CHAPTER I: FORMATION OF THE COMPANY

Article (1) Formation

Rabigh Refining and Petrochemical Company, having commercial registration number 4602002161 issued in Jeddah on 15/08/1426H., has been established as a Saudi Arabian joint stock company by and between the Shareholders in accordance with the Saudi Companies Law and these Bylaws and pursuant to the following:

Article (2) – Name of the Company

The name of the Company shall be “Rabigh Refining and Petrochemical Company”, a Saudi Arabian joint stock company.

Article (3) – Objectives of the Company

The objectives of the Company are the development, construction and operation of an integrated petroleum refining and petrochemical complex, including the manufacturing of refined petroleum products, petrochemical products and other hydrocarbon products, which include the following:


Article (4) – Shareholders

The Shareholders are:

- Saudi National Petroleum Company (Saudi Arabian National Oil Company)
- Saudi Basic Industries Corporation (SABIC)
- The Kingdom of Saudi Arabia

Article (5) – Capital

The authorized capital of the Company shall be SAR 1,000,000,000.

Article (6) – Board of Directors

The Board of Directors shall consist of seven members, with four of whom being Saudi nationals.

Article (7) – General Assembly

The General Assembly shall meet at least once a year, and at such other times as may be determined by the Board of Directors.

Article (8) – Amendments

Any amendment to these Bylaws shall require the approval of the General Assembly.

Article (9) – Other Matters

Any matters not covered in these Bylaws shall be governed by the Saudi Companies Law.
The Company shall perform its activities in accordance with the applicable regulations and after obtaining the required licenses, if any, from the competent authorities.

Article (4) – Participation and Ownership in Companies

The Company may acquire shares in existing companies, or merge with such companies, and may participate with others in forming other companies after satisfying the requirements under the applicable regulations and instructions. The Company may also form sole shareholder companies whether in the form of limited liability companies or joint stock companies (provided in the latter case that the Company’s capital is not less than five million Saudi Riyals (SAR 5,000,000)). The Company may invest in all types of securities, including shares listed on the Saudi Arabian Stock Exchange, by way of purchasing and selling them in accordance with the rules and regulations and the approvals issued by the Capital Market Authority and subject to the relevant laws and regulations. The Company may dispose of the shares and securities it owns, excluding brokerage in the trade of such shares and securities.

Article (5) – Head Office of the Company

The Company’s head office shall be in the city of Rabigh, Kingdom of Saudi Arabia. The Board of Directors may establish branches, offices or agencies for the Company within or outside the Kingdom of Saudi Arabia. The head office of the Company may not be transferred to any other city except with the approval of the Extraordinary General Assembly based on the recommendation of the Board of Directors and the approval of the competent authorities.

Article (6) – Duration of the Company

The duration of the Company shall be ninety-nine (99) years commencing on the date of issuance of the Minister of Commerce and Investment’s resolution announcing the conversion of the Company to a joint stock company. The Company’s period may always be extended by a resolution of the Extraordinary General Assembly taken at least two (2) years prior to the expiration of the term of the Company.
Article (7) – Capital of the Company

The share capital of the Company shall be eight billion seven hundred sixty million Saudi Riyals (SAR 8,760,000,000) divided into eight hundred seventy six million (876,000,000) shares of equal nominal value of ten Saudi Riyals (SAR 10) each, all of which are cash and ordinary shares representing the entire paid-up capital of the Company.

Article (8) – Subscription to shares

The Shareholders have subscribed in the entire capital of the Company and have paid for its entire value.

Article (9) – Preferred Shares

The Extraordinary General Assembly of the Company may, in accordance with principles laid down by the competent authority, issue preferred shares, purchase such preferred shares, convert ordinary shares to preferred shares provided that it does not exceed 10% of the Company’s capital, or convert preferred shares to ordinary shares. Such preferred shares do not grant the right to vote in the General Assemblies of Shareholders but rather grant their holders the right to obtain a larger proportion of the Company’s net profits than the holders of ordinary shares, after appropriation to the statutory reserve.

Article (10) – Bonds and Sukuk

The Company may issue all types of bonds and sukuk, within or outside the Kingdom, in accordance with the Companies law and applicable laws and regulations.
Article (11) – Non-Payment of Shares

Shareholders shall pay the value of the shares when due, and if a Shareholder fails to meet a due date, then the Board of Directors may, after notifying the Shareholder with a warning notice by registered mail, sell such shares at a public auction or on the stock market, as the case may be, in accordance with the rules established by the competent authority. The Company shall recover from the sale proceeds such amounts as are due to the Company and shall refund the balance to the defaulting Shareholder. If the sale proceeds are insufficient to cover what is due to the Company, then the Company may recover the remaining amount from the Shareholders’ funds. The defaulting Shareholder may, until the day fixed for the sale, pay the amount due by such Shareholder, plus the expenses incurred by the Company in this respect. The Company shall cancel any share so sold and give the purchaser a new share bearing the number of the canceled share and make a notation to this effect in the shares register along with the name of the new Shareholder.

Article (12) – Company Shares

The shares shall be nominal shares and may not be issued at less than their par value. However, the shares may be issued at a value higher than their par value, in which case the difference in value shall be added as a separate item under shareholders’ equity and shall not be distributed as dividends to the Shareholders. A share shall be indivisible vis-à-vis the Company. In the event that a share is owned by several persons, they shall select one person from amongst them to exercise, on their behalf, the rights pertaining to the share, and they shall be jointly responsible for the obligations arising from the ownership of the share.

مادة (11) – عدم سداد قيمة الأسهم

يلزم المساهم بدفع قيمة الأسهم في الموعد المبين لذلك، وإذا تخلف المساهم عن الوفاء في ميعاد الاستحقاق، جاز لجهاز الإدارة بعد إبلاغ المساهم بخطاب تسجيل بيع الأسهم في المزاد العلني أو سوق الأوراق المالية بناءً على الأحوال وفقًا للضوابط التي تحددها الجهة المختصة. وتستوفي الشركة من حصيلة البيع المبالغ المستحقة لها وترد البياني إلى صاحب الأسهم، فإذا لم تُلتِقح حصيلة البيع للشراء بهذه المبالغ، جاز للشركة أن تستوفي البياني من جميع أموال المساهم. ومع ذلك يجوز للمساهم المتخلف عن الدفع إلى يوم البيع دفع القيمة المستحقة عليه مضافًا إليها المصاريف التي أنتجتها الشركة في هذا الشأن. وتتخلى الشركة الأسهم المقاطعة وتعطي المشتري سهماً جديداً يحمل رقم الأسهم الملغي، ويؤثر بذلك في سجل الأسهم مع بيان اسم المالك الجديد.

مادة (12) – أسهم الشركة

تكون الأسهم بسيطة ولا يجوز أن تصدر الأسهم بأقل من قيمةها الأصلية. وإذا أصدرت الأسهم بأقل من هذه القيمة، في هذه الحالة الأخيرة يضاف فرق القيمة في بنك مستقل ضمن حقوق المساهمين، ولا يجوز توزيعها كأرباح على المساهمين. والسهم غير قابل للتجزئة في مواجهة الشركة، فإذا تملك أي شخص واحد وجب عليهم أن يختار أحدهم لونبهم في استعمال الحقوق المخصصة بالسهم ويكون هذه الأشخاص مسؤولين بالالتزامين عن الالتزامات الناشئة عن ملكية السهم.
Article (13) – Transfer of Shares

The shares, except for Founders’ shares, shall be transferrable in accordance with the rules and regulations of the Capital Market Authority. Founders’ shares may only be transferred in accordance with the applicable laws and regulations of the Kingdom of Saudi Arabia. A notation shall be made on the respective share certificates, indicating their class, the date of the Company’s conversion into a joint stock company and the period during which each such certificate may not be traded. It shall be permissible during such lock-up period to transfer the ownership of Founders’ cash shares in accordance with the provisions for the sale of the rights from one Founder to another, by one of the heirs of a Founder to a third party in the event of the death of the Founder or, for purposes of enforcement against an insolvent or bankrupt Founder, provided that the priority for owning such shares shall be given to the other Founders. This Article shall apply to the shares to which the Founders subscribe, in the event of a capital increase prior to the expiry of the lock-up period.

Article (14) – Shareholders Register

The shares of the Company shall be traded in accordance with the provisions of the Capital Market Law and its implementing regulations. The subscription or ownership of shares by a Shareholder shall confirm the acceptance by the Shareholder of these Bylaws and his/its submission to the resolutions duly passed by the General Assembly in accordance with these Bylaws, whether the Shareholder was present or absent and whether the Shareholder agreed to such resolutions or objected to them.

Article (15) – Increase of Capital

1. The Ordinary General Assembly may resolve to increase the Company’s capital, provided that the original capital has been paid in full except in circumstances where the unpaid portion of the capital relates to debt instruments or financing sukuk convertible into shares and the period specified for their conversion has not yet expired.

Madad (14) – سجل الأسهم

تتناول أمور الشركة وفقاً لأحكام نظام السوق المالية وталوته التنفيذية. ويفقد الاكتساب في الأسهم وتميزها قبل التسجيل لنظام الشركة والترخيص بالقرارات التي تصدر من جمعيات المساهمين وفقاً لأحكام هذا النظام سواء كان حاضراً أو غائباً وسواء كان موافقاً على هذه القرارات أو خلافاً لها.

Madad (15) – زيادة رأس المال

1. للجمعية العامة غير العادية أن تقرر زيادة رأس مال الشركة، بشرط أن يكون رأس المال الأساسي قد دفع كاملاً. ولا يشترط أن يكون رأس المال قد دفع بأكمله إذا كان الجزء غير المدرج من رأس المال يعود إلى أسهم صدرت مقابل تحويل أذونات دين أو أذونات تمويلية إلى أسهم ولم تنته بعد المدة المقررة لتحويلها إلى أسهم.
Shareholders holding shares as at the date of the resolution of the Extraordinary General Assembly to increase the capital shall have a pre-emptive right to subscribe to new cash shares. Such Shareholders shall be notified of their right, the resolution to increase the capital, the subscription conditions, the subscription period and the starting and ending dates by publication in a daily newspaper or via registered mail.

Shareholders may sell or assign their pre-emptive rights, starting from the time the General Assembly issues a resolution approving the capital increase and ending on the last day of the subscription period for the new shares associated with such pre-emptive rights, in accordance with the rules set by the competent authority.

Subject to Paragraph (4) above, new shares shall be allotted to holders of pre-emptive rights who have requested to subscribe there to, in proportion to the pre-emptive rights held by them out of the total pre-emptive rights resulting from the capital increase, provided that the number of shares allotted to them shall not exceed the number of new shares they have applied for. The remaining new shares shall be allotted to the holders of pre-emptive rights who have requested more than their proportionate share, in proportion to the pre-emptive rights held by them out of the total pre-emptive rights resulting from the capital increase, provided that the number of shares allotted to them shall not exceed the number of new shares they have applied for. Any remaining new shares shall be offered to third parties, unless otherwise stipulated by the Extraordinary General Assembly or the Capital Market Law.
Article (16) – Decrease of Capital

The Extraordinary General Assembly may by resolution to reduce the capital of the Company if it exceeds the needs of the Company or if the Company incurs losses, and in the latter case only, the capital may be reduced to below the limit set in Article (54) of the Companies Law. Such resolution shall be issued only after reading the Auditor’s report in respect of the reasons justifying such reduction, the Company’s obligations and the effect of the reduction on such obligations, with due consideration to the provisions of the Companies Law. The resolution shall provide for the manner in which the reduction shall be made. If the reduction of the capital is due to its being in excess of the Company’s needs, then the Company’s creditors must be invited to express their objection thereto within sixty (60) days from the date of publication of the reduction resolution in a daily newspaper published in a city near where the Company’s head office is located. Should any creditor object and present to the Company evidentiary documents of such debt within the time limit set above, then the Company shall pay such debt, if already due, or present an adequate guarantee of payment if the debt is due on a later date.

CHAPTER III: BOARD OF DIRECTORS

Article (17) – Constitution of the Board of Directors

The Company shall be managed by a Board of Directors comprised of nine (9) members to be appointed by the Ordinary General Assembly for a term not exceeding three (3) years. The majority of Board members must be non-executive and independent Board members must not be less than three (3) members. Board members can always be reappointed.
Article (18) – Termination of Membership

Membership on the Board of Directors shall be terminated upon the expiration of the Director’s appointment term, upon the Director’s death or if he is convicted of an offence involving dishonesty, fraud or moral turpitude, or if he becomes bankrupt or enters into an arrangement or settlement with his creditors. Termination of membership shall also occur if the member becomes unsuitable for membership under any law or regulations prevailing or applicable in the Kingdom of Saudi Arabia. The Ordinary General Assembly may, at all times, by a resolution passed by seventy-five percent (75%) of the shares represented at its meeting, dismiss all or some of the members of the Board of Directors, without prejudice to the right of the dismissed member to hold the Company liable if the dismissal has taken place without acceptable justification or at an improper time. A Board member may resign from office provided that it occurs at a proper time, otherwise such Board member shall be held liable to the Company for damage resulting from his resignation.

Article (19) – Vacancies

If the position of a Director becomes vacant, the Board of Directors may appoint a member in the vacant position temporarily regardless of the number of votes obtained at the General Assembly meeting appointing the Board of Directors, provided that such temporary member shall be experienced and eligible. The Ministry of Commerce and Investment and the Capital Market Authority shall be notified of the appointment within five (5) business days from the date of the appointment, and such appointment shall be submitted to the next meeting of the General Assembly for ratification, which shall be convened as soon as possible. The term of office of the new member designated to fill a vacancy shall extend to the term of office of his predecessor. In the event that the number of Board members falls below the minimum number required to convene the meeting of the Board of Directors, as prescribed in the Companies Law or these Byelaws, the remaining Board members must convene the Ordinary General Assembly within sixty (60) days to elect the requisite number of Board members.
Article (20) – Powers of the Board of Directors

Without prejudice to the powers conferred on the General Assembly, the Board of Directors shall be vested with full powers to manage the business of the Company to achieve its objectives, to set its policies and the level of its investments, and to supervise its affairs within and outside the Kingdom of Saudi Arabia.

The Board of Directors is empowered, for example and without limitation, to:

(a) approve (i) the refined products annual marketing plan; (ii) the refined products annual production plan; (iii) the petrochemical products annual marketing plan; and (iv) the petrochemical products annual production plan, in each case, as submitted and recommended to the Board of Directors by the Marketing Committee;

(b) resolve any deadlock in respect of any committee matter referred to the Board of Directors;

(c) approve, amend or modify the Company’s business plan;

(d) approve, amend or modify the Company’s operation plan;

(e) adopt resolutions with respect to (i) borrowings (including borrowings which exceed three (3) years in amounts in excess of seven million five hundred thousand Saudi Riyals (SAR 7,500,000) for any single borrowing as well as borrowings from Shareholders on a commercial basis), (ii) any lending by the Company, (iii) the issuance or repurchase of bonds or sukuk, (iv) the issuance of any guarantees, (v) the sale of any of the Company’s assets, mortgaging them or pledging them as collateral in amounts greater than seven million five hundred thousand Saudi Riyals (SAR 7,500,000), or (vi) the write-off of any accounts receivable in excess of seven million five hundred thousand Saudi Riyals (SAR 7,500,000);

(f) establish branches, offices and agencies of the Company;

Miada (20) – صلاحيات مجلس الإدارة

مع مراعاة الاختصاصات المتصلة بالجمعية العامة، يكون لمجلس الإدارة جميع السلطات والصلاحيات اللازمة لإدارة الشركة بما يحقق أهدافها ورسوم سياساتها وتحديد استراتيجاتها والإشراف على أعمالها وأموالها وتصريف أموالها داخل المملكة وخارجها.

ومجلس الإدارة، على سبيل المثال لا الحصر، صلاحية:

(أ) اعتماد (1) خطة التسويق السنوية للمنتجات المكررة، و (2) خطة الإنتاج السنوية للمنتجات المكررة، و (3) خطة التسويق السنوية للمنتجات البترولية، و (4) خطة الإنتاج السنوية للمنتجات البترولاوية، وذلك في كل حالة وفقما يتم تقديمه وتركيزه لمجلس من قبل لجنة التسويق.

(ب) حل أي مشكلة قد تنشأ لدى أي من اللجان فيما يتعلق للمجلس.

(ت) اعتماد وتعديل خطة العمل المفترضة للشركة.

(ث) اعتماد وتعديل خطة التنفيذ المفترضة للشركة.

(ج) تبني القرارات الخاصة بـ (1) عمليات الاقتراض (بما في ذلك القروض التي تتجاوز أجلها مدة ثلاث (3) سنوات بمبلغ يتجاوز مقدارها سبعة مليون وخمسแสน ألف (7,500,000) ريال سعودي لأي قرض مستقل بالإضافة إلى قروض الشركة ذات الطابع التجاري)، أو (2) أي إراقت من قبل الشركة، أو (3) إصدار أو إعادة شراء السندات أو الصكوك، أو (4) إصدار أي ضمانات، أو (5) أي من أصول الشركة أو رهنها أو حجزها ك止めات لمبلغاً يتجاوز مقدارها سبعة مليون وخمسแสน ألف (7,500,000) ريال سعودي، أو (6) شطب أي ندم مدينة بمبلغ يتجاوز مقدارها سبعة مليون وخمسแสน ألف (7,500,000) ريال سعودي.

(ح) تأسيس فروع ومكاتب ووكالات للشركة.
(g) approve or amend the internal corporate governance of the Company and internal Company policies, and define the responsibilities of and authorities granted to senior officers of the Company (particularly the President and Chief Executive Officer, the Chief Financial Officer and such other senior officers as the Board of Directors may determine);

(h) adopt resolutions making proposals to the Shareholders, including any appointment or dismissal of the Company’s independent Auditor or any approval or modification from time to time of the Company’s accounting and tax policies;

(i) approve the agenda of the General Assembly;

(j) approve the settlement of any litigation, arbitration or any judicial or administrative proceedings involving the Company where the amount of such settlement is in excess of five million Saudi Riyals (SAR 5,000,000) or its equivalent in another currency;

(k) approve any joint venture or affiliated venture, or agree to amend or modify the material terms thereof;

(l) without prejudice to Articles (28) and (29) of the Bylaws, create, dissolve and appoint members to, committees of the Board of Directors and/or approve the scope of delegation of responsibility to such committees;

(m) create, designate or change the positions of, senior officers or appoint or remove senior officers;

(n) approve any capital expenditure by the Company in excess of seven million five hundred thousand Saudi Riyals (SAR 7,500,000) or its equivalent in another currency if such capital expenditure is not otherwise included in the Company’s annual business plan or annual operating plan;

(o) recommend to the Shareholders any additional amount to be retained as an additional reserve in accordance with Article (48) of these Bylaws;
(p) except for agreements and transactions in which a Director has a direct or indirect interest, approve, modify or amend any agreement in connection with, and the entry of the Company into, transactions with Shareholders or related persons; and

(q) recommend that the General Assembly approve the Company’s annual financial statements.

Article (21) – Remuneration of Board of Directors

Remuneration (if any) of the members of the Board of Directors may consist of (i) a fixed amount or (ii) a payment of fee(s) (which may consist of an attendance allowance, in-kind benefits, and/or a specific percentage of the net profits), in each case as determined by the Ordinary General Meeting in accordance with the official decisions and instructions issued in this regard, within the limits of the provisions of the Companies Law and the laws and regulations complementary thereto. Directors may in addition be paid reasonable out-of-pocket and travel-related expenses in connection with the duties performed by such Director as a member of the Board of Directors. The report submitted by the Board of Directors to the Ordinary General Assembly must contain a statement of all payments made to members of the Board of Directors during the fiscal year, including salaries, attendance allowances, expenses and other benefits. It shall as well contain a statement of payments made in consideration for technical, administrative or consultancy assignments carried out by the Directors, which assignments have been approved by the Company’s General Assembly. The report shall also include a statement of the number of meetings of the Board of Directors, and the number of meetings attended by each member from the date of the last meeting of the Ordinary General Assembly.

Article (22) – Chairman, Deputy Chairman, President and Chief Executive Officer, Chief Financial Officer and Secretary

The Board of Directors shall appoint a Chairman, a Deputy Chairman and a President and Chief Executive Officer from among its members through a resolution of the Board of Directors in accordance with Article (25) of these Bylaws. The Chairman and Deputy Chairman are prohibited from conjointly holding positions with any other executive position in the Company.
The Chairman (and in his absence the Deputy Chairman) shall have the powers to convene meetings of the Board of Directors and to preside over its meetings.

The President and Chief Executive Officer shall manage the Company on a day-to-day basis, shall be the chief executive officer of the Company and shall, subject to Article (21) of these Bylaws, have all power and authority necessary for the day-to-day management of the Company and shall be authorized to represent the Company before the Directorate for Civil Rights, police departments, chambers of commerce and industry, and all companies and establishments; to issue powers of attorney, to appoint and remove agents and attorneys, to accept and reject judgments on behalf of the Company; to sign and execute all agreements, certificates and instruments, including articles of association of companies in which the Company shall participate, and to amend any and all of the above, and to sign winding-up resolutions, as well as any and all other contracts, deeds, and declarations, before public notaries or other official bodies or otherwise, to sign, execute and deliver loan agreements, guarantees and mortgages with government financial funds and institutions and commercial banks and financial institutions, leases of both real property and movable property, and sign, execute and deliver agreements and instruments modifying or terminating all of the above; to collect entitlements and settle obligations on behalf of the Company; to buy, sell, make and accept transfers, receive, deliver, rent, lease, collect and make payments, and to participate in tenders; to open bank and credit accounts and to make and withdraw deposits in same; to issue instruments, checks and all negotiable instruments; to hire, contract with and appoint employees and workmen and to specify their salaries and remuneration and remove or terminate them, as well as direct such employees in all aspects of their work and the performance of their duties for the Company; to request visas for employees and workmen from abroad, grant residency permits and work visas, and transfer and terminate their sponsorship; to authorize or delegate some or all of these powers to any other person or persons to do or cause to be done in respect of anything mentioned hereinabove, and to revoke such authorization or delegation in whole or in part.

The President and Chief Executive Officer shall have such other powers as are specified by the Board of Directors and shall carry out such directives as are given to him by the Board of Directors.

ويكون للرئيس (أو للفائز في حال غيابه) صلاحية دعوة المجلس للاجتماع وورشة اجتماعات المجلس.

ويختص الرئيس وكبير الإداريين التنفيذيين، بإدارة الشركة بشكل يومي ويتولى المدير التنفيذي للشركة، وله، برعاية المادة (21) من هذا النظام، الصلاحيات اللازمة لإدارة الأعمال اليومية للشركة، وتمثل الشركة أمام الحقوق المدنية وأقسام الشرطة والغرف التجارية والصناعية والهيئات الخاصة والشركات والمجلس على اختلاف أنواعها، وإصدار الوثائق الشرعية وتعيين الوكلاء والمحميين وعزلهم، وقبول الأحكام والاعترافات عليها نيابة عن الشركة، والتوقيع على كافة أنواع العقود والوثائق والمستندات بما في ذلك دوام حصر عقود تأسيس الشركات التي تشترك فيها الشركة مع كافة أعمالها وأوراقاً ص体制改革، وتوقع على جميع الاتفاقات والمسكوك والإعانات أمام كاتب العدل والجهات الرسمية والشأن المالي، والاهتمام بالباشرة والمت أحمد ولفة، وتحصيل حقوق الشركة وسندات التزاماتنا وتنفيذ أو إلغاء أو اتفاقيات أو مستندات متصلة بما بيع البضائع وال-services، وتسليم واسترداد العقود الأخرى، والمسكوكات والقضايا التشريعية والقضائية، والدفع والدخل في المناقشات والاجتماعات والمستشارات والمهام، وإعداد لائحة البنوك وإصدار السندات والشباكي وكافة الأوراق التجارية، وتعيين الموظفين والعملاء، والحماية من الدمار، وطلب التأمينات واسترداد الموارد، وذلك من الخارج، واستخراج الإفادات ومساند العمل ونقل الكفاءات والتزامها، وتفويض وتكليف البرغر في أي من أو كل ما ذكر أعلاه وإلغاء التفويض أو التوكل تجنيباً أو كلياً.

ويتمتع الرئيس وكبير الإداريين التنفيذيين بالإضافة إلى ذلك بالصلاحيات الأخرى التي يحددها مجلس الإدارة، وعلى تدقيق التعليمات التي يوجهها له مجلس الإدارة.
The Board of Directors shall, under a resolution to be adopted thereby, specify the compensation to be paid to each of the Chairman, the Deputy Chairman and the President and Chief Executive Officer for acting in those positions.

The Board of Directors shall appoint a secretary from among its members or others, and shall specify his duties, remuneration and terms of service. The Secretary’s duties shall include having the proceedings and resolutions of the Board of Directors written in minutes and recorded in a special register intended for the said purpose, as well as maintaining and keeping such register.

The term of office of the Chairman, the Deputy Chairman, the President and Chief Executive Officer, the Chief Financial Officer and the Secretary – if they are Directors – shall not exceed their respective terms of service as Directors. Their terms may always be renewed or they can be reelected. The Board of Directors may dismiss any of them at any time without prejudice to their right to claim compensation from the Company if the dismissal was for an invalid reason or occurred at an improper time.

**Article (23) – Board Meetings**

The Board of Directors shall be convened at least four times a year, upon a call by the Chairman. Such call shall be made in writing and be delivered by hand or telefax or sent by registered mail or email not less than fourteen (14) days prior to the date set for the meeting unless otherwise agreed by the Board of Directors in cases of urgency, and such notice shall include the agenda and appropriate briefing materials. The Chairman of the Board of Directors shall call for a meeting if so requested by any two (2) Directors. A Director may waive (with respect to that Director), in writing, any requirement for advance written notice of that meeting. A written retrospective waiver of notice, signed by a Director, shall be deemed equivalent to a notice to that Director. A Director’s attendance at a Board meeting shall constitute a waiver of notice (with respect to that Director) of that meeting.

**مادة (23) – اجتماعات مجلس الإدارة**

يجمع مجلس الإدارة بدعوة من رئيسها أربع مرات (4) في السنة على الأقل. وتكون الدعوة كتابية وتسجيل باليد أو تسجيل بالبريد الإلكتروني أو الفاكس أو البريد الإلكتروني وذلك قبل أربعة عشر (14) يومًا من التاريخ المحدد للاجتماع، ما لم يتفق أعضاء المجلس على خلاف ذلك في الحالات العاجلة، وتتضمن الدعوة جدول الاجتماع والمستندات المصاحبة المذكورة. ويجب على رئيس المجلس أن يدعو المجلس إلى الاجتماع حتى يطلب إياه ذلك أغلب أعضائه (2 من الأعضاء). يجوز لأي عضو أن ينفّذ (عن نفسه) كتابيًا أو عن طريق إرسال الإشارات الكتابية. ويعتبر أي تنازل كتابي أو عن طريق إرسال الإشارات الكتابية، مؤقتًا لإطلاقه تم تقديمه لذلك العضو، ويشكل حضور أي عضو في أي اجتماع للمجلس تنازلًا عن الإخطار (عن ذلك العضو) بذلك الاجتماع.
Article (24) – Quorum and Representation

A Board meeting shall be valid only if attended by at least seven (7) Directors (or six (6) Directors where the resolution to be passed is to fill a vacancy on the Board of Directors pursuant to Article (19) of these Bylaws), attending the meeting in person or by proxy. In the event that a member of the Board of Directors gives a proxy to another member to attend a meeting of the Board of Directors on his behalf, then such a proxy shall be given in accordance with the following:

(a) A member of the Board of Directors may not act for more than one (1) Director in respect of attending a meeting on behalf of such an absent Director.

(b) A proxy shall be in writing and notice of such appointment sent to the Secretary of the Board of Directors prior to such Board meeting.

(c) A Director acting by proxy may not vote on resolutions on which his principal is prohibited from voting under the law.

All Board resolutions shall be adopted with the approval of at least seven (7) Directors (or six (6) Directors where the resolution to be passed is solely to fill a vacancy on the Board of Directors pursuant to Article (19) of these Bylaws) present in person or represented by proxy and otherwise eligible to vote on the matter in question. The Chairman of the Board of Directors shall not have a tie-breaking vote in the event of a tie. A Director may participate in any Board meeting by telephone or video conference or by any other similar electronic means through which all Directors may communicate simultaneously. Such participation shall constitute the presence of a participating Director at such a meeting.

In urgent matters, the Board of Directors may adopt resolutions by presenting them in writing to all members of the Board individually, unless a Director requests to hold a meeting to deliberate such resolutions. Such resolution shall be adopted with the approval and signature of at least seven (7) Directors (or six (6) Directors where the resolution to be passed is to fill a vacancy on the Board of Directors pursuant to Article (19)). These resolutions shall be presented to the Board of Directors at its next meeting for inclusion in the minutes of the meeting.
Article (25) – Minutes of Meetings

The deliberations and resolutions of meetings of the Board of Directors shall be drawn in minutes, circulated to the Directors and, if approved, signed by the Chairman (or the Deputy Chairman, in case of the Chairman’s absence), each attending member of the Board of Directors and the Secretary (or his delegate). Such minutes shall be recorded in a special register to be signed by the Chairman (or the Deputy Chairman, in case of the Chairman’s absence) and the Secretary (or his delegate).

Article (26) – Conflict of Interest

Members of the Board of Directors must declare to the Board of Directors any interest, whether direct or indirect, in any transaction or contract made for the account of the Company. Such declaration must be recorded in the minutes of the Board meeting. The interested Director shall not participate in voting on the resolution to be adopted in this respect whether in the Board of Directors’ meeting or the General Assembly.

CHAPTER IV: COMMITTEES OF THE BOARD OF DIRECTORS

Article (27) – The Audit Committee

An Audit Committee shall be formed by a resolution of the Ordinary General Assembly. The resolution shall determine the Audit Committee’s composition rules, mandate and procedures as well as the remuneration of its members.

Article (28) – The Nomination and Remuneration Committee

A Nomination and Remuneration Committee shall be formed by a resolution of the Ordinary General Assembly. The resolution shall determine the Nomination and Remuneration Committee’s composition rules, mandate and procedures as well as the remuneration of its members.

الباب الرابع: لجنة مجلس الإدارة

مادة (27) - لجنة المراجعة

تشكل لجنة المراجعة بقرار من الجمعية العامة العادية، ويحدد القرار ضوابط وإجراءات عمل اللجنة وقواعد تشكيلاً ومهامها ومكافآت أعضائها.

مادة (28) - لجنة الترشيحات والمكافآت

تشكل لجنة الترشيحات والمكافآت بقرار من الجمعية العامة العادية، ويحدد القرار ضوابط وإجراءات عمل اللجنة وقواعد تشكيلاً ومهامها ومكافآت أعضائها.
Article (29) – Committees of Board of Directors

The Board of Directors may create one or more additional committees as needed by the Company in light of its circumstances to perform any matters that the Board of Directors shall from time to time assign to such committee or committees. The Board of Directors shall, by a resolution issued in accordance with Article (24) of these Bylaws, determine such committees’ composition rules, mandate and procedures as well as the remuneration of its members.

CHAPTER V: SHAREHOLDERS ASSEMBLIES

Article (30) – General Assembly

A General Assembly duly convened shall be deemed representing all the Shareholders, and shall be held in the city of Jeddah or Rabigh.

Each Shareholder, regardless of the number of shares held, shall have the right to attend the General Assembly. Each Shareholder may authorize in writing another person, other than the members of the Board of Directors and the employees of the Company, to attend the General Assembly on his/its behalf.

Article (31) – Conversion General Assembly

The Conversion General Assembly shall be competent to deal with the following matters:

(a) To ascertain that the capital of the Company has been fully subscribed for.

(b) To approve the final text of the Company’s Bylaws.

(c) To deliberate on the report in respect of the activities and expenses required by the Company’s conversion.

The proceedings of the Conversion General Assembly shall be valid only if attended by a number of subscribing Shareholders representing at least seventy-five percent (75%) of the Company’s capital. If such quorum cannot be attained at the first meeting, an invitation shall be sent for a second meeting to be held within thirty (30) days following the time set for the preceding meeting. Such invitation shall be published in the manner prescribed in Article (34) of these Bylaws. The second meeting shall be deemed valid irrespective of the number of shares represented therein.

 matéria (29) – لجان مجلس الإدارة

يجوز لمجلس الإدارة تشكيك لجان إضافية وفقاً لحاجة الشركة وظروفها لتولى المهام التي يحدده مجلس الإدارة من وقت لآخر. ويحدد مجلس الإدارة – بموافقة قرار يصدره وفقاً المادة (24) من هذا النظام – ضوابط وإجراءات عمل هذه اللجان وقواعد تشكيكها ومهامها ومكافأتها أعضاها.

الباب الخامس: جمعيات المساهمين

مادة (30) – الجمعية العامة

الجمعية العامة المكونة تكون صحيحةً تمتل جميع المساهمين وتتعد في مدينة جدة أو رياح.

لك مساهم يغض النظر عن عدد الأسهم التي يملكها حق حضور الجمعيات العامة للمساهمين وله في ذلك أن يرอก عن شخصاً أخر من غير أعضاء مجلس الإدارة أو عامل الشركة في حضور الجمعية العامة.

مادة (31) – الجمعية العامة للتحول

تختص الجمعية العامة للتحول بالأمور التالية:

(أ) التحقق من الاكتتاب بكل رأس المال ومن الوافر به.

(ب) إقرار النصوص التنفيذية لنظام الشركة.

(ج) المداولات في التقرير المتعلق بالأعمال والنفقات التي استضاء التحول.

ويشترط لصحة العمليات حضور عدد من المكتتبين يمثل نسبة وسعين بالمائة (75%) من رأس المال على الأقل، إذا لم يتوفر هذا النصاب في الاجتماع جهته الدعوة إلى اجتماع ثان بعد عيد الثلاثين (30) يومًا التالية للاجتماع السابق وتعدل الدعوة بالطريقة المنصوص عليها في المادة (34) من هذا النظام، ويعتبر الاجتماع الثاني صحيحاً إياً كان عدد الأسهم الممثلة فيه.

النظام الأساسي

<table>
<thead>
<tr>
<th>رقم السلة</th>
<th>اسم الشركة</th>
<th>رابط التفكيك والاحتمالات</th>
<th>تاريخ المالية</th>
<th>مركز الشركة</th>
</tr>
</thead>
<tbody>
<tr>
<td>1438</td>
<td></td>
<td>(602) 00116</td>
<td>18/09/2017</td>
<td></td>
</tr>
</tbody>
</table>

*تم إصدار نسخة النظام بناء على قرار الجمعية العامة غير العادية بتاريخ 18/09/2017*
Article (32) – Ordinary General Assembly

Except for matters reserved for the Conversion General Assembly and the Extraordinary General Assembly, the Ordinary General Assembly shall attend to all matters concerning the Company. The Ordinary General Assembly shall be convened at least once a year, within six (6) months following the end of the Company’s fiscal year. Additional Ordinary General Assembly meetings may be convened whenever needed.

Article (33) – Extraordinary General Assembly

The Extraordinary General Assembly shall have the power to amend the Company’s Bylaws with the vote set forth in Article (39) below, except for such provisions as may be impermissible to be amended under the law.

Furthermore, the Extraordinary General Assembly may adopt resolutions on matters falling within the competence of the Ordinary General Assembly under the same conditions applicable to the latter.

Article (34) – Manner of Convening General Assemblies

General and Special Assemblies shall be convened at the invitation of the Board of Directors. The Board of Directors shall convene a meeting of the Ordinary General Assembly if requested to do so by the Auditor, the Audit Committee or a number of Shareholders representing at least five percent (5%) of the Company’s capital. The Auditor may convene the Ordinary General Assembly if the Board of Directors fails to do so within thirty (30) days of the date the Auditor’s request. The invitation for a General Assembly meeting shall be published in a daily newspaper circulated in or near the city where the Company’s head office is located at least ten (10) days prior to the time set for such meeting. The invitation shall include the agenda of the meeting. A copy of the invitation and the agenda shall be sent, within the period set for publication, to the Ministry of Commerce and Investment and the Capital Market Authority.

Article (35) – Record of Attendance at the Meetings of the General Assembly

Before the time specified for the General or Special Assembly meeting, a statement shall be prepared showing the names of the Shareholders present or represented thereat, together with their addresses, as well as the number of shares held by each Shareholder and the number of votes to which they are entitled.

Mادة (32) – الجمعية العامة العادية

فيما عدا الأمور التي تختص بها الجمعية العامة لتحول وجمعية العمادة غير العادية، تختص الجمعية العامة العادية بجميع الأمور المتعلقة بالشركة وتتعقد مرة على الأقل في السنة خلال السنة (6) أشهر التالية لانتهاء السنة المالية للشركة ويجوز دعوة جماعات عادية أخرى كما دعت الحاجة إلى ذلك.

مادة (33) – الجمعية العامة غير العادية

تختص الجمعية العامة غير العادية بتعديل نظام الشركة الأساسي، بالأغلبية المذكورة في المادة (39) من هذا النظام، باستثناء الأحكام المحظورة عليها تعديلها نظاماً. ولاها أن تصدر قرارات في الأمور الداخلة في اختصاص الجمعية العامة العادية وذلك بنفس الشروط والأوضاع المفروضة للجمعية الأخيرة.

مادة (34) – دعوة الجمعيات

تتعقد الجمعيات العامة أو الخاصة للمساهمين بدعوة من مجلس الإدارة. وعلى مجلس الإدارة أن يدعو الجمعية العامة العادية إذا طلب ذلك مراجع الحسابات أو لجنة المراجعة أو عدد من المساهمين يمثل خمسة بالمائة (5%) من أصل المال على الأقل. ويجب بمراجعة الحسابات دعوة الجمعية العامة العادية للاستحقاق إذا لم يتم مجلس الإدارة بدعوة الجمعية خلال ثلاثين (30) يوماً من تاريخ طلب مراجع الحسابات. وتنشر الدعوة للاستحقاق الجمعية العامة في صحيفة يومية توزع في المنطقة التي يقع فيها المركز الرئيسي للشركة أو بأقرب منها قبل الموعد المحدد للاستحقاق بعشرة أيام (10) على الأقل، يجب أن تتضمن الدعوة جدول الأعمال، ومثل نسبة من الدعوة وجداول الأعمال إلى وزارة التجارة والاستثمار وهيئة السوق المالية، وذلك خلال المدة المحددة للنشر.

مادة (35) – أثبات الحضور في اجتماعات الجمعية العامة

يرحى قبل الموعد المحدد لاجتماع الجمعية العامة أو الخاصة للمساهمين كشف بأسماء المساهمين الحاضرين والممثلين وحالات إقامتهم مع بيان عدد الأسهم التي في حيازتهم بالأصول أو الوكالة وعدد الأصوات المخصصة لها.

<table>
<thead>
<tr>
<th>اسم الشركة</th>
<th>رقم الشركة</th>
<th>رابط التقرير والملف الإلكتروني</th>
<th>تاريخ</th>
<th>ملاحظات</th>
</tr>
</thead>
</table>
| 4402261516   | 04/09/18     | 08/10/17                     | 17 صفحات | متم إصدار نسخة النظام بالبيانات في قرار الجمعية العامة غير العادية بتاريخ 18/9/18 2538.
Article (36) – Quorum of Ordinary General Assembly

A meeting of the Ordinary General Assembly shall be valid only if attended by Shareholders representing at least fifty percent (50%) of the Company’s capital.

If such quorum cannot be attained at the first meeting, then an invitation shall be sent for a second meeting to be held within thirty (30) days following the time set for the preceding meeting. Such invitation shall be published in the manner prescribed in Article (35) of these Bylaws.

In all cases, the second meeting shall be deemed valid irrespective of the number of shares represented therein.

Article (37) – Quorum of Extraordinary General Assembly

A meeting of the Extraordinary General Assembly shall be valid only if attended by Shareholders representing at least two-thirds (2/3) of the Company’s capital. If such quorum cannot be attained at the first meeting, then an invitation shall be sent for a second meeting to be convened in the same manner prescribed in Article (34) of these Bylaws.

In all cases, the second meeting shall not be valid unless attended by a number of the Shareholders representing at least one quarter (1/4) of the Company’s capital. If the required quorum is not reached in the second meeting, an invitation for a third meeting shall be sent in the same manner prescribed in Article (34) of these Bylaws. The third meeting shall be valid regardless of the number of shares represented therein, with the consent of the competent authority.

Article (38) – Voting Rights

Each subscribing Shareholder shall have one vote for each share he/she owns at the meeting of the Conversion General Assembly. Votes at the meetings of Ordinary and Extraordinary General Assemblies shall be computed on the basis of one vote for each share represented at the meeting. The cumulative voting method shall be followed for the election of Board members in the General Assembly. Board members shall be prohibited from voting on resolutions relating to their discharge from liability with respect to their term of office.

Madde (36) – نصاب الجمعية العامة العادية

لا يكون اجتماع الجمعية العامة العادية صحيحاً إلا إذا حضره مساهمون يمثلون خمسة بنائات (50%) من أصل المال على الأقل، فإذا لم يتم توفير هذا النصاب في الاجتماع، وجهت الدعوة إلى اجتماع آخر بعد الثلاثين (30) يوماً التالية للأجتماع السابق. وتتشر هذه الدعوة بطريقة المنسوبة عليها في المادة (35) من هذا النظام.

وفي جميع الأحوال، يكون الاجتماع الثاني صحيحاً إذا كان عدد الأسهم الممثلة فيه.

Madde (37) – نصاب الجمعية العامة غير العادية

لا يكون اجتماع الجمعية العامة غير العادية صحيحاً إلا إذا حضره مساهمون يمثلون ثلثين (2/3) من أصل المال على الأقل، فإذا لم يتم توفير هذا النصاب في الاجتماع الأول، وجهت الدعوة إلى اجتماع آخر بعد الثلاثين (30) يوماً التالية للأعمال المنسوبة عليها في المادة (34) من هذا النظام.

وفي جميع الأحوال، يكون الاجتماع الثاني صحيحاً إذا حضره عدد من الأسهم يمثل ربع (1/4) من أصل المال على الأقل، وإذا لم يتم توفير النصاب في الاجتماع الثاني، وجهت الدعوة إلى اجتماع آخر بعد الثلاثين (30) يوماً التالية للأعمال المنسوبة عليها في المادة (34) من هذا النظام، ويكون الاجتماع الثاني صحيحاً إذا كان عدد الأسهم الممثلة فيه بعد موافقة الجهات المختصة.

Madde (38) – القوة التصويتية

 لكل مكتسب صوت عن كل سهم يمثله في الجمعية العامة للتحول. وتتشر الأصوات في الجمعيات العامة العادية وغير العادية على أساس صوت واحد لكل سهم مثله في الاجتماع. ويتبع أسلوب التصويت التراكمي عند التصويت لאסاطير أعضاء مجلس الإدارة في الجمعية العامة. ولا يجوز لأعضاء مجلس الإدارة الاشتراك في التصويت على قرارات الجمعية التي تتعلق بإبرام ذمهم من المسؤولية عن إدارة الشركة خلال مدة عضويتهم.
Article (39) – Resolutions

Resolutions of the Conversion General Assembly shall be adopted by seventy-five per cent (75%) of the shares represented thereat. However, if such resolutions relate to the evaluation of in-kind shares or of special benefits, then it shall be necessary to have the approval of the majority of the Shareholders subscribing to cash shares representing two-thirds of said shares after excluding the subscriptions made by the Shareholders subscribing to in-kind shares or the beneficiaries of special benefits. These latter Shareholders and beneficiaries shall not have the right to express their opinion as to these resolutions even if they were holders of cash shares.

Resolutions of the Ordinary General Assembly shall be adopted by a majority vote of at least seventy-five percent (75%) of the shares represented at the meeting.

Resolutions of the Extraordinary General Assembly shall be adopted by a majority vote of at least two-thirds (2/3) of the shares represented at the meeting, unless the resolution is related to an increase or decrease of the capital, an extension to the Company’s term, a merger of the Company with another company or dissolution of the Company before the end of its term, in which case the resolution is valid only if adopted by a majority of three-quarters (3/4) of the shares represented at the meeting.

Article (40) – Rights of Shareholders at the Meetings of the General Assembly

Each Shareholder shall have the right to discuss the matters listed in the General Assembly’s agenda and to direct questions in respect thereof to the members of the Board of Directors and to the Auditor. Members of the Board of Directors or the Auditor shall answer the Shareholders’ questions to the extent that does not expose the Company’s interest to any damage. If the Shareholder deems the answer to the question unsatisfactory, then he/she may refer the issue to the General Assembly and its decision in this regard shall be conclusive.

 المادة (39) – القرارات

تصدر القرارات في الجمعية العامة للتحول بأغلبية خمسة وسبعون بالمائة (75%) للأعضاء المعتمدين في الاجتماع. ومع ذلك إذا تعلقت هذه القرارات بتقديم حصص عينية أو مزايا خاصة لزمت مؤشرة أغلبية إلكترونية بأغلبية نقدية تتمثل بثلاثة أرباع (3/4) الأعضاء الذي تم اختيارهم بعد استبعاد ما أكتب به مقدمي الحصص العينية أو المستفيدين من المزايا الخاصة ولا يكون لهؤلاء رأي في هذه القرارات ولا كانوا من أصحاب الأسهم النقدية.

وتصدر قرارات الجمعية العامة العادية بأغلبية خمسة وسبعون بالمائة (75%) من الأعضاء المعتمدين في الاجتماع.

أما قرارات الجمعية العامة غير العادية بأغلبية ثلثي (2/3) الأعضاء المعتمدين في الاجتماع إلا إذا كان القرار متعلقاً بزيادة أسهم المال أو تخفيفها أو بإضافة عضوين أو أكثر إلى اتفاقية إدارتها أو قانونها، وفي هذه النماذج فإنه يصوت الامثل أرباع الأعضاء في الاجتماع.

مادة (40) – حقوق المساهمين في اجتماعات الجمعية العامة

لكل مساهم حق مناقشة الموضوعات المدرجة في جدول أعمال الجمعية وطرح الأسئلة بشأنها إلى أعضاء مجلس الإدارة ومراجعة النسب، ويجيب مجلس الإدارة أو مراجع النسب على أسئلة المساهمين بالقدر الذي لا يعرض مصلحة الشركة للضرر، وإذا أدى إلى انعدام الرد على سؤاله غير مقنع أحتكم إلى الجمعية ويكون قرار الجمعية في هذا الشأن نافذاً.

تم إصدار نسخة النظام بناء على قرار الجمعية العامة غير العادية بتاريخ 18/9/1438هـ.
Article (41) – Proceedings of the General Assembly

The General Assembly shall be presided over by the Chairman of the Board of Directors or, the Deputy Chairman, in the absence of the Chairman, or whoever is delegated by the Board of Directors from among its members for such task, in the case of the absence of both the Chairman and the Deputy Chairman. The chairman of the meeting shall appoint a secretary for the meeting and a canvasser. Minutes shall be written for the meeting showing the names of the Shareholders present in person or represented by proxy, the number of the shares held by each Shareholder, the number of votes attached to such shares, the resolutions adopted at the meeting, the number of votes agreeing to or dissenting from such resolutions and a comprehensive summary of the discussions that took place at the meeting. Such minutes shall be regularly recorded after each meeting in a special register to be signed by the chairman of the meeting, the secretary and the canvasser.

CHAPTER VI: AUDITOR

Article (42) – Appointment of Auditor

The Company shall have one Auditor (or more) to be selected from among the auditors certified as licensed to practice accounting in the Kingdom of Saudi Arabia. The General Assembly shall appoint the Auditor on an annual basis and determine his compensation and duration work. The General Assembly may further reappoint the same Auditor, provided that no single Auditor is appointed for a period of more than five (5) consecutive years. An Auditor who exceeds this period may be reappointed after two (2) years from the date on which such period expires. The General Assembly may replace the Auditor at any time without prejudice to any claim for compensation if such dismissal was made for an invalid reason or at an improper time.

الباب السادس: مراجع الحسابات

مادة (42) - تعين مراجع الحسابات

يكون للشركة مراجع حسابات (أو أكثر) من بين مراجع الحسابات المرخص لهم بالعمل في المملكة العربية السعودية تعينه الجمعية العامة سنويًّا وتحدد مكافأته ورده عمله. يجوز للجمعية العامة الموافقة إعداد تعيين مراجع الحسابات، على أن لا يتجاوز مجموع مدة تعيينه خمس (5) سنوات متصلة، ويجوز لمعدم انتهائها. يجوز للجمعية أيضاً أن يعاد تعيينه بعد مضي سنتين من تاريخ انتهائها. يجوز للجمعية أيضاً أن يقع التغيير في وقت غير مناسب أو لسبب غير مشروع.
Article (43) – Access to Records

The Auditor shall have access at all times to the Company’s books, records and any other documents, and may request information and clarification as it deems necessary to verify the Company’s assets and liabilities and perform any other duties within the scope of his work. The Chairman of the Board Directors shall procure that the Auditor is able to perform his duties. The Auditor shall report to the Board of Directors any difficulties he encounters in the performance of his duties. In the event that the Board of Directors fails to facilitate the performance of the Auditor’s duties, the Auditor shall request the Board of Directors to convene an Ordinary General Assembly meeting to consider the matter.

Article (44) – Auditor’s Report

The Auditor shall submit to the annual General Assembly a report stating how far the Company has enabled it to obtain the information and clarifications it has requested, what it has discovered of any violations of the Companies Law and these Bylaws and its opinion as to the fairness of the Company’s financial statements.

CHAPTER VII: THE COMPANY’S ACCOUNTS AND DISTRIBUTION OF PROFITS

Article (45) – Fiscal Year

The Company’s fiscal year shall commence as on the 1st of January and expire on the 31st of December of each Gregorian year. The Company shall be considered converted to a joint stock company from the date of the Ministerial resolution announcing its conversion. For the purpose of preparing the financial statements for the year on which the conversion occurred, the Company shall be considered an ongoing entity resulting from the limited liability company and its fiscal year shall commence on the 1st of January and expire on the 31st December of the said year.

Article (46) – Financial Documents
1. At the end of each fiscal year, the Board of Directors shall prepare the financial statements of the Company and a report of its activities and financial position for such fiscal year, including the proposed method to distribute the net profits. The Board of Directors shall put these documents at the disposal of the Auditor at least forty-five (45) days prior to the date specified for the General Assembly.

2. The Chairman of the Board of Directors, the President and Chief Executive Officer and the Chief Financial Officer shall sign the documents set forth in Paragraph (1) of this Article, and copies thereof shall be deposited at the Company's headquarters at the disposal of the Shareholders at least ten (10) days before the date specified for the General Assembly.

3. The Chairman of the Board of Directors shall provide the Shareholders with the financial statements of the Company, the Board of Directors' report and the Auditor's report, unless they are published in a daily newspaper distributed in or near the city where the headquarters of the Company is situated. The Chairman shall also send a copy of these documents to the Ministry of Commerce and Investment and the Capital Market Authority at least fifteen (15) days before the date specified for the General Assembly.

Article (47) – Distribution of Profits

After deducting all general expenses and other costs, including taxes and zakat imposed under Shari'a, the Company’s annual net profits shall be allocated as follows:

1. Ten percent (10%) of the annual net profits shall be set aside to form a statutory reserve. Such setting aside may be discontinued by the Ordinary General Assembly when said reserve equals one-half (1/2) of the Company’s paid-up capital.

2. The Ordinary General Assembly may, upon the recommendation of the Board of Directors, set aside a percentage of the annual net profits to form an additional reserve to be allocated for the purpose or purposes decided by the Ordinary General Assembly.
3. The Ordinary General Assembly may resolve to form other reserves to the extent they serve the Company’s interests, or to ensure the distribution of fixed dividends – so far as possible – to the Shareholders. The Ordinary General Assembly may also deduct amounts from the net profit to create social institutions for the Company’s employees, or to support existing institutions of such kind.

4. All of the remaining amounts of the annual net profits shall be distributed to the Shareholders unless the Ordinary General Assembly decides otherwise.

The Company may distribute interim dividends on a quarterly or semi-annual basis in accordance with the rules established by the competent authority.

**Article (48) – Entitlement to Dividends**

A Shareholder will be entitled to his share of dividends as determined by the General Assembly’s resolution issued in that respect, which shall specify the date of entitlement and the date of distribution. Entitlement to dividends shall be to the Shareholders registered in the Shareholders’ registers at the end of the day specified for entitlement.

**Article (49) – Distribution of Dividends for Preferred Shares**

1. If there is no distribution of profits for a fiscal year, no profits shall be distributed for subsequent fiscal years until the percentage of profits specified by Article (114) of the Companies Law has been paid to the holders of preferred shares in respect of the year in which the distribution was not paid.

2. If the Company fails to pay the percentage of profits specified by Article (114) of the Companies Law for three (3) consecutive years, a Special Assembly for holders of preferred shares, held pursuant to Article (89) of the Companies Law, may resolve to either attend the General Assembly of the Company and participate in the vote, or to appoint representatives to the Board of Directors of the Company in proportion to the value of their shareholding in the capital of the Company, until the Company has paid in full the priority profits allocated to the holders of preferred shares for each previous year in which the distribution was not paid.

**Mada (48) – توزيع أرباح**

يحجز للشركة توزيع أرباح لمحة بشكل نصف سنوي أوربع سنوي، وفقًا للضوابط التي تحددها الهيئة المختصة.

**Mada (49) – توزيع الأرباح للأookeeper الممتازة**

1. إذا لم توزع أرباح عن أي سنة مالية، فإنه لا يجوز توزيع أرباح عن السنوات التالية إلا بعد دفع النسبة المحددة وفقا لحكم المادة (114) من نظام الشركات لأصحاب الأسهم الممتازة عن هذه السنة.

2. إذا فشلت الشركة في دفع النسبة المحددة وفقًا لحكم المادة (114) من نظام الشركات من الأرباح لمدة ثلاث سنوات (3) متتالية، فإنه يجوز للجمعية الخاصة لأصحاب هذه الأسهم، المنعقدة طبقًا لأحكام المادة (89) من نظام الشركات، أن تقرر إما حضورهم اجتماعات الجمعية العامة للشركة المشاركة في التصويت، أو تعيين ممثلين عنهم في مجلس الإدارة بما يتناسب مع قيمة أسهمهم فيرأس المال، وذلك إلى أن يتمكن الشركة من دفع كل أرباح الأصلية المخصصة لأصحاب هذه الأسهم عن السنوات السابقة.
Article (50) – Company Losses

1. If the Company's losses amount to half (1/2) of the paid-up capital, at any time during the fiscal year, then any officer of the Company or the Auditor upon becoming aware of such losses shall notify the Chairman of the Board of Directors, and the Chairman shall immediately inform the members of the Board of Directors. The Board of Directors shall, within fifteen (15) days of such notification, convene an Extraordinary General Assembly to meet within forty-five (45) days from the date on which the Board was notified of the losses, to resolve whether to increase or reduce the capital of the Company pursuant to the provisions of the Companies Law, such that the losses become less than half (1/2) of the Company's paid-up capital, or dissolve the Company before the end of its term as stated in these Bylaws.

2. The Company shall be deemed terminated by operation of law if the General Assembly is not convened during the term specified in Paragraph (1) of this Article, or if the General Assembly is convened but is unable to adopt a resolution on the matter, or if the Assembly resolves to increase the capital in accordance with the conditions specified in this Article but the capital increase is not fully subscribed for within ninety (90) days from the date on which the General Assembly adopted the resolution to increase the capital.

CHAPTER VIII: DISPUTES

Article (51) – Liability Action

Each Shareholder shall have the right to file a liability action, vested on behalf of the Company, against the members of the Board of Directors if they have committed a wrongful act that would cause some personal damage to such Shareholder, provided that the Company’s right to file such action is still valid. The Shareholder shall notify the Company of his/its intention to file such action.

CHAPTER IX: DISSOLUTION AND WINDING UP OF THE COMPANY

The last name: Company Dissolution

مادة (50) - خسائر الشركة

1. إذا بلغت خسائر الشركة نصف (1/2) أس رأس المال المدفوع، في أي وقت خلال السنة المالية، يجب على أي مسئول في الشركة أو مراجع الخسارات فورًا وأيضاً يبلغ رئيس مجلس الإدارة، وعلى رئيس مجلس الإدارة إبلاغ أعضاء المجلس فورًا وأيضاً. وعلى مجلس الإدارة خلال خمسة عشر (15) يومًا من علمه بذلك دعوة الجمعية العامة غير العادية للاجتماع خلال خمسة وأربعين (45) يومًا من تاريخ علمه بالخسارة، لتقرر إما زيادة أس رأس المال الشركة أو تخفيفه وفقًا لأحكام نظام الشركات وذلك إلى الحد الذي يتضمن معه نسبة الخسائر إلى ما دون نصف (1/2) أس رأس المال المدفوع، أو حل الشركة قبل الأول المحدد في هذا النظام.

2. تعد الشركة منقضية بقوة نظام الشركات إذا لم تجمع الجمعية العامة خلال المدة المحددة في الفقرة (1) من هذه المادة، أو إذا اجتمعت وتعرض عليها إصدار قرار في الموضوع، أو إذا قررت زيادة أس رأس المال وفق الأوضاع المقررة في هذه المادة ولم يتم الاكتتاب في كل زيادة أس رأس المال خلال تسعين (90) يومًا من صدور قرار الجمعية العامة.

الباب الثامن: المنازعات

مادة (51) - دعوى المسؤولية

للكل مساهم الحق في رفع دعوى المسؤولية المتصلة للشركة على أعضاء مجلس الإدارة إذا كان من شأن الخلو الذي صدر منهم إلحاق ضرر خاص به بيشير أن يكون حق الشركة في رفع مال قائم، ويجب على المساهم أن يخطر الشركة أولًا على رفع الدعوى.

الباب التاسع: حل الشركة وصفتيها
Article (52) – Dissolution of the Company

The Company, upon its dissolution, shall enter a liquidation phase during which it shall retain its legal personality to the extent necessary for the liquidation. The Extraordinary General Assembly shall issue a resolution for the voluntary liquidation of the Company, which must include the appointment of a liquidator and specify his powers, fees, any restrictions on his powers and the period required for the liquidation process. The period of a voluntary liquidation process shall not exceed five (5) years and may not be further extended without a judicial order. The authority of the Board of Directors shall cease upon the dissolution of the Company; however, the Board of Directors shall remain responsible for the management of the Company and shall be deemed as liquidators towards third parties, until a liquidator is appointed. General Assemblies shall continue throughout the duration of the liquidation process, but their role shall be limited to exercising their competencies so far as they do not conflict with those of the liquidator.

CHAPTER X: GENERAL PROVISIONS

Article (53) – Companies Law

The Companies Law shall apply to all other matters not specifically provided for herein.

Article (54) – Filing and Publication

These Bylaws shall be filed and published in accordance with the Companies Law and its regulations.

مادة (52) – انقضاء الشركة

تدخل الشركة بمجرد انقضاءها دور التصفية وتحتفظ بالشخصية الاعتبارية بالقدر اللازم للتصفية ويصدر قرار التصفية الاختيارية من الجمعية العامة غير العادية ويجب أن يشمل قرار التصفية على تعيين المصرف وتحديد سلطاته وأعماله والقيود المفروضة على سلطاته والمدة الزمنية اللازمة للتصفية ويجب الا تتجاوز مدة التصفية الاختيارية خمس (5) سنوات ولا يجوز تمديدها لأكثر من ذلك إلا بأمر قضائي وتنتهي سلطة مجلس إدارة الشركة بحلها ومع ذلك يظل هؤلاء قائمين على إدارة الشركة ويعودون بالنسبة إلى الغير في حكم المساهمين إلى أن يعين المصرف، وتبقى جمعيات المساهمين قائمة خلال مدة التصفية ويفترض دورها على ممارسة اختصاصاتها التي لا تتعارض مع اختصاصات المصرف.

باب العاشر: أحكام عامة

مادة (53) – نظام الشركات

يطبق نظام الشركات على كل ما لم يرد ذكره في هذا النظام الأساسي.

مادة (54) – الإدراج والنشر

يودع هذا النظام وينشر طبقاً لأحكام نظام الشركات ولوائحه.