assembly meeting may not, by a Special Resolution, increase the liabilities of the shareholders or move the Company’s head office to a foreign country unless the unanimous approval of the shareholders is obtained.

ARTICLE (52)

Minutes shall be made for the General Assembly recording the names of the shareholders or representatives, the number of shares held by them in person or by proxy, the number of votes attached to such shares, the resolutions passed, the number of votes for and against the same and a sufficient summary of the deliberations which took place during the meeting.
ARTICLE (53)

53-1 The minutes of the General Assemblies shall be recorded in an orderly manner after each meeting and maintained in accordance with the applicable provisions of the Law and other applicable laws and regulations. Each set of minutes recorded in the book shall be signed by the chairman of the meeting, the secretary, the tellers and the auditor. The signatories to such minutes of meeting shall be liable for the accuracy of information provided therein.

53-2 The persons signing the minutes of the meetings shall be responsible for the accuracy of the particulars stated in such minutes.

53-3 Members of the Board, the chief executive officer, the Board secretary, the General Counsel and delegated officers of the Board secretariat, are each authorised by the Company individually to provide certified copies of extracts taken from the minutes of any General Assembly meeting, by signing such extracts, identifying that it is a certified true copy of the original and including the date that the certification is provided. Any party dealing with the Company may rely absolutely on such certified copy as being a true and accurate copy of the original document.

ARTICLE (54)

54-1 Resolutions of the General Assemblies passed pursuant to the provisions of the applicable laws and regulations and these Articles shall be binding upon all the shareholders, including those absent and dissenting.

54-2 The chairman of the Board shall implement the resolutions of the General Assembly and shall provide the Relevant Competent Authorities with a copy of the resolutions in accordance with the applicable terms and provisions.

PART SIX
AUDITOR

ARTICLE (55)
55-1 The Company shall have one or more qualified and experienced auditors to be appointed by the General Assembly for a period of one year which may be renewed for a term not exceeding three consecutive years, which meeting shall also determine its remuneration. The auditor shall audit the accounts for the financial year for which it is appointed and shall inspect the accounts of the Company, review the balance sheet and the profit and loss account and shall ensure the application of the applicable laws and regulations and these Articles.

55-2 Such auditor should be registered with the SCA and be licensed to practice, be approved by the Central Bank, and should comply with all conditions set out in the applicable laws and regulations.

ARTICLE (56)

56-1 The auditor shall enjoy the powers and shall have the obligations prescribed in the Law and any other applicable laws and regulations in this respect. In particular, he shall have the right to inspect at any time all the books, records, documents and other papers of the Company and shall be entitled to require such explanations as he deems necessary for the performance of his duties and may also verify the assets and liabilities of the Company.

56-2 If he is unable to exercise such powers, he shall record this fact in writing in a report to the Board of Directors. If the Board fails to enable the auditor to perform his duties, the auditor shall send a copy of the report to the Relevant Competent Authorities and put the same before the General Assembly.

ARTICLE (57)

57-1 The auditor shall submit to the General Assembly a report containing the particulars prescribed in the Law and the applicable regulations and shall, in particular, state in his report whether the annual balance sheet and the profit and loss account are true and consistent with the facts and whether the Company has furnished him with the information and explanations required by him from the Company for the performance of his duty.
57-2 The auditor shall attend the General Assembly and express his opinion on any matter relating to his work, particularly the balance sheet of the Company.

57-3 The auditors shall be responsible to the Company for the audit and for the accuracy of information contained in their report and be liable to compensate the Company for the damage it incurs resulting from the auditor’s actions in the course of discharging their duties.

PART SEVEN

COMPANY’S FINANCE

ARTICLE (58)

The financial year of the Company shall commence on 1 (first) January and end on 31 (thirty first) December of each year.

ARTICLE (59)

59-1 The Board of Directors shall, during each financial year and at least 1 (one) month prior to the annual General Assembly, prepare for the Company a balance sheet and a profit and loss account. Furthermore, the Board shall prepare a report on the Company’s activities during the financial year and on its financial position as at the end of the same year and the method recommended by it for the distribution of the net profits.

59-2 The Board of Directors shall forward a copy of the said balance sheet, the profit and loss account and the report to the shareholders enclosing the same with the agenda of the annual General Assembly.

ARTICLE (60)

There shall be deducted from the gross annual profits such percentage as shall be determined by the Board of Directors for the depreciation of the assets of the Company or for compensating the depreciation of their value. Such funds shall be disposed of in accordance with a resolution of the Board of Directors and may not be distributed to the shareholders.
ARTICLE (61)

The net annual profits of the Company shall be appropriated in the following order following deduction of all overhead and other expenses:

(a) ten percent shall be deducted and allocated towards the legal reserve, which deduction shall cease when the total reserve reaches an amount equivalent to 50 (fifty) percent of the paid-up capital of the Company. If the reserve falls below that percentage, deduction shall resume;

(b) at least ten percent shall be deducted annually and allocated to form a special reserve until such reserve reaches 50 (fifty) percent of the capital of the Company pursuant to Article (82) of the Central Bank Law;

(c) a sum equal to 5% (five) percent of the amount paid on account of the shares value shall be deducted for distribution to the shareholders as a first share of profit. However, if the net profit in any given year is not sufficient to distribute such share, no claim for the same can be made from the profits of the following years;

(d) an amount not exceeding the equivalent of 10 (ten) percent of the net profits of the ending financial year after deducting all the deprecations and reserves shall be allocated for the remuneration of the Board of Directors; from which is also to be deducted all the fines (if any) imposed on the Company by SCA or any relevant competent authority for violation of any provisions of the Commercial Company Law or the Articles of Association of the Company by the Board of Directors during the financial year. The General Assembly shall have the authority to waive all or part of the deduction, if it is deemed that the violations are not a result of Board’s failure or negligence.

(e) the balance of the net profits shall then be distributed to the shareholders as an additional share of the profits or shall be brought forward, at the proposal of the Board of Directors, to the following year or shall be allocated for the creation of an
optional reserve as shall be determined by the Board of Directors.

However, the Company shall avoid disclosing or revealing the Company’s intention to distribute any dividends before obtaining the Central Bank approval.

ARTICLE (62)

The reserve fund shall be disposed of in accordance with the decision of the Board of Directors in a manner ensuring the attainment of the Company's interest. The statutory reserve may not be distributed among the shareholders. However, any excess beyond 50 (fifty) percent of the paid-up capital may be utilized to ensure a distribution of profits to the shareholders not exceeding 10 (ten) percent of the paid-up capital during the years which do not allow appropriation of such percentage. Furthermore, the legal or optional reserve may not be used other than for the purposes specified in the resolution passed by the General Assembly.

ARTICLE (63)

Dividends due on shares shall be paid to the last registered holder of those shares registered in the share register of the Company held by the financial market, according to the regulations and instructions of the Relevant Competent Authorities. The said shareholder shall have the right to the profits due on those shares whether these profits represent dividends or entitlement to part of the Company’s assets.

The Company should declare ahead of time the date on which the dividends shall be distributed.

PART EIGHT

DISPUTES

ARTICLE (64)

No resolution passed by the General Assembly shall entail the abatement of an action for civil liability against the directors due to errors committed by them in the exercise of their powers. If the act creating the liability has been put before the General Assembly with a report from the Board of Directors or the auditor and the General Assembly has approved the same, the liability action shall abate upon the lapse of one year from the date of holding the General Assembly. Nevertheless, if the act imputed to the directors constitutes a criminal offence, the
liability action shall only be abated by the abatement of the general action.

PART NINE

DISSOLUTION AND LIQUIDATION OF THE COMPANY

ARTICLE (65) (a) The Company shall be dissolved for any of the following reasons:

(b) expiry of the duration fixed for the Company unless it is renewed in accordance with the regulations contained in these Articles;

(c) accomplishment of the objectives for which the Company was established;

(d) a Special Resolution passed by the General Assembly terminating the duration of the Company;

(e) merger of the Company with another company;

(f) the issuance of a court order dissolving the Company; or

(g) the depletion of all or most of the Company’s assets, making it impossible to beneficially invest the remainder.

ARTICLE (66) The Company shall be dissolved prior to the expiry of its duration in the event of the loss of 50 (fifty) percent of its capital unless otherwise resolved by a Special Resolution.

ARTICLE (67) Upon termination of the Company’s duration, or if it is dissolved prior to the expiry of its fixed duration, the General Assembly shall, at the request of the Board of Directors, determine the method of liquidation and shall appoint one or more liquidators and determine their powers. The Office of the Board of Directors shall end upon the dissolution of the Company. Nevertheless, the Board members shall manage the Company and act as liquidators before third parties till the liquidators are duly appointed. The management of the Company shall continue during the liquidation period within the limits and

ءًا يُتمّة أنجزها فلا يُتِمّة الداخلية إلا بعد سقوط العقوبات المعمومية.

المادة (46) تحل الشركة لأحد الأسباب الآتية:

(أ) انتهاء المدة المحددة للشركة ما لم تجدد وفقًا للقواعد الواردة بهذا النظام;

(ب) انتهاء الغرض الذي تأسست الشركة من أجله;

(ج) صدور قرار خاص بإنهاء مدة الشركة;

(د) إنماج الشركة في شركة أخرى;

(ه) صدر حكم قضائي بحل الشركة أو

(و) هلاك جميع أموال الشركة أو معظمها بحيث يتعدّى استئناف الباقي استثمارًا مجدٍ.

المادة (67) تحل الشركة قبل انتهاء أجلها في حالة خسارة 50 (خمسين) بالمائة من رأس مالها إلا إذا صدر قرار خاص بخلاف ذلك.

المادة (67) عند انتهاء مدة الشركة أو في حالة حلها قبل الأجل المحدد، تعين الجمعية المعمومية بناءً على طلب مجلس الإدارة طريقة التصفية وتعين مصرفًا أو أكثر وتحدد سلطتهما. وتنئه وكالة مجلس الإدارة بحل الشركة، ومع ذلك يظل أعضاء مجلس الإدارة قائمين على إدارة الشركة ويعبرون بالنسبة للغير في حكم المصرفين إلى أن يتم تعيين المصرفين أصابع، ويتم إكراه الشركة قائمة خلال مدة التصفية وذلك بالقرار وضمن الصلاحيات التي ي reserva المصرف لإدارة الأعمال للتصفية.
authorities deemed appropriate by the liquidator for the purposes of liquidation.

However, the power of the General Assembly shall remain in force throughout the liquidation period until the liquidators have been discharged in accordance with the Law in this regard.

PART TEN

CONCLUDING PROVISIONS

ARTICLE (68)

The provisions of the Law, the provisions of the Central Bank Law and the laws, regulations, resolutions and circulars issued in application thereof shall apply to any matter for which no specific provision is contained in these Articles of Association. The Law, the Central Bank Law and the laws, regulations, resolutions and circulars issued in application thereof, shall prevail in case they contradict with the provisions of these Articles.

References in these Articles to any law, regulation or rule shall be deemed to be to such law, regulation or rule as amended, supplemented or replaced from time to time.

ARTICLE (69)

In case of any conflict between the Arabic text and the English text of these articles of association, the Arabic text will prevail.

ARTICLE (70)

These Articles shall be lodged and published in accordance with the applicable laws.

These Articles shall revoke and substitute all the previous articles of association of the Company.