



In the name of Allah, the most merciful, the most compassionate

Main Articles of Association of TABUK CEMENT CO.

First Chapter: Association of Company

Article (1): Association

A Saudi Joint Stock Company is associated according to the corporations rules and its regulations and this system as follows:

Article (2) Name of Company

TABUK CEMENT CO. Saudi Joint Stock Company

Article (3) Objectives of the company:

The objectives of the company as follows:

- 1- Manufacture the ordinary and Portland sulfate-resistant cement and Portland cement for the industrial purposes and cement derivatives and its accessories, and trading in these products and perform all related and complementary work for these objectives.
- 2- Establish factories and laboratories related to the branch and complementary industries of the cement industry, including building materials and others, to accomplish their objectives, after obtaining the necessary licenses from the competent authorities.
- 3- Perform import and export of cement and related products.

As well as for the company to accomplish its objectives, it may own real estate, lands, and scientific research laboratories to improve products and develop new types of them. The company carries out its activities according to the applicable regulations and after obtaining the necessary licenses from the competent authorities, if any.

Article (4): Participation and ownership in companies

The company may establish companies alone (limited liability or closed joint sock companies) provided that the capital is not less than five million Saudi Riyals, as well as it may also own shares in other ongoing companies or merge with them and it has the right to participate with others in establish joint-stock or limited liability companies after fulfilling the requirements of the applicable regulations and instructions in this regard. The company may also conduct of these shares, provided that this does not include brokerage in their trading.



Article (5): Main Office of the Company

The main office of the company is located at city of Tabuk – Kingdom of Saudi Arabia and it may establish branches or offices or agencies inside and outside the Kingdom based on a decision of the board of directors.

Article (6) Period of Company

The Period of the company (99) ninety nine Gregorian year starts from date of issue the resolution of His Excellency Minister of Commerce and Investment under announcement of its association, and this period may always be extended by a decision issued by the extraordinary general assembly at least one year before its expiration date.

Second Chapter: Capital & Shares

Article (7): Capital

The company's capital has been set at (900,000,000) Saudi riyals (only nine hundred million Saudi riyals), divided into (90,000,000) ninety million shares of equal value, the nominal value of each of them is (10) Saudi riyals, and all of them are ordinary and cash nominal shares.

Article (8): Subscription to shares

The founders subscribed in (3,258,000) three million two hundred fifty-eight thousand fully paid shares and was deposited with licensed banks in the Kingdom in the name of the company under association, while the remaining cash capital shares of (3,742,000) three million seven hundred and forty-two thousand shares will be offered for subscription within thirty days from the date of publication of the ministerial decision authorizing the establishment of the company, the subscriber shall pay 100% of the share value, and the subscription proceeds shall be in the name of the company under association with the concerned banks for this purpose.

Article 9: Premium shares

The extraordinary general assembly of the company, according to the principles identified by the competent authority, may issue preferred shares, and to decide to buy them, convert ordinary shares into preferred shares, or convert preferred shares into ordinary shares. The preferred shares do not give the right to vote in the general assemblies of shareholders. These shares are arranged for their rightful owners. In obtaining a percentage of more than the owners of ordinary shares of the net profits of the company after setting aside the statutory reserve (according with the provisions of Islamic Sharia).



Article 10: Sell unfulfilled Shares

The shareholder is obligated to pay the value of the share on the identified dates, and if he fails to pay on the due date, the Board of Directors may, after informing him by a registered letter, sell the share in the public auction or the stock market, as the case may be, in accordance with the identified criteria by the competent authority.

The company shall collect from the revenues of the sale, the owed sums to it and return the rest to the owner of the share, and if the sale revenues are not sufficient to meet these sums, the company may collect the remainder of all the shareholder's funds. However, the default shareholder may pay the value owed on him in addition to the spent expenses that the company in this regard. The company cancels the sold share according to the provisions of this article and gives the buyer a new share bearing the number of the canceled share and mention in the stock register the action of the sale with an indication of the name of the new owner.

Article (11): Issuance of shares

Shares are nominal and may not be issued at less than their nominal value, however, they may be issued at a higher value, and in this last case the difference in value is added in an independent item within the shareholders' equity, and it is not permissible to distribute them as dividends to the shareholders. The share is not subject to division to face the company, so if the share is owned by multiple persons, they must choose one of them to act on their behalf in the use of the rights related to it, and these persons shall be jointly responsible for the obligations arising from the ownership of the share.

Article (12): Share Trading

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 than twelve months from the date of incorporation of the company, and the certificates of these shares are indicated indicating their type, the date of incorporation of the company, and the period in which their circulation is prohibited.

However, during the prohibition period, the ownership of shares may be transferred according to the provisions of the sale of rights from one of the founders to another founder or from the heirs of one of the founders in case of his death to a third party or in the case of execution on 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 case of a capital increase prior to the end of the ban period.

Article (13): Shareholders' Register

The company's shares are traded in accordance with the provisions of the Capital Market Law.



Article (14): Shares Certificates

The company issues share certificates and they have serial numbers and are signed by the chairman of the company or who is authorized by the board members and stamped with the company's Stamp. The share certificate shall include specially, number and date of the ministerial decision to approve to associate the company and number and date of the ministerial decision to announcement the association of the joint stock company and the value of the capital and the quantity of the distributed shares, as well as the value of the nominal share, the paid amount, and the objective of the company, its main office and duration. Shares may have coupons with serial numbers and include the share number attached to it.

Article (15): Increasing the Capital

- 1- The extraordinary general assembly may decide to increase the capital of the company, provided that the capital has been paid in full. It is not required that the capital be fully paid if the unpaid portion of the capital is related to shares issued in exchange for converting debt instruments or financing instruments into shares and has not expired after the prescribed period for converting them into shares.
- 2- at all cases, the extraordinary general assembly may allocate the issued shares when increasing the capital or part thereof to the employees of the company and its subsidiary companies or some of them, or any of that. Shareholders may not exercise the right of priority when the company issues shares allocated to employees.
- 3- The shareholder who owns the share at the time of the decision of the extraordinary general assembly to approve the increase in the priority capital in the subscription to the new shares issued in exchange for cash shares, and those who are informed of their priority by publishing in a daily newspaper or by informing them through registered mail of the decision to increase the capital, the terms of the subscription, its duration and the date of its commencement and its expiration.
- 4- 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 decision of the General Assembly to approve the increase in the capital to the last day for subscribing for new shares related to these rights pursuant to the identified regulations by the Capital Market Authority.

Article (16): Reducing the Capital

The extraordinary general assembly may decide to reduce the capital if it exceeds its need or if the company incurs losses. In the latter case alone, the capital may be reduced below the limit stipulated in Article 54 of the Companies Law. 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 excess of the company's requirement, creditors must be invited to express their objections to it within (60) days from the date of publication of the reduction decision in a daily newspaper distributed in the region where the company's head office is. If one of the creditors objects and submits his documents to the company on the aforementioned date, the company must pay his debt to him if it is due or provide a guarantee sufficient to pay it if it is later.

Third Chapter: Board of Directors

Article (17): Company Management

The company shall be managed by a board of directors consisted of (7) seven members are elected by the ordinary general assembly of shareholders for a period not exceeding three years, with the exception of this, the founders appointed the first board of directors for a period of (5) five years starting from the date of the ministerial decision announcing the establishment of the company.

Article (18): Expiration the Membership of The board

The membership of the Board shall expire with the expiration of its period or the expiration of the member's validity according to any applicable law or instructions the Kingdom. However, the Ordinary General Assembly may at all-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 occurs for a reason other than it is acceptable or at an inappropriate time, and a member of the board of directors may retire provided that it is at an appropriate time, otherwise he shall be liable before the company for the damages resulting from his retirement.

Article (19): The vacant position in the board

If the position of one of the members of the board of directors becomes vacant, the board may appoint a temporary member in the vacant position according to the order in obtaining votes in the assembly that elected the board, provided that enjoys an experience and sufficiency and must inform the Ministry of Commerce and Investment and the Financial Market Authority within five business days from the date of appointment and that the appointment is offered to the Ordinary General Assembly at its first meeting, and the new member completes the term of his predecessor. If the necessary conditions for the meeting of the Board of Directors are not met due to the lack of the number of its members below the minimum stipulated in the Companies Law or this By law, the remaining members must call the Ordinary General Assembly for holding a meeting within sixty days to elect the necessary number of members.

Article (20): Validities of the Board of Directors

Subject to the identified competencies for the General Assembly, the Board of Directors shall have the wide validities in managing the company, supervising its business and funds,



and conducting of its affairs inside and outside the Kingdom in order to achieve its objectives.

The council may, within the limits of its competencies, authorize one or more of its members or third parties to perform these works or actions and cancel the delegation or power of attorney in part or in whole.

The Board of Directors may invest in securities listed on the financial market in accordance with the regulations and controls specified for them by the Ministry of Commerce and Investment and the Financial Market Authority.

The board of directors shall have the right, for example, but not limited to, the right to participate in other companies, to conduct of the company's assets, property and real estate, to sell the company's stores and factories and to mortgage it, and to purchase, accept and pay the price, mortgage, redeem the mortgage, sell and release, collect the price, hand over the price, add and sort the properties and bonds, provided that Concerning the sale of the company's real estate, the minutes of the board of directors and the reasons for its decision to conduct must include the following conditions:

- 1 - That the board of directors specify the reasons and justifications for it in the sale decision.
- 2- That the sale is close to the price of the same.
- 3- That the sale be present except in cases determined by the Board and with adequate guarantees.
- 4 - This conduct shall not suspension some of the company's activities or to impose other obligations.

The board of directors may also contract loans with funds and government financing institutions, regardless of their duration, and it may contract commercial loans, subject to the following conditions for contracting loans whose terms exceed three years:

- 1- The value of the loans that the Board may enter into during any one fiscal year does not exceed than 75% of the company's capital.
- 2- The board of directors identify in its decision, the uses of the loan and the manner of its repayment.
- 3- To consider the conditions of the loan and the guarantees provided to him not to harm the company and its shareholders and the general guarantees for creditors.

The Board of Directors in the evaluated cases by the discharge the company debtors from their liabilities according to its favor, provided that the minutes of the Board of Directors and the reasons for its decision shall be taken into consideration the following conditions:

- 1- The discharge shall be at least one year after the debt arise.
- 2- The discharge shall be for a specified amount, as a maximum, for each year, for one debtor.
- 3- the discharge is a right of the board, which cannot be delegated.



Article (21): Remuneration of board members

- 1- The members of the Board of Directors are paid a remuneration for managing the company, which is an annual amount not exceeding (200,000) Saudi Riyals for each member, provided that the entitlement of this remuneration is proportional to the number of sessions attended by the member.
- 2- A fixed amount is paid to the members of the board of directors, which is an attendance allowance for each meeting of the board or its committees, which is 3000 Riyals.
- 3- The report of the Board of Directors to the Ordinary General Assembly must include a comprehensive statement of all the remuneration, expenses allowance and other benefits that Board members received during the fiscal year, and it should also include a statement of what board members received as employees or administrators or what they received for technical, administrative or consulting works, and it should also include a statement of the number of council sessions and the number of attended sessions by each member from the date of the last meeting of the general assembly.
- 4- 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 an amount of five hundred thousand riyals annually.

Article (22): Validities of the chairman, the vice president, the managing director, and the secretary

The Board of Directors shall appoint among its members, a Chairman and Vice President, and he may appoint a Managing Director, and it is not permissible to combine the position of Chairman of the Board of Directors with any executive position in the company.

The chairman of the board is responsible for representing the company in its relationships with others and to deal in front of the judiciary, and he has the right to delegate others to plead and defend the company, and he has the right to sign on its behalf, and to enter into contracts and obligations and everything that would manage the affairs of the company, all assigned duties to him by the board of directors, and he has the right authorize any member of the board of directors or the general manager of the company to perform a specific business or business. The managing director is also responsible for performing the assigned duty by the board and signing on favor of the company. The Board of Directors shall identify the remuneration that each of them shall receive in addition to the remuneration determined for the members of the Board of Directors.

The board of directors appoints a secretary among its members or others who is responsible for registration the proceedings of the board meetings and preparation those meetings, and his remuneration is identified according to the issued decision for his appointment. 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 to compensation if the dismissal occurred for an unlawful reason or at an inappropriate time .



Article (23): Board of Directors Meetings

The Board of Directors has a meeting at least twice a year at the invitation of its Chairman, and the invitation is in writing and may be delivered by hand or sent by post, fax or telegraph. The president of the council must call the council to a meeting if two of the members so request him.

Article (24): The Board of Directors Quorum

The board meeting is not valid, unless it is attended by at least four members. A member of the board of directors may delegate other members to attend the meetings of the board according to the following standards:

- 1- The member of the Board of Directors may not represent more than one member in attending the same meeting.
- 2- The assignment should be fixed in writing and regarding one meeting.
- 3- The deputy may not vote on the decisions on which the system prohibits the delegate from voting on it.

The decisions of the Council are issued by the majority of the attendant members or represented therein, and when opinions are equal, the side with which the Chairman voted shall prevail.

Article (25): Board Deliberations

The deliberations and decisions of the Board of Directors are registered in the minutes signed by the Chairman of the Board, the attendant members of the Board of Directors, and the Secretary.

Fourth Chapter: Shareholders Assemblies

Article (26): Attending Assemblies

Every subscriber, regardless of the number of his shares, has the right to attend the constituent assembly, and every shareholder has the right to attend the general assemblies and the shareholders, and he has the right to delegate another person other than the members of the board of directors or the company's employees to attend the general assembly.

Article (27): The Constituent Assembly

The founders invite all subscribers to hold a constituent assembly within forty-five days from the date of the ministry's decision to authorize the association of the company, provided for the validity of the meeting, to have an attendance of a number of subscribers representing at least half of the capital is required. If this quorum is not met, an invitation shall be issued to a second meeting to be held at least fifteen days after the invitation to it was addressed.

Article (28): The competencies of the Constituent Assembly



The Constituent Assembly shall be concerned with the mentioned topics in Article 63 of the Companies Law.

Article (29): Competences of the General Assembly

Except for the relevant matters to the extraordinary general assembly, the ordinary general assembly shall have jurisdiction over all relevant matters to the company and it shall convene at least once a year during the following six months after the end of the company's fiscal year, also it may invite the ordinary general assemblies if required.

Article (30): Competences of the Extraordinary General Assembly

The extraordinary general assembly shall have the validity to amend the company's articles of association with the exception of provisions that it is prohibited to amend by law and it may issue decisions on matters within the jurisdiction of the Ordinary General Assembly, under the same terms and conditions established for the Ordinary General Assembly.

Article (31): Inviting Assemblies

The general or special meeting of shareholders shall be invited at the invitation of the board of directors, and the board of directors shall call the ordinary general assembly to have a meeting, if requested by the auditor, the audit committee, or a number of shareholders representing at least 5% of the capital and the auditor may call the assembly to convene if the board does not initiate the association's suit within thirty days from the date of the auditor's request.

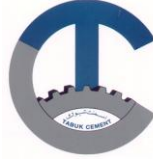
The invitation to have a meeting of the general assembly shall be published in a daily newspaper that is distributed at the company's headquarters at least (twenty-one) days before the identified date for the meeting. However, it is permissible to address the invitation on the aforementioned time to all shareholders by registered letters and a copy of the invitation and the agenda is sent to the Ministry of Commerce and Investment as well as the Financial Market Authority, within the specified period for publication.

Article (32): Record of Assemblies Attendance

At the time of meeting of the assembly, a statement of the names of the attendant shareholders, shall be issued, the representatives and their places of residence shall be issued with a statement of the number of shares in their possession by originality or agency and the number of assigned votes, and everyone who has an interest shall have access to this disclosure.

Article (33): Quorum for the Ordinary General Assembly Meeting

The meeting of the ordinary general assembly, is not valid, unless attended by shareholders representing at least a quarter of the capital, and if the required quorum for holding the meeting is not available, an invitation will be sent to a second meeting to be held within the thirty days following the previous meeting, and this invitation is published according to



what is mentioned at Article (31) of this system, however, the second meeting may be held an hour after the end of the identified period for the end of the first meeting, provided that the invitation to hold the first meeting includes evidence 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.

Article (34): Quorum for the Extraordinary General Assembly Meeting

The meeting of the extraordinary general assembly, will not be valid, unless attended by shareholders representing at least half of the capital, if this quorum is not available at the first meeting, an invitation is issued for a second meeting to be held in the same according to what is mentioned at Article (31) of this bylaw, however the second meeting shall be held one hour after the end of the identified period for the end of the first meeting, provided that the invitation to hold the first meeting includes evidence of announcing the possibility of holding this meeting, and in all cases the second meeting shall be valid if attended by a number of shareholders representing at least one-fourth of the capital. And if the necessary quorum is not available in the second meeting, an invitation to a third meeting will be held according to the same conditions stipulated in Article (31) of this system, and the third meeting will be valid regardless of the number of shares represented in it after the approval of the Capital Market Authority.

Article 35: Voting in Assemblies

Every subscriber has a vote for every share and he represents in the constituent assembly, and every shareholder has a vote for every share in the general assemblies.

Article (36): Decisions of the Assemblies

The decisions of the Constituent Assembly are issued by the absolute majority of the represented shares, and the decisions of the Ordinary General Assembly are issued by the absolute majority of the represented shares in the meeting, and the decisions of the Extraordinary General Assembly are issued by a two-thirds majority of the shares represented in the meeting unless it is a decision related to increasing or reducing the capital or prolonging the term of the company, or by its dissolution before the expiry of the identified period in its articles of association or its merger with another company, it will not be valid unless it is issued by a majority of three quarters of the shares represented at the meeting.

Article (37): Discussion in the Assemblies

Every shareholder has the right to discuss the topics on the agenda of the general assembly and send the inquiries regarding them to the members of the board of directors and the auditor, and the board of directors or the auditor responds to the shareholders' inquiries, to the extent that the interest of the company is not harmed, and if the shareholder believes that the response to his inquiry is not satisfied, he shall recourse to the Assembly and the Assembly's decision and a decisive and enforceable resolution shall be taken in this regard.



Article (38): Presiding over Assemblies and preparing minutes of meetings:

The meetings of the general assemblies of the shareholders are chaired by the chairman 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.

A record shall be issued at the meeting of the assembly including the attendant number of the shareholders or representatives, the number of shares in their possession in origin or agency, the number of the decided votes for them, the taken decisions, the number of votes that approved or disagreed with them, and a comprehensive summary of the discussions that took place in the meeting, and the minutes are recorded regularly after each meeting in a special record It is signed by the chairman, secretary and collector of votes.

Fifth Chapter: Audit Committee

Article (39): Formation of the committee

The audit committee is formed by a decision of the Ordinary General Assembly, and shall be consisted of a number of members not less than three and not more than five members who are not members of the executive board, whether from shareholders or others.

Article (40): The quorum for the committee meeting

For the validity of the meeting of the audit committee, it should include the attendance of the majority of its members, and its decisions are issued by the majority of the votes of those present.

Article (41): The Committee's Specialties

The audit committee is responsible for monitoring the company's business, and for this purpose it has the right to review its records and documents and to request any clarification or statement from the members of the board of directors or the executive management. It may request the board of directors to file a general assembly suit for the company to have a meeting if the board of directors impedes its work or the company suffers heavy damage or losses.

Article (42): Reports of Committee

The audit committee must review the company's financial statements and the reports and notes provided by the auditor and express its views on them, if any, and it must also prepare a report on its opinion regarding the adequacy of the company's internal control system and what it has done of other activities within the scope of its competence, and the board of directors and to maintain sufficient copies of this report in the company's head office at least (twenty one) days before the date of the general assembly to provide each of the shareholders who wished with a copy of it, and the report shall be read during the meeting.

Sixth Chapter: Auditor

Article (43): Appointment of an Auditor

The company must have one or more auditors from among the licensed auditors to work in the Kingdom, and he is appointed by the Ordinary General Assembly annually, whose remuneration and the duration of his work shall be identified. The Assembly may also



change it at any time without prejudice to its right to compensation if the occurred change at an inappropriate time or for an unlawful reason.

Article (44): Validities of the Auditor

The auditor has the right at any time to review the company's books, records and other documents, and he also has the right to request the data and clarifications that are necessary in order to verify the company's assets, obligations, and other things within the scope of his work. The chairman of the board of directors must enable him to perform his duty, and if the auditor finds a difficulty in this regard, this shall be proved by a submitted report to the board of directors. If the board does not facilitate the work of the auditor, he must request the board of directors to call the ordinary general assembly to consider the matter.

Seventh Article: Accounts of the Company and Dividend Distribution

Article (45): Fiscal Year

The company's fiscal year begins on the first of January and ends on 31 December of each year, provided that the first fiscal year after incorporation begins from the date of the company's registration in the commercial register and ends on 31 December of the following year.

Article (46): Financial Documents

- 1- The board of directors must, at the end of each financial year for the company, prepare the company's financial statements and a report on its activities and financial position for the past financial year, and this report includes the proposed method for distributing profits. The Council shall maintain these documents at the conduct of the auditor at least forty-five days before the date fixed for the meeting of the General Assembly.
- 2- The Chairman, CEO and Financial Director of the company must sign the referred documents in Paragraph (1) of this Article, and copies of them shall be maintained in the company's headquarters at the conduct of the shareholders at least (twenty-one) days before the date set for the meeting of the General Assembly.
- 3- The 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 report of the auditor, unless they are published in a daily newspaper distributed in the company's head office. He must also send a copy of these documents to the Ministry of Commerce and Investment as well as to the Financial Market Authority, at least (twenty one) days before the date of the General Assembly.

Article (47): Dividend Distribution

The annual net profits of the company are distributed as follows:

- 1- Avoidance of 10% of the net profits to form the statutory reserve of the company, and the Ordinary General Assembly may decide to suspend this retainer when the said reserve reaches 30% of the paid-up capital;
- 2- The Ordinary General Assembly may decide to create other reserves, to the extent that it serves the favor of the company or ensures that fixed profits are distributed as much as possible to the shareholders. The aforementioned association may also deduct from the net profits amounts to create social institutions for the company's employees or to assist those that exist among these facilities.



- 3- From the remainder after that, a percentage of not less than 5% of the paid-up capital of the company, shall be distributed to the shareholders.
- 4- The remainder of the profits shall be distributed to the shareholders according to Article (48) of this bylaw.

Article (48): Entitlements of Profits

The shareholder is entitled to his share of the profits according to the decision of the General Assembly issued in this regard. The decision identifies the maturity date and the date of distribution, and eligibility for dividends shall be for the shareholders registered in the shareholders' records at the end of the due date.

Article (49): Dividend Distribution of the premium shares

- 1- If profits are not distributed for any financial year, it is not permissible to distribute profits for the following years except after paying the specified percentage according to the provisions of Article (141) of the Companies Law to the owners of premium shares for that year.
- 2- If the company fails to pay the specified percentage according to article (141) of the Companies Law of profits for a period of three consecutive years, then the special assembly of the owners of these shares held in accordance with the provisions of Article (89 of the Companies Law) may decide whether to attend Meetings of the general assembly of the company and participation in voting or appointing representatives for them in the board of directors in proportion to the value of their shares in the capital, so that the company is able to pay all the priority dividends allocated to the owners of these shares for previous years.

Article (50): Losses of Company

- 1- If the losses of the joint-stock company amount to half of the paid-up capital at any time during the fiscal year, any official in the company or the auditor must immediately inform the chairman of the board of directors, and the chairman of the board of directors must inform the members of the board immediately about that, and the board of directors within fifteen of being notified, shall call the extraordinary general assembly to meet within forty-five days from the date of being notified of the losses, to decide either to increase or decrease the company's capital according to the provisions of the companies' law, to the extent that the percentage of losses decreases to less than half of the paid-up capital or dissolve the company before the term Specified in this system.
- 2- The company shall be deemed terminated by the force of the Companies Law if the General Assembly does not meet during the period specified in Paragraph 1 of this Article, or if it had a meeting and was unable to issue a decision on the matter, or if it decides to increase the capital according to the conditions stipulated in this Article and the subscription has not been completed and in each capital increase within ninety days from the issuance of the association's decision to increase it.

Eighth Chapter: Disputes

Article (51) : Lawsuit of Responsibility

- 1- Every shareholder has the right to file the responsibility lawsuit for the company against the members of the board of directors if there is a mistake by them which would cause



special harm to him. The shareholder may not file the aforementioned lawsuit, unless the company's right to file it is still valid, and the shareholder must inform the company of his desire to file the lawsuit.

2- The company may charge the arise expenses by the shareholder to fill the lawsuit, regardless of its outcome, under the following conditions:

A- If he filled the lawsuit in good faith.

B - If he provided the reason to the company for which he filed the lawsuit and did not obtain a response within thirty days.

C- If it is in the favor of the company to fill this lawsuit based on the provision of Article (79) of the law.

D- If the lawsuit is based on a valid basis.

Ninth Chapter: Termination and Liquidation of the Company

Article (52): Termination of the company

The company enters the role of liquidation at the moment of its expiration and retains the legal personality to the necessary extent for liquidation, and the voluntary liquidation decision is issued by the extraordinary general assembly, and the liquidation decision must include the appointment of the liquidator, identification his validities and fees, and the imposed restrictions on his validities and the required time for liquidation, and the voluntary liquidation period must not exceed five It is not permissible to extend them for more years except by a court order, and the authority of the company's board of directors ends with its dissolution. However, they remain in charge of managing the company and are deemed in relation to others in the judgment of liquidators until the liquidator is appointed. The associations of the shareholders remain in place during the liquidation period and their role is limited to exercising their competencies which does not conflict with the terms of specialties of the liquidator.

Tenth Chapter: Final Provisions

Article (53): The Companies Law and its regulations shall be applied in all, otherwise mentioned by this law.

Article 54: This system shall be maintained & published according to the provisions of the companies law & its regulations.