



Supporting Documents

Agenda Items 12 - 45

To vote on the changes of the Company's By-Laws, as follows:

- ✿ To vote on the changes in Article 3 of the Company's By-Laws: Objectives of the Company
- ✿ To vote on the changes in Article 4 of the Company's By-Laws: Participation & Acquisition of Companies
- ✿ To vote on the changes in Article 5 of the Company's By-Laws : Head Office
- ✿ To vote on the changes in Article 7 of the Company's By-Laws: Investments of the Company
- ✿ To vote on the changes in Article 12 of the Company's By-Laws: Transfer of Shares
- ✿ To vote on the changes in Article 13 of the Company's By-Laws: Increase of Capital
- ✿ To vote on the changes in Article 14 of the Company's By-Laws: Decrease of Capital
- ✿ To vote on the changes in Article 15 of the Company's By-Laws : Management of the Company
- ✿ To vote on the changes in Article 16 of the Company's By-Laws: Termination of Membership
- ✿ To vote on the changes in Article 17 of the Company's By-Laws: Vacant Position in the Board
- ✿ To vote on the changes in Article 18 of the Company's By-Laws: Power and Authorities of Board of Directors

- ✿ To vote on the changes in Article 19 of the Company's By-Laws: Remuneration of Board Members, Chairman and Managing Director
- ✿ To vote on the changes in Article 20 of the Company's By-Laws: Power of the Chairman, Vice Chairman and Board Secretary
- ✿ To vote on the changes in Article 21 of the Company's By-Laws: Board Meetings
- ✿ To vote on the changes in Article 22 of the Company's By-Laws: Quorum of Board Meeting
- ✿ To vote on the changes in Article 24 of the Company's By-Laws: Agreements and Contracts, conflict of interest and competition
- ✿ To vote on the changes in Article 25 of the Company's By-Laws: Attending Assembly Meetings
- ✿ To vote on the changes in Article 26 of the Company's By-Laws: Constituent General Assembly
- ✿ To vote on the changes in Article 27 of the Company's By-Laws: Powers of the Constituent Assembly
- ✿ To vote on the changes in Article 28 of the Company's By-Laws: Ordinary General Assembly
- ✿ To vote on the changes in Article 30 of the Company's By-Laws: Invitations to General Assemblies
- ✿ To vote on the changes in Article 31 of the Company's By-Laws: Register of Attendance
- ✿ To vote on the changes in Article 32 of the Company's By-Laws: Quorum of the Ordinary General Assembly Meeting
- ✿ To vote on the changes in Article 33 of the Company's By-Laws: Quorum of the Extraordinary General Assembly Meeting
- ✿ To vote on the changes in Article 36 of the Company's By-Laws: Discussion in the General Assembly Meetings
- ✿ To vote on the changes in Article 37 of the Company's By-Laws: Presidency of General Assembly Meetings and meeting minutes
- ✿ To vote on the changes in Article 39 of the Company's By-Laws: Appointment of Auditors
- ✿ To vote on the changes in Article 41 of the Company's By-Laws: Obligations of the Auditors
- ✿ To vote on the changes in Article 43 of the Company's By-Laws: Financial Statements
- ✿ To vote on the changes in Article 45 of the Company's By-Laws: Zakat and Reserves
- ✿ To vote on the changes in Article 47 of the Company's By-Laws: Company Losses
- ✿ To vote on the changes in Article 49 of the Company's By-Laws: Liabilities of the Board of Directors
- ✿ To vote on the changes in Article 50 of the Company's By-Laws: Dissolution of the Company
- ✿ To vote on the changes in Article 51 of the Company's By-Laws: The Company's By-Laws

<i>Subject</i>	<i>Current Article</i>	<i>Article After Amendments</i>
<p><i>ARTICLE (3)</i> Objectives of the Company</p>	<p>Engagement in cooperative insurance business (protection and savings insurance) and the company has the right to do all the work that needs to be done to achieve its objectives, whether in the field of insurance or investing its money, and to own and move fixed and cash funds or sell or exchange them or rent them directly through it or through companies that it establishes or buys or in partnership with other bodies, and the company carries out its activities in accordance with the provisions of the Cooperative Insurance Companies Control Law and its implementing regulations, and the regulations and rules in force in the Kingdom of Saudi Arabia and after obtaining the necessary licenses from the competent authorities, if any.</p>	<p>Transact cooperative insurance operations in General Insurance, Saving and Protection Insurance products and the company has to transact all related activities to achieve these purpose in accordance with the provisions of the Cooperative Insurance Companies Control Act and its implementing regulations as well as SAMA's provisions and other applicable laws and regulations in the Kingdom of Saudi Arabia, provided that all the required licenses (if any) have been obtained from the concerned authorities.</p>
<p><i>ARTICLE (4)</i> Participation & Acquisition of Companies</p>	<p>The company solely may set up affiliates with limited liability, or a closed joint stock provided that the capital should not be less than five million Saudi Riyals (SAR 5,000,000); may also have stocks and shares owned in other companies list or merge with them and have the right to participate with others in the establishment of joint stock companies or limited liability - provided that the companies established by the company or in which it participates or merges with it is engaged in activities similar to its business or financial business or that help it achieve its purpose. After fulfilling the requirements of the applicable regulations and instructions in this regard, and after obtaining the approval of the Saudi Central Bank.</p>	<p>The Company shall establish companies with limited liability or sole individual. The company may also acquire shares or stocks in, merge with or participate with others to establish joint stock companies or companies with limited liability that perform activities similar to those it undertakes or which may help it to realize its objectives to carry out all the activities stated under this Article upon meeting all the requirements of the applicable regulations and instructions, and obtaining all the required approvals from the Saudi Central Bank ("SAMA").</p>
<p><i>ARTICLE (5)</i> Head Office</p>	<p>Head Office of the company shall be in the city of Jeddah in Saudi Arabia, and may thru a decision of the Extraordinary General Assembly be transferred to any other city in Saudi Arabia with the approval of the Saudi Arabia Monetary Agency and the Board of Directors may establish branches or offices or agencies in Saudi Arabia or abroad after having approval by the Saudi Central Bank.</p>	<p>The Company's head office shall be in the city of Jeddah, KSA. The head office may, with the approval of Extra Ordinary General Assembly Meeting resolution to transfer to any other city in the Kingdom of Saudi Arabia after getting SAMA approval. The Company may establish branches, offices or agencies for the Company within or outside the Kingdom of Saudi Arabia after obtaining the approval of SAMA.</p>

<p><i>ARTICLE (7)</i> <i>Investments of</i> <i>the Company</i></p>	<p>The company invests the funds of the insured and shareholders in accordance with the rules and regulations stipulated by the Board of Directors and in a manner deemed not in conflict with the Cooperative Insurance Companies Control Law and its executive bylaws and other relevant regulations and instructions issued by the Saudi Central Bank or any other related body.</p>	<p>the Company shall invest the funds collected from the Policyholders and the Shareholders in accordance with the rules set by the Board of Directors without prejudice to the Cooperative Insurance Companies Control Act and its implementing regulations and all relevant rules</p>
<p><i>ARTICLE (12)</i> <i>Transfer of Shares</i></p>	<p>Shares subscribed by the founders may not be traded except after publishing the financial statements for two fiscal years, each of which is not less for (12) twelve months from the date of incorporation of the company. The bonds of these shares shall be indicated indicating their type, the date of incorporation of the company, and the period during which they are prohibited from being traded, however it is permissible during the prohibition period to transfer the ownership of shares in accordance with the provisions of selling rights from one of the founders to another founder or from the heirs of one of the founders in the event of his death to others or in the event of Execution of the funds of the insolvent or bankrupt founder, provided that the priority of owning those shares is given to the other founders . The provisions of this article shall apply to the subscriptions of the founders in the event of an increase in the capital prior to the expiry of the prohibition period.</p>	<ol style="list-style-type: none"> 1- The shares subscribed for by the Founders shall not be transferable before publishing the financial statements for two full fiscal years, each consisting of twelve (12) months from the date of incorporation of the Company and after obtaining SAMA approval. A notation shall be made on the respective share certificates, indicating their class, the date of incorporation of the Company and the lock-up period. 2- However, the title to the shares may still be transferred during the lock-up period in accordance with the legal provisions for the sale of rights from one Founder to another or from the heirs of a deceased Founder to a third party or in the case of execution on the insolvent or bankrupt Founder, provided that the other Founders shall have the right of first refusal. 3- This Article provisions shall apply to shares subscribed for by the Founders in case of increasing the capital before the expiry of the lockup period.

ARTICLE (13)
Increase of Capital

The extraordinary general assembly may decide to increase the capital of the company after the approval of the competent authorities, provided that the capital has been fully paid out. The shareholder who owns the share - at the time of the General Assembly's decision to approve the increase in the capital - has priority in subscribing for new shares issued in exchange for cash shares, and they inform them of their priority - if any - by publishing in a daily newspaper or by informing them by registered mail of the decision to increase the capital and the conditions and duration of the subscription And the date of its start and end . The extraordinary general assembly has the right to suspend the priority right for shareholders to subscribe to an increase in capital in exchange for cash shares or to give priority to non-shareholders in cases it deems appropriate in the interest of the company. The shareholder has the right to sell or waive the pre-emption right during the period from the time of the issuance of the decision of the general assembly approving the increase of the capital to the last day of subscription for new shares related to these rights, in accordance with the controls laid down by the competent authority.

- 1- The Extraordinary General Assembly may adopt a resolution to increase the Company's capital and the approval of the concerned authorities SAMA and CMA has been obtained and provided that the original capital shall have been paid in full. Its not condition of paying full capital if unpaid capital portions derived to issued shares against transfer of debt and financial deeds to shares and not completed after the notified period to be transferred to shares.
- 2- The Extraordinary General Assembly in all cases has the right to separate portion of issued shares while increasing capital or part of it to the company's employees and affiliated companies. Shareholder not permitted to practice priority right while the company issuing its employees shares.
- 3- Any person, who holds Shares in the Company at the time of the issuance of General Assembly resolution, shall have pre-emptive rights to subscribe for the new cash shares. The Shareholders shall be notified of the pre-emptive rights, if any, vested in them by notice to be published in a daily newspaper addressing the capital increase resolution, the conditions, duration, commencement and closing dates of subscription, or by written notice to the Shareholder by registered mail.
- 4- The Extraordinary General Assembly shall be entitled to suspend such pre-emption rights in a cash capital increase or grant them to others when deemed to be in the Company's best interest.
- 5- A Shareholder may sell or assign its preemption right during the period from the date of the General Assembly resolution approving the capital increase until the subscription closing date, in accordance with the guidelines set by the concerned authorities CMA.

<p>ARTICLE (14) <i>Decrease of Capital</i></p>	<p>Extraordinary General Assembly may decide to reduce the capital if it exceeds the company's need or if it incurs losses - after the approval of the competent authorities - provided that the paid-up capital of the insurance company after reducing the capital is not less than one hundred (100) million riyals, and the paid capital is not less than two hundred (200) million riyals for a re-insurance company or an insurance company that carries out at the same time reinsurance business. The reduction decision shall not be issued except after reading a special report prepared by the auditor on the reasons that necessitate it, the obligations of the company, and the impact of the reduction on these obligations. If the capital reduction is a result of an increase in the company's need, creditors must be called upon to express their objections within sixty (60) days from the date of publishing the reduction decision in a daily newspaper distributed in the area where the company's headquarters are .If one of the creditors objects and submits his documents to the company on the aforementioned date, the company must pay him his debt if it is due or provide him with a guarantee sufficient to pay it if it is later.</p>	<ol style="list-style-type: none"> 1- The Extraordinary General Assembly may adopt a resolution to reduce the Company's capital if it proves to be in excess of the Company's needs or if the Company sustains losses subject to the approval of the concerned authorities, SAMA and CMA, provided that the capital paid to the insurance company not less than SR100 million after capital reduction and the capital paid to reinsurance company or insurance company operating in reinsurance at the same time not less than SAR 200 million . Such resolution shall be issued only after reading the auditor's report on the reasons calling for such reduction, the obligations to be fulfilled by the Company and the effect of the reduction on such obligations. 2- 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 the city 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.
<p>ARTICLE (15) <i>Management of the Company</i></p>	<p>The company shall be managed by a board of directors composed of (7) members to be elected by Ordinary General Assembly for a term not exceeding 3 years. The Board composition shall reflect sufficient representation of independent members, and in all cases, independent members shall not be less than two (2), or a third of the Board, whichever is greater. As an exception to the foregoing, the constituent assembly has appointed the Company's first Board of Directors for a term not exceeding (3) years commencing from the date of publication of the Ministry of Commerce & Investment's resolution to incorporate the Company.</p>	<p>The company shall be managed by a board of directors composed of (7) members to be elected by Ordinary General Assembly for a term not exceeding 3 years. The Board composition shall reflect sufficient representation of independent members, and in all cases, independent members shall not be less than two (2), or a third of the Board, whichever is greater. As an exception to the foregoing, the constituent assembly has appointed the Company's first Board of Directors for a term not exceeding (3) years commencing from the date of publication of the Ministry of Commerce's resolution to incorporate the Company.</p>

ARTICLE (16)
Termination of Membership

Membership of the Board of Directors expires with the end of the term of appointment, resignation, or death, or if it is proven to the Board of Directors that the member has violated his duties in a manner deemed detrimental to the interest of the company or fails to attend three successive meetings of the Board without a legitimate excuse, provided that this is accompanied by the approval of the Ordinary General Assembly, or with the termination of his membership according to any law or instructions applied and enforced within the territories of Saudi Arabia, or if a ruling declares his bankruptcy or insolvency, or submits a request for settlement with his creditors, ceases to pay his debts or becomes unconscious, suffers a mental illness, or if it is proven that the same committed an act in breach of trust and morals, or was convicted of forgery. Nevertheless, the Ordinary General Assembly may at any time dismiss all or some of the members of the Board of Directors without prejudice to the right of the dismissed member towards the company to claim compensation if the dismissal occurred for an unacceptable reason or at an inappropriate time, and the member of the Board of Directors may retire provided that this is at an appropriate time and not before the company, he was responsible for the damages arising from his retirement .

- 1- Membership of the Board of Directors shall be terminated upon the expiration of the period of appointment or upon his resignation or death or absence for 3 meetings during one year without any reasons being justified; or if it is established to the Board that the board member has violated his duties in a way that harms the interest the Company, provided that this shall be effected with the approval of the Ordinary General Assembly; or upon the cessation of his membership in accordance with any law or directives in force in the Kingdom of Saudi Arabia; or if he is adjudged bankrupt or insolvent or makes any arrangement with his creditors or he ceases to pay his debts; or if he is found to be of unsound mind or sustains a mental decease or body injury which may lead to the member's inability to perform his duties; or if it is established that he has committed an offence involving dishonesty, fraud or forgery.
- 2- However, the Ordinary General Assembly shall, at any time, remove all or any of the Board members without prejudice to the right of the removed member to claim compensation from the Company if the dismissal was for unjustifiable reasons or at unsuitable time. The Board member may resign at any time, provided that such resignation is at appropriate time to the Board, otherwise the member shall be liable towards the Company for any damage arising from its resignation.
- 3- If any of Board members resigned, and found he has remarks about the company performance, he shall write a clear statement to Chairman of the Board and all Board members shall be notified.
- 4- SAMA shall be notified at time of any Board member resignation or ceases to his membership for any reason except expiration of Board period during (5) working days from the date member leave work and to consider disclosure requirements.

ARTICLE (17)
Vacant position in the Board

If the position of one of the members of the Board becomes vacant during the term of membership, the Board may appoint a temporary member in the vacant position provided that he is one with sufficient experience and after obtaining a non-objection from the Saudi Central Bank and without considering the arrangement in obtaining votes in the general assembly that was elected The Board of Directors through it , and it must inform the Financial Market Authority of that within five (5) business days from the date of appointment, and that this appointment be presented to the Ordinary General Assembly at its first meeting, and the new member completes the term of his predecessor only . The rest of the members may call the Ordinary General Assembly to convene in the event that the number of board members is less than the minimum validity of its meeting within sixty days to elect the necessary number of members , and the Saudi Central Bank must be notified upon the resignation of any member of the Board or termination of his membership for any reason other than the end of the Board session And that is within (5) five business days from the date of leaving work and taking into account the relevant disclosure requirements.

If the office of a Board member becomes vacant, the Board may appoint a member in the vacant position temporarily regardless of the order of the number of obtained votes and subject to such member having the experience and efficiency and a "No Objection" letter is obtained from SAMA. Such appointment shall be notified to Ministry of Commerce and Capital Market Authority ("CMA") within five (5) business days from the date of appointment, and presented before the first meeting of the Ordinary General Assembly. The term of office of the new member designated to fill a vacancy shall only extend to the term of office of his predecessor.

ARTICLE (18)
Powers and Authorities of Board of Directors

Subject to the competencies established for the General Assembly, the Board of Directors shall have the broadest powers in managing the company to achieve its purpose, and within the limits of its competence it may delegate or delegate one or more of its members or others to carry out certain work or actions - in a manner that does not conflict with the laws and regulations Related Articles - The Board of Directors may, for example, not be limited to, absolving the debtors of the company of their obligations and entering into tenders, buying, selling and mortgaging real estate .The Board also has the right to contract and sign in the name of the company and on its behalf on all types of contracts, documents and documents, including without limitation contracts for the establishment of companies in which the company participates with all its amendments and appendices, amendment decisions and signing agreements and instruments before the notary and official authorities, as well as agreements of loans, guarantees, guarantees and instruments for sale Buying real estate, issuing legal agencies on behalf of the company ,selling, buying, emptying, accepting, receiving, delivering, renting ,renting, arresting, paying, opening accounts and credits, withdrawing and depositing with banks, issuing guarantees to banks, funds and government financing institutions, signing all papers, order bonds, checks, all commercial papers, documents and all banking transactions .

- 1- As the authority powers reserved for the General Assembly, the Board of Directors shall have the broadest authority in managing the affairs and the business of the Company and may, within the limits of its jurisdiction, authorize and delegate one or more of its members or a third party to undertake a specific function or functions to the extent permitted by the relevant laws and regulations. The Board of Directors shall be authorized to do all the things required for achieving the objects of the Company, including without limitation, to sign on behalf of the Company and enter into all agreements, contracts and documents including, without limitation, articles of association of companies in which the Company shall participate, and any amendment or restatement of the same; to sign other contracts and deeds before notaries public and official authorities; to sign loan agreements, guarantees and deeds for the sale and purchase of properties; to issue powers of attorney on behalf of the Company; to sell and purchase real properties, lands, share in other companies and other movable and immovable properties and convey by deeds, receive, deliver, lease and let; to open bank accounts; to apply for credit facilities; to withdraw and deposit money with banks; to issue guarantees to government banks, funds and financing institutions; to execute all papers, documents, payment orders, instruments, cheques and all banks' transaction. The Board shall as authority limit delegate one or more of the Board members or others to conduct certain business without conflict with related rules and regulations.
- 2- The Board of Directors shall lend any time kind of loans, or sale and mortgage the company assets, sale or mortgage the commercial location of the company, or release the company debtors from liability, if this action not been included in By- Law or resolve by General Assembly which my restrict the Board of Directors authorities herein.

ARTICLE (19)
Remuneration of Board Members, Chairman and Managing Director

The maximum annual bonus for the chairman and members of the Board of Directors the amount of five hundred thousand Saudi Riyals (SAR 500,000) annually match their membership in the Board of Directors and participation in its work, including additional bonuses in the member state participation in any committee emanating from the Board of Directors Committees. In the event that the company has achieved profits, a percentage equivalent to (10%) of the remaining net profit may be distributed after deducting the reserves decided by the General Assembly in implementation of the provisions of the Cooperative Insurance Companies Control Law and after distributing a profit to the shareholders of not less than (5%) of the company's paid-up capital. Provided that the entitlement to this bonus is proportional to the number of sessions that the member attends, and any estimate that is contrary to that shall be void.

In all cases, the total remuneration and financial or in-kind benefits and rewards that a member of the Board of Directors gets should not exceed The amount of five hundred thousand Saudi riyals (SAR 500,000) annually.

The maximum allowance for attending the sessions of the Board and its committees is five thousand riyals (SAR 5,000) for each session, not including travel and accommodation expenses.

It is paid to each member of the Board, including the Speaker .The actual expenses that they incur in order to attend meetings of the board or committees emanating from the board of directors, including travel, accommodation and subsistence expenses.

The report of the Board of Directors to the Ordinary General Assembly must include a comprehensive statement of all remunerations, expenses allowances and other benefits that board members received during the fiscal year. It should also include a statement of what the members of the Board received as workers or administrators, or what they had received in return for technical or administrative work or consultations . It should also include a statement of the number of Board sessions and the

- 1- The remuneration of the members of the Board of Directors will be a specific amount or attendance allowance for participating in meetings or benefits and specific percentage from net profit, and shall be combinations or more of benefits.
- 2- In case the Company attains profits, it may distribute 10% of the net profit after deducting the reserves determined by the General Assembly in accordance with the Cooperative Insurance Companies Control Act and distributing at least 5% of the Company's paid-up share capital among the Shareholders. Entitlement to such distribution shall be proportional to the number of meetings attended by the member.
- 3- In all cases, a Board member's total remuneration must not exceed five hundred thousand Saudi Riyals (SR500,000) per year (Excluding Audit Committee members), as per Capital Market Authority Regulations.
- 4- The report submitted by the Board of Directors to the Ordinary General Assembly shall contain a statement of all remuneration made to the members of the Board, attendance allowance and other expenses paid to the members of the Board of Directors within the fiscal year. The report shall also include a statement of the payments received by the members of the Board in their capacity as employees or administrators, or what they received in return for technical, administrative or consultation services, as well a statement of the number of meetings attended by each member as from the date of the last meeting of the General Assembly.

<p style="text-align: center;"><i>ARTICLE (20)</i> <i>Powers of the Chairman, Vice Chairman, and Board Secretary</i></p>	<p>number of sessions attended by each member from the date of the last meeting of the General Assembly.</p>	
	<p>Board of directors appoints a chairman and a vice president from among its members. The same also appoints a CEO; and may appoint a Managing Director. It is not permissible to combine the position of Chairman of the Board of Directors with any executive position in the company. Chairman of the Board of Directors has the right to sign for the company and implement the Board's decisions. Chairman of the Board of directors is authorized to represent the company before the courts, arbitration tribunals and others, and the chairman of the board of directors may, by a written decision, delegate or delegate some of his powers to other members of the board or from third parties in carrying out specific work or actions. Vice Chairman of the Board of Directors replaces the Chairman of the Board in his absence. The Board of Directors shall determine the salaries, allowances and remunerations for each of the Chairman and Managing Director, in accordance with the provisions of Article (19) of this bylaw. The board of directors must appoint a secretary of the board from among the members or from others, and the secretary is responsible for recording the minutes of the meetings and recording the decisions of the board issued from these meetings and keeping them in addition to exercising the other functions entrusted to him by the board of directors. The board may also appoint one or more advisors in the various affairs of the company, and the board shall determine their remuneration. The term of the chairman, his deputy, the managing director, and the secretary of the board member shall not exceed the term of each of them in the board, and they may be re-elected and the board at any time may dismiss them or any of them without prejudice to the right of the dismissed person to compensation if the dismissal occurred for an unlawful reason or at an inappropriate time.</p>	<p>Board of directors appoints a chairman and a vice president from among its members. The same appoints a CEO; and may appoint a Managing Director. It is not permissible to combine the position of Chairman of the Board of Directors with any executive position in the company. Chairman of the Board of Directors has the right to sign for the company and implement the Board's decisions. Chairman of the Board of Directors is authorized to represent the company before the courts, arbitration bodies and third parties, and the chairman of the board of directors may, by a written decision, delegate some of his powers to other members of the board or from third parties in carrying out specific work or actions.</p> <p>The Board of Directors shall determine the salaries, allowances and remunerations for each of the Chairman and the Managing Director in accordance with the provisions of Article (19) of this bylaw.</p> <p>The board of directors must appoint a secretary.</p> <p>The Board may also appoint one or more advisors in the various affairs of the company. The Board shall determine their remuneration.</p> <p>The term of the Board chairman, his deputy, the managing director and the secretary does not exceed the term of each of them in the Board, and they may be re-elected, and the Board at any time may dismiss them or any of them without prejudice to the right of the dismissed person to compensation if the dismissal occurred for an unlawful reason or at an inappropriate time.</p>

<p><i>ARTICLE (21)</i> <i>Board Meetings</i></p>	<p>The Board meets in the corporate head office or outside at the invitation of its chairman, and the chairman of the board must call the meeting whenever requested by two of the members, and the invitation must be documented in the way the board may perceive. Board meetings are held periodically and whenever needed, provided that the number of annual Board meetings is not less than (4) so that there is at least one meeting out every three months.</p>	<p>The Board shall meet at the head office of the Company upon a call by the Chairman, if so requested by any two (2) Board members. Such call shall be in the form chosen by the Board. The Board shall hold meeting on a regular basis and whenever need arises, but in all cases the Board is required to hold at least four (4) meetings in a year, and at least a meeting every quarter.</p>
<p><i>ARTICLE (22)</i> <i>Quorum of Board Meeting</i></p>	<p>A board meeting is not valid unless it is attended by at least half of the members, provided that the number of attendees is not less than three. Meetings of the Board can also take place in attendance or by proxy (of two-thirds) of the members themselves, provided that the number of the members present by themselves is at least (four) members, among whom is an independent member. The member may delegate another member on his behalf to attend the Board's meetings and vote in them, provided that such delegation is made in writing and regarding a specific meeting. Board decisions are issued by majority of votes of the attending members or their representatives. If equal votes occur, the side with which the session chair voted shall prevail. The Board of Directors may issue decisions on urgent matters by presenting them to the members dispersed, unless one of the members requests - in writing - the board meeting for discussion, in which case these decisions are presented to the Board of Directors at the first meeting that follows it.</p>	<ol style="list-style-type: none"> 1- A Board meeting shall not be valid unless attended by two-thirds of the members in person or by proxy, provided that the number of members present in person shall not be less than four (3) members. 2- If the above condition not applied to held Board meeting because of less members than stated minimum number in this By-Law , the remaining members shall invite for Ordinary General Assembly Meeting to be held within (60) days to vote and elect enough members. 3- By Capital Market Authority resolution the Ordinary General Assembly Meeting shall be invited to be held in case Board members less than minimum. 4- No anyone shall act as proxy to Board member in meeting and exceptional for Board members to attend as proxy instead of other member. 5- Resolutions of the Board shall be adopted by the majority votes of the members attending or represented in the meeting. In case of a tie, the Chairman shall have the casting vote. 6- In urgent cases, the Board may adopt resolutions by circulation unless one Board member requests a meeting for deliberations on such a resolution, in which case such resolutions shall be laid before the Board in its first following meeting.

ARTICLE (24)
Agreements and contracts, conflict of interest and competition

The company has the right, after having a no-objection notice from the Saudi Central Bank, to enter into an agreement to manage technical services with one or more companies qualified in the field of insurance. Members of the Board may enter into insurance contracts with the company in which they have an interest, provided that the Chairman and the General Assembly are provided with the details of those insurance contracts .It is not permissible for a member of the Board of Directors to have any direct or indirect interest in the business and contracts that are made for the account of the company except with a license from the General Assembly, in accordance with the controls laid down by the competent authority. Member of the Board of Directors must inform the Board of his direct or indirect interest in business and contracts That is done for the account of the company, and this notification is proven in the minutes of the meeting .This member may not participate in voting on the decision to be issued in this regard by the Board of Directors and shareholders' assemblies. Chairman of the board of directors informs the ordinary general assembly when it is convened about the business and contracts in which one of the board members has a direct or indirect interest in it. The notification is accompanied by a special report from the company's external auditor .And if a member of the board fails to disclose his interest, the company or any interested party may claim before the competent judicial authority to nullify the contract or oblige the member to pay any profit or benefit achieved for him from that.

- 1- Subject to obtaining a NOC letter from SAMA, the Company may, enter into technical services contracts with one or more companies duly qualified in insurance business.
- 2- Members of the Board of Directors must not have direct or indirect interest in the company businesses of contracts unless after approval from Ordinary General Assembly and the Board member to inform the Board what he has as regard to direct or indirect interest in the company business and shall be recorded and written in minutes of meetings.
- 3- Board member may not participate in voting on the resolution to be adopted in this respect in any Board meeting or shareholders General Assembly.
- 4- The Chairman shall notify the Ordinary General Assembly, when convened, of the transactions and contracts wherein a Board member may have a direct or indirect, and shall attach to such notification special report prepared by the Company's external auditors.
- 5- If the Board member fails to make the aforesaid disclosure, the Company or any interested person may apply to the competent court to nullify the contract or to order the relevant member to return any profit or benefit he obtained from such contract(s).
- 6- The responsibility of raised damage from businesses and contracts mentioned in article (1) of this item on a member who has interest on the business or contract, also the Board members shall if these business and contracts been done breach article provision or if unfair, or seem conflict with interests and case damage to shareholders.
- 7- Board members whom has objection on the resolution will be dispensed from responsibility when prove their objection in minutes of meetings, absence of meeting when resolution issued as case of ending of responsibility unless a prove that absent member not aware of the resolution or not be able to reject after his awareness.
- 8- The Board member shall not participate in any business which may rise competition to the company, or compete the company in one of its activity, unless otherwise the company will sue for compensation in jurisdiction authorities, unless has got adequate license or approval from the Ordinary General Assembly – renewed annually to perform the business.

<p><i>ARTICLE (25)</i> <i>Attending Assembly Meetings</i></p>	<p>A properly formed general assembly represents all the shareholders, and is held in the city in which the head office of the company is located ,and every shareholder, regardless of the number of his shares, has the right to attend the general assemblies of the shareholders and has the right to delegate on him another person other than members of the board of directors or company employees to attend the general assembly General assemblies of shareholders may be held, and the shareholder may participate in their deliberations and vote on their decisions by means of modern technology, according to the controls laid down by the competent authority.</p>	<ol style="list-style-type: none"> 1- The duly constituted General Assembly represents all Shareholders, and shall be held in the city where the head office of the Company is located. 2- Each Shareholder shall have the right to attend a General Meeting irrespective of the number of the Shares owned by that Shareholder. Each Shareholder may appoint any person, other than the members of the Board or employees of the Company, to attend the General Assembly on its behalf. A Shareholder may participate in the General Assembly’s deliberations and vote on its resolutions via modern technology in accordance with the controls set out by the Capital Market Authority.
<p><i>ARTICLE (26)</i> <i>Constituent General Assembly</i></p>	<p>Founders call all subscribers to hold a founding assembly within forty-five (45) days from the date of closing the share subscription, for each subscriber - regardless of the number of his shares Right to attend the Constituent Assembly .For the meeting to be valid, the attendance of a number of subscribers representing at least (half) of the capital. If this quorum is not met, an invitation will be issued to a second meeting to be held after fifteen (15) days at least from the invitation to it. However, the second meeting may be held an hour after the end of the period specified for the first meeting, and the invitation to hold the first meeting must include evidence of the possibility of holding this meeting. In all cases, the second meeting shall be valid regardless of the number of subscribers represented.</p>	<ol style="list-style-type: none"> 1- Founders shall call for a Constituent General Assembly within forty five (45) days from the subscription closing date, and each Shareholder shall have the right to attend the Constituent General Assembly irrespective of the number of the Shares owned by it. 2- The meeting of the Constituent 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, a second meeting shall be called for within fifteen (15) days from the date of invitation thereto. However, the second meeting may, if so stated in the original invitation, be held after the lapse of one hour from the time fixed for the first meeting. In all cases the second meeting shall be deemed quorate regardless of the

<p>ARTICLE 27 <i>Powers of the Constituent Assembly</i></p>	<p>The Constituent Assembly shall be authorized to do the following:</p> <ol style="list-style-type: none"> 1. Verification of the underwriting of all the shares of the company and the fulfillment of the minimum capital and the amount due from the value of the shares. 2. Approval of the final texts of the company's articles of association, provided that substantial amendments are not made to the system presented to it except with the consent of all subscribers represented in it. 3. Appointing the members of the company's first board of directors for a period not exceeding three (3) years if they have not been appointed in the company's articles of incorporation or its By-Laws 4. Appointing auditors for the company and determining their fees if they have not been appointed in the company's articles of incorporation. 5. Discussing and approving the founders' reports on the business and expenditures required by the establishment of the company. 	<p>The Constituent Assembly shall be authorized to do the following:</p> <ol style="list-style-type: none"> 1. Ascertain that the capital of the Company has been fully subscribed for and the minimum capital requirement has been met as per authorized regulation; 2. Discussion on benefits share assessment Report 3. Adopt the final text of the Company's By-laws. However, the Assembly may not make any material changes to the By-laws without the consent of all subscribers represented thereat. 4. Appoint the members of the Company's first Board of Directors for a term of not more than three (3) years, unless they have been appointed in the company's contract or By-laws. 5. Discussion on the Founders' report on the formalities and expenses incurred for the incorporation of the Company. Minister of Commerce and Investment and CMA shall delegate a representative (or more) as auditor to attend Constituent General Assembly meeting to verify regulation being applied therefor.
<p>ARTICLE 28 <i>Ordinary General Assembly</i></p>	<p>With the exception of matters pertaining to Extraordinary General Assembly, the Ordinary General Assembly is concerned with all matters related to the company and it convenes at least once a year during the six months following the end of the company's fiscal year, and other ordinary general assemblies may be called to meet whenever the need arises. Ordinary general public to form the audit committee and determine its fees.</p>	<p>Except for the matters reserved for the Extraordinary General Assembly, the Ordinary General Assembly shall be in charge of all matters concerning the Company. The Ordinary General Assembly shall be convened at least once a year within the six (6) months following the end of the Company's fiscal year. Additional Ordinary General Assembly meetings may be convened whenever needed.</p>

<p>ARTICLE 30 <i>Invitations to General Assemblies</i></p>	<p>Public or private meetings of the shareholders shall convene at the call of the Board of Directors. Board of Directors shall call the Ordinary General Assembly to convene if requested by the auditor, the audit committee, or a number of shareholders representing the same (5%) of the capital at least. The auditor may call the assembly to convene if the Board does not call the assembly within thirty (30) days from the date of the auditor's request. This call is published in a daily newspaper that is distributed in the region in which the corporate head office is located at least twenty-one (21) days prior to the date set for the meeting. A copy of the invitation and the agenda is sent to the Capital Market Authority .Nevertheless, it is permissible to address the invitation at the aforementioned time to all shareholders by registered letters. A copy of the call and the agenda is sent to the Capital Market Authority and the Ministry of Trade and Investment within the specified period for publication.</p>	<ol style="list-style-type: none"> 1- The Board of Directors shall call for a General Assembly if requested by the auditor, audit committee or a number of Shareholders holding or representing at least five per cent (5%) of the share capital. The auditor may call for the General Assembly in case the Board fails to do so within thirty (30) days from the auditor's request. 2- The Ordinary General Assembly will be held when invited by Capital Market Authority resolution in the following cases : <ol style="list-style-type: none"> A- If the period to held a meeting ended (during the following six months to the company fisical year) without helidng any meetings. B. If the Board members are less than the minimum to held any meeting. C. If appeare there are violation to regulatory provision or the company By-Law or there is failure in the company's management. D. If the Board don't invite for holding Gneral Assembly Meeting during (15) days from the Auditors and Audit Committee request or at least shareholder number represent (5%) of capital. 3- Some of sharholder shall at least represent (2%) of capital request Capital Market Authority to invite Ordinary General Assmblly meeting to be held, if there are any of the mentioned cases in article (2) of this item. Capital Market Auhtoity shall invite for a meeting during (30) days from the shareholder rquest date, and must include General Assembly agenda and items to be agreed and approved by shareholders 4- The invitation for the Assembly shall be published in a daily newspaper circulated in the city where the head office of the Company is located, at least twenty one (21) days prior to the date set for Assembly. A copy of the invitation shall be sent to Ministry of Commerce and Investment, CMA. Also it shall be sufficient to send a notice to each Shareholder by registered mail during the period specified in this paragraph. A copy of the notice and the agenda shall be sent to the CMA within the period specified for publication.
<p>ARTICLE 31 <i>Register of Attendance</i></p>	<p>Shareholders willing to attend the general or private assembly shall register their names in the corporate head office or in the manner specified by the company in calling the assembly before the time set for the meeting.</p>	<p>A Shareholder wishing to attend a general or special assembly shall register its name in the register maintained in the Company's head office before the time fixed for the meeting.</p>

<p><u>ARTICLE 32</u> <i>Quorum of the ordinary general assembly meeting</i></p>	<p>Ordinary General Assembly may not be held valid unless if it was attended by shareholders representing a quarter of the capital at least ,if such a quorum is not available at the first meeting were invited to a second meeting to be held within the thirty (30) days following the previous meeting and announce the call in the manner provided for in Article (30) of this system, the second meeting may be held one hour after the end of the period specified for the first meeting, provided that the invitation to hold the first meeting includes indications of the announcement of the possibility of holding this meeting, and in all cases the second meeting is valid regardless of the number of shares represented in it .</p>	<ol style="list-style-type: none"> 1- A meeting of the Ordinary General Assembly shall be valid only if attended by Shareholders representing at least (25%) of the Company's capital. 2- If such quorum cannot be attained at the Ordinary General Assembly, a second meeting shall be convened within the following thirty (30) days. Invitation for the meeting shall be published in the manner stipulated by Article (30) of the Company's By-Laws. However, the second meeting may, if so stated in the original invitation, be held after the lapse of one hour from the time fixed for the first meeting, in all cases the second meeting is correct if there are any of representing share.
<p><u>ARTICLE 33</u> <i>Quorum of the extraordinary general assembly meeting</i></p>	<p>Meeting of the Extraordinary General Assembly shall not be valid unless attended by shareholders representing at least (half) of the company's capital, and if this quorum is not available at the first meeting, the invitation to a second meeting will be issued in the same conditions stipulated in Article 30 of this system. The second meeting shall be held one hour after the end of the period specified for the first meeting, provided that the invitation to hold the first meeting includes indications of the announcement of the possibility of holding this meeting .In all cases, the second meeting will be valid if it is attended by a number of shareholders representing at least a quarter of the capital .If the necessary quorum is not met in the second meeting, an invitation to a third meeting to be held according to the same conditions stipulated in Article 30 of this system, and the third meeting will be valid regardless of the number of shares represented in it, after the approval of the competent authorities .It is permissible to hold extraordinary general assembly meetings for shareholders and the shareholder's participation in its deliberations and voting on its decisions by means of modern technology, according to the controls laid down by the competent authority.</p>	<ol style="list-style-type: none"> 1- A meeting of the Extraordinary General Assembly shall be valid only if attended by Shareholders representing at least 50% of the Company's capital. 2- If such quorum cannot be attained at the Extraordinary General Assembly, a second meeting shall be convened in the same manner set out in Article (30) of the Company's By-laws. However, the second meeting may, if so stated in the original invitation, be held after the lapse of one hour from the time fixed for the first meeting. In all cases the second meeting shall be deemed quorate if attended by Shareholders representing at least twenty five per cent (25%) of the Company's capital. 3- If such quorum cannot be attained at the second meeting, a third meeting shall be convened in the same manner set out in Article (30) of the Company's By-laws. In all cases the third meeting shall be deemed quorate regardless of the number of the Shareholders represented therein, subject to approval of the Capital Market Authority.

<p style="text-align: center;"><u>ARTICLE 36</u> <i>Discussion in the General Assembly Meetings</i></p>	<p>Every shareholder has the right to discuss topics on the meeting agenda and to direct questions about them to the members of the Board of Directors and the auditor. Every text in the Corporate Articles of Association depriving the shareholder of this right shall be deemed void. Board of Directors or the auditor shall answer the shareholders' questions to the extent that the interest of the company is not compromised. If the shareholder deems that the answer to his question is not convincing, he shall refer to the Assembly, and its decision in this regard was enforceable.</p>	<p>Each shareholder shall have the right to discuss the items listed in the General Assembly's agenda and to direct questions in respect thereof to the members of the Board and the auditors in this respect. Any provision in the Company's By-laws denying such right shall be null and void. The members of the Board or the auditors 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/it may refer the issue to the General Assembly and its decision in this regard shall be final and binding.</p>
<p style="text-align: center;"><u>ARTICLE 37</u> <i>Presidency of General Assembly Meetings and meeting minutes</i></p>	<p>The general assembly is chaired by the chairman of the board of directors or his deputy in his absence, or whoever is delegated by the board of directors from among its members for that in the absence of the chairman and his deputy, and report of the meeting of the General Assembly shall be drafted and shall include a number of shareholders present or represented and the number of shares in the possession of authenticity or agency and the number of votes allocated to them and the decisions taken and the number of votes approved or violated by the compendium of the discussion in the meeting, and recorded records on a regular basis after each. A meeting in a special register signed by the president of the association, its secretary and the collector.</p>	<ol style="list-style-type: none"> 1- The General Assembly shall be presided over by the Chairman or, in his absence, the Vice Chairman or, in his absence, any Director designated by the Board. 2- 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 or represented by each, the number of votes attached to such shares, the resolutions adopted at the meeting, the number of votes assenting or dissenting to 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 Assembly, the secretary and the rapporteur.
<p style="text-align: center;"><u>ARTICLE 39</u> <i>Appointment of Auditors</i></p>	<p>The General Assembly must appoint two (or more) auditors from among the auditors licensed to work in the Kingdom, determine their remuneration and the duration of their work, and may re-appoint them, and the General Assembly may also, at any time, change them without prejudice to their right to compensation if the change occurred at a specific time, not suitable or for an unlawful reason.</p>	<p>The Company shall have two (or more) auditors to be selected from among the auditors licensed to work in the Kingdom of Saudi Arabia. The auditor(s)' remuneration and term of office shall be fixed by the General Assembly and not exceeding (5) years and any one complete his term can reappointed again after (2) years from completion period . The General Assembly may reappoint the same auditor, and may also dismiss them at any time, without prejudice to their right in compensation if the dismissal was for illegitimate reasons or occurred in inappropriate time.</p>

ARTICLE 41
Obligations of the Auditors

The Auditor must submit to the annual general assembly a report prepared in accordance with the generally accepted auditing standards, which is included in the position of the corporate management position to enable him to obtain the data and clarifications he requested, and what he may have detected in violation of the provisions of the Cooperative Insurance Companies Control Law and its implementing regulations and other relevant regulations, regulations and instructions and his opinion on the fairness of the corporate financial statements. The auditor reads his report in the General Assembly meeting if the assembly decides to approve the report of the Board of Directors and the financial statements without hearing the auditor's report, its decision will be void.

The auditor shall submit to the annual General Assembly a report prepared in accordance with the recognized auditing standards showing how far the Company has enabled it to obtain the information and clarifications it has requested and what it has discovered of violations to the Cooperative Insurance Companies Control Act and its implementing regulations and any other applicable bylaws and regulations, and its opinion as to whether or not the Company's accounts conform to the facts. The General Assembly shall review the auditor's report, and if the Assembly decides to ratify the Board's report and the financial statements without hearing the auditor's report, its decision shall be void.

1. At the end of each fiscal year, the Board of Directors must prepare the financial statements (the financial statements consist of: a list of the financial position of insurance operations and shareholders, a list of surplus (deficit) of insurance operations, a list of shareholders' income, a list of shareholders' equity, a list of cash flows for insurance operations and a statement of cashflows of Shareholders and a report on the corporate business activity and financial position for the past fiscal year. This report includes the method that it proposes to distribute profits. The Board puts these documents at the disposal of the auditor, at least 45 days before the date set for the meeting of the general assembly meeting.
2. Chairman, CEO and Financial Director of the Board of Directors must sign the documents mentioned in Paragraph (1), and copies of them shall be deposited in the head office of the company at the disposal of the shareholders, at least twenty-one (21) days before the date set for the meeting of the General Assembly..
3. Chairman of the board of directors shall provide the shareholders with the financial statements of the company, the report of the board of directors, and the auditor's report, unless they are published in a daily newspaper distributed in the headquarters of the company, and he must also send a copy of these documents to the Ministry of Commerce and Investment and the Financial Market Authority before the date of the ordinary general assembly by (15) fifteen days at least.

4.

1. The Board of Directors shall prepare at the end of each financial year the Company's financial statements (being statement of financial position for insurance operations and shareholders, a statement of surplus (deficit) of insurance operations, a statement of shareholders' income, a statement of shareholders equity, a statement of cash flow of insurance operations and a statement of cash flow of shareholders) and a report on the Company's activities and financial position for the preceding year. The report shall include the method proposed by the Board for the distribution of net profits for that financial year. The Board shall place such documents at the disposal of the Auditors at least forty-five (45) days prior to the date set for convening the General Assembly.
2. The Chairman of the Board of Directors, the CEO and the financial manager shall sign the aforesaid documents as stated in article (1) deposit a copy thereof in the Company's head office to be at the disposal of the Shareholder at least ten (21) days prior to the date set for convening the General Assembly.
3. The Chairman of the Board of Directors shall provide the Shareholders with a copy of the Company's financial statements, Board of Directors' report and the Auditors' Report, unless he has previously published the said documents in a newspaper circulated in the city where the head office of the Company is located. The Chairman shall send copies of such documents to Ministry of Commerce , CMA at least fifteen (15) days prior to the date set for convening the Ordinary General Assembly.

ARTICLE 45
Zakat and Reserves

The Company must

1. Retain Zakat and assessed income tax.
2. Retain (20%) of the net profits to form a statutory reserve, and the Ordinary General Assembly may stop this deduction when the total reserve reaches (100%) of the paid capital.
3. When determining the share of shares in the net profits, the Ordinary General Assembly may decide to create other reserves, to the extent that it serves the interest of the company or ensures the distribution of fixed profits as possible to the shareholders.

The Company shall:

1. withhold Zakat and the prescribed income tax;
2. Set aside twenty per cent (20%) of the 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 totals one hundred per cent (100%) of the Company's paid-up capital.
3. The Ordinary General Assembly may set aside a percentage of the annual net profits to form an additional reserve(s) to the extent required to achieve the Company's interests or to distribute fixed profits, as far as possible, to Shareholders.
4. The Company's annual Net Profit will be distributed after deducting all general expenses and other costs, and the reserves will be set to encounter any bad debts or investment losses or emergency obligations which the Board will consider necessary according to the company Bylaw and Cooperative Insurance Companies Control Law and SAMA rules and regulations, and the balance of profit after deducting reserved as per related regulation not less than (5 %) for Zakat and for paid-up capital to be distributed to shareholders as per Board of Directors proposal and the General Assembly will decide if the remaining profit percentage for shareholders not enough to pay this percent although shareholders will have no right to claim paying in the year or coming years, and the General Assembly will not decide to distribute profit percent more than proposed by Board of Directors.

ARTICLE 47
Company Losses

If the company's losses reach half of the paid-up capital at any time during the fiscal year, any official in the company or the auditor must immediately inform Chairman of the Board of Directors. Chairman of the Board of Directors must inform members of the board of this. The Board of Directors shall within (15) fifteen days of knowledge of this shall call for an extraordinary general assembly to meet within (45) forty-five days from the date of his knowledge of the losses, to decide whether to increase or decrease the corporate capital - in accordance with the provisions of the companies' law - to the extent that the percentage of losses decreases to less than (half) the head Money paid, or dissolution of the company before the term specified in its articles of association .The decision of the association is published in all cases on the website of the Ministry of Commerce and Investment .And is the company terminates strongly the system if the General Assembly did not meet extraordinary within the period specified above, or if I met and was unable to issue a decision on the subject, or if you decide to raise capital in accordance with the conditions prescribed in this article has not subscribed in each capital increase through (90) Ninety days from the issuance of the Assembly's decision to increase.

If the Company's losses reaches, at any time of the financial year, 50% of its capital, the auditor or any officer of the Company shall notify the Chairman as soon as it becomes aware of such losses. The Chairman shall, in turn, notify the Board of Directors, which shall, within 15 days of notification, call the Extraordinary General Assembly to convene within 45 days from the date of notification to consider whether to increase or decrease the share capital in accordance with the Companies Regulation to the extent required to reduce the losses to less than 50% of the Share capital, or whether to dissolve the Company prior to the expiry of its term specified in the Company's By-laws. In all cases the Assembly's resolution shall be posted on the website of the Ministry of Commerce and Investment. The Company shall be considered as dissolved by operation of law if the Extraordinary General Assembly fails to convene within the above stated period, or if it convenes on time but fails to make a decision on the situation, or if it decides to increase the share capital but the increase amount has not been subscribed for in full within 90 days from the decision to increase the share capital.

ARTICLE 49
Liabilities of the Board of Directors

The members of the Board of Directors shall be jointly responsible for indemnifying the company, the shareholders, or others for the damage that results from their mismanagement of the company's affairs or their violation of the provisions of the Cooperative Insurance Companies Control Law and its implementing regulations, regulations, regulations and other relevant instructions ,and every condition requiring otherwise shall be deemed nonexistent .Responsibility falls on all members of the board of directors if the error arises from a decision issued unanimously. As for the decisions issued by the majority of opinions, the opposing members will not be questioned once they express their objection in the minutes of the meeting .Absence from attending the meeting at which the decision is issued is not considered a reason for exemption from liability unless it is proven that the absent member was not aware of the decision or was unable to object to it after being aware of it. The liability lawsuit is not precluded from the approval of the Ordinary General Assembly to absolve the members of the Board of Directors .The liability lawsuit will not be heard after the lapse of three (3) years from the date on which the harmful act was discovered . With the exception of - cases of fraud and forgery, the liability lawsuit is not heard in all cases after the lapse of five (5) years from the end of the fiscal year in which the harmful act occurred, or three (3) years from the expiration of the membership of the concerned board member, whichever is later. Each shareholder has the right to file the liability lawsuit for the company against the members of the board of directors if the mistake made by them would cause special harm to him . It is not permissible for the shareholder to file the aforementioned lawsuit unless the company's right to file it is still valid. The shareholder must inform the company of his intention to file a lawsuit ,while restricting his right to claim compensation for the special damage incurred.

- 1- Directors shall be jointly liable to the company, shareholders or third parties for any loss arising from mismanagement of the Company or violation of the Cooperative Insurance Companies Control Act and its implementing regulations and any other applicable bylaws and regulations, and any provision to the contrary shall be considered void ab initio. All directors shall be liable if the loss results from a Board decision taken unanimously. If a decision is taken by majority vote, dissenting directors shall not be liable if their opinion is reflected in the board minutes. The absence of a Director from the meeting in which the decision was adopted shall not absolve the Director from liability unless it is proven that he was not aware of the resolution or that he was aware of it but was unable to object to it
- 2- Any resolution adopted by the Ordinary General Assembly to release the directors from liability shall not result in the abatement of the liability action against them.
- 3- Any liability action shall be time barred on the lapse of three (3) years from the date of discovering the act giving rise to liability. With the exception of the cases of fraud and forgery, a liability action shall, in all cases, be barred after the lapse of five (5) years from the expiry of the financial year during which the wrongful act was discovered, or after the lapse of three (3) years from the expiry of membership of the relevant Director, whichever occurs later.
- 4- Each Shareholder shall have the right to file a liability action, vested in the Company, against the members of the Board of Directors if they have committed a fault which has caused particular damage to such Shareholder, provided that the Company's right to file such action shall still be valid. The Shareholder shall notify the Company of his/its intention to file such action and confirm that its claim shall be limited to the particular damage sustained by it.
- 5- The Company shall be liable for all the expenses which been charged by shareholders to present his sue if any whichever result as per following conditions :
 - A. If shareholder sue with good faith.
 - B. If he approach to the company with the case why he sue the case and no reply within 30 days.
 - C. If the Company's interest to sue case as per item (79) provision of the Company By-Law. D. If the sue case is correct and real.

<p><u>ARTICLE 50</u> <i>Dissolution of the Company</i></p>	<p>Upon its expiration, the company enters into liquidation process and maintains the necessary legal personality to the extent necessary for liquidation, and the voluntary liquidation decision is issued by the Capital Market Authority , and the liquidation decision must include the appointment of the liquidator, specifying his powers and fees, restrictions imposed on his powers and the time required for liquidation, and it must not exceed the voluntary liquidation period (5) Five years, and it is not permissible to extend them for more than that except by a court order, and the authority of the company's board of directors ends with its dissolution .Nevertheless, these remain in charge of managing the company and are counted for others in the judgment of liquidators until the liquidator is appointed and the company's apparatus remains during the liquidation period its competencies that do not conflict with the terms of reference of the liquidator, and taking into account in the liquidation the right of subscribers to surplus insurance operations and reserves formed as stipulated in Articles 44 and 45 of this By-Laws.</p>	<ol style="list-style-type: none"> 1- Upon the expiry of the period specified for it, the Company shall be considered under liquidation. The legal personality of the Company shall continue until the completion of the liquidation. 2- The decision for optional liquidation shall be issued by Shareholders or General Assembly. 3- The decision shall appoint the liquidator and determine its fees and the restrictions on its powers and the duration of the liquidation. In all cases, the duration of the voluntary liquidation may not exceed five (5) years and can only be extended by a court order. 4- The powers of the Board of Directors shall cease upon the Company's dissolution. However, the Board of Directors shall remain responsible for the management of the Company and shall act vis-à-vis third parties as liquidators until the Company's liquidators are appointed. The Company's administrative departments shall maintain their powers to the extent that they do not interfere with the powers of the liquidators. Any surplus remains after liquidation from insurance operations or the reserves formed in accordance with Articles (44) and (45) of these By-laws shall be reserved for the Shareholders.
<p><u>ARTICLE 51</u> <i>The Company's By-Laws</i></p>	<p>Provisions of the Cooperative Insurance Companies Control Law and its executive bylaws, the Financial Market Law and its Implementing Regulations, Corporate Law and its Regulations, laws, regulations and other relevant instructions shall be applied unless otherwise stated in this By-Laws.</p>	<p>The Cooperative Insurance Company Control Law and its implementing regulations, the Companies Regulations, and all other applicable rules and regulations shall apply to all other matters not specifically provided for herein.</p>