

The Articles of Association of
Buruj Cooperative Insurance Company
A Saudi Joint Stock Company

Chapter 1:

Incorporation:

Article (1): Incorporation:

The Company shall be incorporated according to the Cooperative Insurance Companies Control Law and its implementing regulations, the Companies Law, the Capital Market Law and its Implementing Regulations, and the Company's Articles of Association, as a Saudi joint stock company by and between the Shareholders and pursuant to the provisions set forth herein below.

Article (2): Name of the Company:

Buruj Cooperative Insurance Company (a Saudi Joint Stock Company).

Article (3): Purposes of the Company:

The Company shall conduct cooperative insurance activities and relevant activities such as reinsurance, agencies, representation, correspondence, or brokerage. The Company shall have the right to carry out all the activities that needs to be done to achieve its purposes, whether in the field of insurance or investing its money. The Company may own, mobilize, sell, exchange, or rent immovable property and cash funds, directly through it, or through companies that it establishes, buys, or enters into partnership with other parties. The Company shall carry on business in accordance with provisions of the Cooperative Insurance Companies Control Law and its Implementing Regulations, applicable laws and rules in force within the Kingdom and under licenses acquired from the competent authority, if any.

Article (4): Participation and Ownership in Companies:

The Company may establish limited liability companies or closed joint stock companies. It may also own stocks and shares in, or merge with, other existing companies and it may participate with third parties in the establishment of joint stock companies (JSCs) or limited liability companies (LLCs) - provided that the companies that the Company establishes or has an interest therein or merge therewith conduct business similar to their financial business or activities, or that its co-operates therewith in attainment of its objectives after complying with the requirements of the relevant laws and instructions and after obtaining the Insurance Authority's approval.

Article (5): Head Office of the Company:

The Company's head office shall be located in Riyadh, Saudi Arabia. Upon a resolution passed in the Extraordinary General Assembly, along with the Insurance Authority's approval, the head office may be relocated to any other city in Saudi Arabia, and the Company may establish branches, offices or representative agencies inside or outside Saudi Arabia after obtaining the Insurance Authority's approval.

Article (6): Term of the Company

The term of the Company shall be (99) ninety-nine Gregorian years commencing from the date whereon the Company was registered in the Commercial Registry. The term of the Company may be extended by virtue of a resolution passed by the Extraordinary General Assembly at least One Year before the expiry of such term.

Chapter 2:**The Rules Governing the Company while Conducting Its Activities and Purposes:****Article (7): Company Investments:**

The Company shall invest the money of the insured and Shareholders of the Company, according to the rules established by the Board of Directors, without prejudice to the Cooperative Insurance Companies Control Law and its Implementing Regulations and other relevant bylaws and instructions promulgated and approved by the Insurance Authority or any other related party.

Chapter 3:**Capital and Shares:****Article (8): Capital:**

The Company's capital is (300,000,000) (S.R. three hundred million), divided into (30,000,000) thirty million cash shares of pari passu; each nominal value is S.R. (10), all of which are ordinary cash shares.

Article (9): Subscription in Share Capital

The Shareholders have subscribed to the entire Company's capital and the value has been fully paid up.

Article (10): Shareholders' Register:

The Company's shares are traded by virtue of the provisions of the Capital Market Law and its Implementing Regulations.

Article (11): Issuance of Shares:

The Company's shares are nominal and shall not be issued for less than their nominal value, but may be issued for a higher value. In this last case, the difference in value shall be added in a separate item within the Shareholders' equity. It shall not be distributed as dividends to Shareholders. The stock is indivisible before the Company. Should the share be owned by multiple persons, they shall select one of them to act on their behalf in the use of the rights related thereto, and such persons shall jointly be deemed liable for the obligations arising from the ownership of the share.

Article (12): Trading of Shares:

Shares subscribed by the founders shall be traded only after the publication of the financial statements for two (2) fiscal years, each of which shall not be less than twelve (12) months upon date of incorporation. Such instruments of shares shall be endorsed to clarify the type and date of incorporation as well as the period during which trading is prohibited. However, during the above prohibition period, shares may be transferred in accordance with provisions related to selling titles from one founder to another or from successors of a founder, in the case of death, to third parties. The shares may be further transferred in case of applying execution on funds of the insolvent or bankrupt founder, provided that other founders shall have the preference to acquire such shares. The provisions of this Article shall be applied to shares subscribed by founders in case of increasing capital before elapse of such prohibition period.

Article (13): Capital Increase:

- 1- The Extraordinary General Assembly may decide to increase the capital of the Company after obtaining the approval of the Insurance Authority (IA) and the Capital Market Authority (CMA), provided that

the capital has been fully paid up. Full payment of the capital is not required if the unpaid portion pertains to shares issued in exchange for the conversion of debt instruments or financing securities into shares, and the conversion period has not yet expired.

- 2- The Extraordinary General Assembly may, in all cases, allocate the shares issued during a capital increase, or a portion thereof, to the Company's employees and its subsidiaries, or any of them. Shareholders shall not have preemptive rights over the shares allocated to employees.
- 3- A Shareholder holding shares at the time of the issuance of the General Assembly's resolution approving an increase in the Share Capital shall have a preemptive right to subscribe for the new shares issued against cash contributions. Such Shareholders shall be notified of their preemptive right, if applicable, through publication in a daily newspaper or by registered mail. The notice shall include details of the resolution to increase the Share Capital, the subscription terms, its duration, and the commencement and expiry dates.
- 4- The Extraordinary General Assembly shall have the right to suspend preemptive rights to subscribe for increasing the Share Capital for cash shares or give such preemptive rights to non-Shareholders, as deemed appropriate in the interest of the Company.
- 5- The Shareholder may sell or relinquish the preemptive right during the period from the time the General Assembly passed a resolution approving the capital increase till the last day of subscribing to the new shares associated with such rights, by virtue of the regulations established by the Insurance Authority.

Article (14): Capital Decrease:

- 1- The Extraordinary General Assembly shall have the authority to resolve a decrease in the Share Capital if it exceeds the Company's requirements or if the Company has sustained losses, provided that such resolution is approved by the competent authorities. Notwithstanding the foregoing, the paid-up Share Capital of an insurance or reinsurance company shall not fall below (300) Three Hundred Million Saudi Riyals. The capital decrease resolution shall be issued only after the presentation of a statement prepared by the Board of Directors, detailing the reasons necessitating the decrease,

the Company's obligations, and the anticipated impact of the decrease on the Company's ability to meet such obligations. This statement shall be accompanied by a report issued by the Auditor.

- 2- If the Share Capital is decreased because it exceeds the Company's requirements, the creditors shall be duly called to raise objections. This call notice shall be issued at least (45) forty-five days prior to the scheduled date of the Extraordinary General Assembly Meeting convened to decide on the decrease. The call notice shall include a statement detailing the capital amount before and after the decrease, the meeting date, and the effective date of the decrease. If any creditor objects to the decrease and submits their documents on the specified date, the Company shall pay the debt if it is immediately due or provide sufficient security to satisfy it if the same is deferred.
- 3- In any Share Capital decrease, equal treatment shall be ensured for Shareholders holding shares of the same type and class.

Chapter 4:

Board of Directors:

Article (15): Management of the Company:

The Company shall be managed by a Board of Directors consisting of seven (7) members, who shall be natural persons, elected by the Ordinary General Assembly for a period not exceeding three (3) years. The composition of the Board of Directors shall demonstrate an appropriate representation of the independent members. In all cases, the number of independent Board members may not be less than (2) two members or (1/3) one third of the Board members, whichever is greater.

Article (16): Termination of the Board of Directors Membership:

- 1- Membership in the Board of Directors shall terminate upon the expiry of the term of appointment, resignation, death or if it is established to the Board of Directors that the member has breached his duties to the detriment of the Company's interest, provided that this is accompanied by the approval of the Ordinary General Assembly, or with the expiration of his membership pursuant to any Law or instructions in force in Saudi Arabia, or if he is declared bankrupt or insolvent, submits an arrangement request with his creditors, defaults on his

debts, suffers from a mental illness or physical disability that impairs their ability to fully perform their duties, or if it is established that he committed an act in breach of honesty and morals, or is convicted of forgery under a final judgment.

- 2- The General Assembly, upon the recommendation of the Board of Directors, may resolve to terminate the membership of any Board member who fails to attend three (3) consecutive meetings or five (5) non-consecutive meetings during their term of office without a legitimate excuse deemed acceptable by the Board of Directors.
- 3- The Ordinary General Assembly shall have the authority, at any time, to remove all or certain members of the Board of Directors, provided that such removal is in compliance with the rules and regulations prescribed by the Capital Market Authority. In such instances, the Ordinary General Assembly shall elect a new Board of Directors or appoint a replacement for the dismissed member, as the case may be, in accordance with the provisions of the Companies Law and its Implementing Regulations.
- 4- If a Board member resigns and has comments on the performance of the Company, he shall submit a written statement explaining such comments to the Board Chairman and such statement shall be presented to the Board of Directors.
- 5- The Insurance Authority shall be notified of the resignation or termination of any Board member for any reason, except for the expiration of the Board's session, within (5) five business days from the date of their departure. Such notice shall comply with the requirements governing appointments to leadership positions and the applicable disclosure obligations.

Article (17): Termination of the Board's Term, Resignation of Members, or Vacancies in Membership:

- 1- Prior to the expiration of its term, the Board of Directors shall call the Ordinary General Assembly to convene for the election of a new Board of Directors for the forthcoming term. If the election cannot be held and the current Board's term expires, its members shall continue to carry out their duties until a new Board of Directors is elected, provided that such continuation does not exceed ninety (90) days. The Board

of Directors shall take all necessary steps to facilitate the election of a new Board of Directors before the expiration of this period.

- 2- If the Chairman and members of the Board of Directors resign, they shall convene the Ordinary General Assembly to elect a new Board of Directors. The resignation shall not take effect until the new Board is elected, and the duration of the resigned Board's continued term shall not exceed one hundred and twenty (120) days. The Board of Directors shall undertake all necessary actions to facilitate the election of a new Board before the expiration of this period.
- 3- A Board member may resign from his position by submitting a written notice to the Board Chairman. If the Chairman resigns, the notice shall be directed to the other Board members and the Board Secretary. In both cases, the resignation shall take effect from the date specified in the notice.
- 4- In the event that the position of a Board member becomes vacant due to the death or resignation of a member, and the vacancy does not cause the Board to fall below the minimum number of members required for a valid quorum, the Board may (temporarily) appoint in the vacant position a member who has sufficient experience and after obtaining the Insurance Authority's no-objection. This shall be reported to the Commercial Register and the Capital Market Authority within fifteen (15) days of the appointment. The appointment shall be presented to the Ordinary General Assembly at its first meeting, and the appointed member shall complete the term of their predecessor.
- 5- If the Board of Directors is unable to convene validly due to the number of its members falling below the minimum stipulated in the Companies Law or these Articles of Association, the remaining members shall convene the Ordinary General Assembly within sixty (60) days to elect the necessary number of members.

Article (18): Board Powers:

Subject to the powers reserved for the General Assembly, the Board of Directors shall possess the broadest authority to manage the Company in a manner that fulfills its objectives. Within the scope of its authority, the Board may delegate one or more of its members or third parties to perform specific tasks or actions, provided that such delegation complies with applicable laws and regulations. The Board of Directors, without

limitation, shall have the right to represent the Company in its dealings with third parties, government authorities, and private entities. The Board Chairman shall hold judicial authority on behalf of the Company before all Sharia courts, the Board of Grievances, labor offices, higher and primary labor dispute settlement committees, the Committee for Commercial Papers, all other judicial committees, arbitration panels, civil rights authorities, police departments, chambers of commerce and industry, companies, institutions, banks, financial institutions, government funds, and financing bodies of all forms and capacities, as well as other creditors. The Chairman shall further have the right to acknowledge claims, initiate and defend legal proceedings, litigate, negotiate settlements, accept or reject judgments, engage in arbitration, enforce judgments or challenge them, receive proceeds from enforcement actions, discharge the Company's debtors from obligations, participate in tenders, and undertake the sale, purchase, or mortgaging of real estate. The Board Chairman may also conclude and sign in the name and on behalf of the Company all types of contracts, deeds and documents, including without limitation the companies' memoranda of association (MOAs) wherein the Company participates with all its amendments, appendices, amendment resolutions and signing of agreements and instruments before the notary public and official bodies, as well as loan agreements, warranties, guarantees and instruments for the sale and purchase of real estate, issuing powers of attorney (POAs) on behalf of the Company, selling, buying, conveying, accepting the same, receiving, delivering, renting, leasing, receiving and paying, opening accounts and credits, withdrawing and depositing with banks, issuing guarantees to banks, funds and government financing institutions, signing all papers, promissory notes, cheques, all commercial papers and documents, and all banking transactions.

Article (19): Board Members Remuneration:

The minimum annual remuneration for the Chairman and the Board members shall be One Hundred Twenty Thousand Saudi Riyals (S.R. 120,000), and the maximum amount shall be Five Hundred Thousand Saudi Riyals (S.R. 500,000) annually against their membership in the Board of Directors and their participation in its activities, inclusive of additional remuneration in the event of a Board member's participation in any of the committees stemmed from the Board of Directors, excluding the Audit Committee.

In case the Company realizes profits, a percentage equal to (10%) of the rest of the net profit may be distributed after deducting the reserves specified by the General Assembly in application of the provisions of the Cooperative Insurance Companies Control Law and after distributing a profit to Shareholders of no less than (5%) of the Company's paid capital , provided that the entitlement to such remuneration is inconsistent with the number of sessions attended by the Board member, and any estimate to the contrary shall be void.

In all cases, the total remuneration, monetary benefits, and in-kind benefits received by a Board member shall not exceed Five Hundred Thousand Saudi Riyals (S.R. 500,000) per annum.

The maximum limit for the allowance for attending the sessions of the Board of Directors and its committees shall be an amount of Five Thousand Saudi Riyals (S.R 5000) against each session, excluding travel and accommodation expenses.

Each Board member, including the Chairman, shall be compensated against the actual expenses they incur in order to attend meetings of the Board or committees stemmed from the Board of Directors, including travel, accommodation and subsistence expenses.

The report submitted by the Board of Directors to the Ordinary General Assembly shall contain a detailed statement of all amounts paid to the Board members during the fiscal year, such as remunerations, expenses allowance and other benefits. In addition, such report shall include a statement of amounts received by Board members as workers or administrators, or against technical, administrative or consultation services. The report shall also include a statement of the number of Board of Directors sessions and the number of sessions attended by each member from the last General Assembly Meeting.

Article (20): Powers of the Chairman, Vice Chairman, Managing Director, and the Secretary:

The Board of Directors shall appoint, from amongst its members, a Chairman and a Vice Chairman. The Board shall also appoint a Chief Executive Officer and may designate a Managing Director. The positions of Board Chairman and any executive role within the Company shall not be held by the same individual concurrently. The Board Chairman shall be vested with the authority to sign on behalf of the Company and to

execute the resolutions adopted by the Board. Furthermore, the Chairman shall represent the Company before judicial authorities, arbitration panels, and third parties. By virtue of a written resolution, the Chairman may delegate specific powers to other Board members or to third parties for the performance of specific tasks or duties. The Board of Directors shall determine the salaries, allowances, and remunerations for both of the Chairman and the Managing Director, by virtue of the provisions of Article (19) of these Articles of Association. The Board of Directors shall appoint a Secretary for the Board. 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, the Vice-Chairman, the Managing Director and the Secretary of the Board shall not exceed the term of their membership in the Board. They may be re-elected. The Board may, at any time, remove any or all of them from their positions, provided that such removal does not prejudice the right of the removed party to claim compensation if the removal is carried out without lawful cause or at an inappropriate time.

Article (21): Board Meetings:

- 1- The Board shall convene at the call of its Chairman, and the Board Chairman shall call for a meeting whenever any Board member so requests in writing to discuss one or more specific issues. The call shall be documented in the manner deemed appropriate by the Board.
- 2- Board meetings shall be held periodically and whenever needed, provided that the number of annual Board meetings shall not be less than (4), so that there is at least one meeting every three months.
- 3- The Board of Directors shall determine the location of its meetings, which may also be conducted through modern technological means.

Article (22): Quorum of the Board Meetings:

- 1- The Board meeting shall only be valid if attended by half of the members, whether in person or by proxy, provided that the number of attendees shall not be less than four (4) members.
- 2- If the requirements for the Board of Directors meeting are not met due to the number of its members being less than the minimum limit stipulated herein, the remaining members shall call the Ordinary General Assembly to be held within sixty days to elect the required number of members.

- 3- No Board member shall delegate someone else to attend the meeting. As an exception, a member may delegate another member to attend the meeting.
- 4- Resolutions of the Board shall be passed by the majority of the opinions of the members present or represented therein. In the event of a tie, the side with which the Chairman of the meeting votes shall prevail.
- 5- The Board of Directors may adopt resolutions on urgent matters by circulating them individually among all members, unless any member submits a written request for the Board to convene and deliberate on the matter. Such resolutions shall be deemed approved upon obtaining the majority vote of the Board members and shall be presented for review at the next scheduled Board meeting.
- 6- The Board of Directors' resolution shall take effect on the date of its issuance unless otherwise specified to commence at a later time or upon the satisfaction of specific conditions.

Article (23): Board Deliberations:

The deliberations and resolutions of the Board shall be recorded in minutes signed by the Chairman of the meeting, the attending Board members, and the Secretary. Such minutes shall be recorded in a special register signed by the Board Chairman and the Secretary.

Modern technological means may be used for signing, recording deliberations and resolutions, and documenting minutes.

Article (24): Agreements, Contracts, Conflict of Interests and Company Competition:

- 1- The Company, after obtaining the Insurance Authority's no-objection, may conclude an agreement for the management of technical services with one or more qualified insurance companies.
- 2- No Board member shall have any direct or indirect interest in the business and contracts concluded for the benefit of the Company except with permission from the Ordinary General Assembly or the Board of Directors, pursuant to a delegation of authority by the Assembly and in compliance with applicable provisions. A Board member shall notify the Board of his direct or indirect interest in the

business and contracts that are made for the Company's account. This notification shall be recorded in the minutes of the meeting.

- 3- This member shall not participate in voting on the resolution passed in this regard in the Board of Directors meetings and the Shareholders' Assemblies.
- 4- The Chairman shall inform the Ordinary General Assembly, when it convenes, of the businesses and contacts wherein a Board member has a direct or indirect interest. The notification shall be accompanied by a special report from the Company's external auditor.
- 5- Should a Board member fail to disclose his interest, the Company or any interested party may claim before the competent judicial authority to annul the contract or oblige the member to pay any profit or benefit that has accrued to him therefrom.
- 6- Responsibility for damages resulting from the business and contracts referred to in Paragraph (2) of this Article are assumed by the member who has the interest in the business or contract, as well as the members of the Board of Directors, if such business or contracts are performed in breach of the provisions of that paragraph or if it is proven that they are not fair, or involves a conflict of interests and detrimental to Shareholders.
- 7- Members of the Board of Directors opposing the resolution shall be exempted from responsibility if they explicitly prove their objection in the minutes of the meeting. Absence from the meeting in which the resolution is made shall not be a reason for relief from responsibility unless it is proven that the absent member does not know about the resolution or is unable to object thereto after being aware thereof.
- 8- No Board member may participate in any business that may compete with the Company, or to compete with the Company in one of the branches of the activity it is engaged in. Otherwise, the Company may claim appropriate compensation from such member before the competent judicial authority, unless he obtains a prior permission from the Ordinary General Assembly - renewed every year - that allows him to do so.

Chapter 5:

Shareholders' Assemblies:

Article (25): Attending Assemblies:

A properly constituted General Assembly shall represent all Shareholders. It shall be held in the city wherein the headquarters of the Company is located. Each Shareholder, regardless of the number of his shares, may attend the Shareholders' General Assembly. He may delegate another person other than the Board members or the Company's employees to attend the General Assembly on his behalf. The Shareholders' General Assembly may be held and the Shareholder may participate in its deliberations and vote on its resolutions by means of modern technology as per the controls established by the competent authority.

Article (26): The Constituent Assembly:

The Founders shall convene a Constituent Assembly within forty-five (45) days from the closing date of the subscription to shares, inviting all subscribers. Each subscriber, irrespective of the number of shares he holds, shall be entitled to attend the Constituent Assembly. The meeting of the Constituent Assembly shall be valid only if attended by subscribers representing at least (half) of the Company's capital. If this quorum is not met, a call shall be extended for a second meeting to be convened no earlier than fifteen (15) days from the date of the call. However, the second meeting may, if so stated in the original call, be held after the lapse of one hour from the time fixed for the first meeting. The call to hold the first meeting includes proof of the possibility of holding such meeting. In all cases, the second meeting shall be deemed valid regardless of the number of shares represented therein.

Article (27): Powers of the Constituent Assembly:

The Constituent Assembly shall be competent to address the following matters:

- 1- Ensuring the subscription for all Company's shares, adherence to the minimum capital requirement, and the payment of the applicable share value.
- 2- Adopting the final text of the Company's Articles of Association. However, the Assembly shall not make any material changes to

the Articles of Association without the consent of all subscribers represented thereat.

- 3- Appointing the members of the Company's first Board of Directors for a period not exceeding three (3) years, unless they have been appointed under the Company's Articles of Association or Memorandum of Association.
- 4- Appointing the Company's auditors, unless they have been appointed under the Company's Articles of Association, and determining their fees.
- 5- Deliberating on and adopting the Founders' report on the formalities and expenses incurred for the incorporation of the Company.

Article (28): Competencies of the Ordinary General Assembly:

Notwithstanding the matters of the Extraordinary General Assembly, the Ordinary General Assembly shall be concerned with all Company-related matters, and it shall convene at least once a year during the (6) six months following the end of the Company's fiscal year. Other ordinary general assemblies may be called to meet, as needed. The competencies of the Ordinary General Assembly shall include the formation of the Audit Committee and the determination of its remuneration.

Article (29): Competencies of the Extraordinary General Assembly:

The Extraordinary General Assembly shall be deemed liable for amending the Company's Articles of Association, notwithstanding the provisions that the Extraordinary General Assembly are legally prohibited from amendment. Additionally, it may pass resolutions on matters within the functions of the Ordinary General Assembly, under the same terms and conditions prescribed for the Ordinary General Assembly.

Article (30): General Assembly Agenda

- 1- When preparing the General Assembly's agenda, the Board shall take into consideration the topics that the Shareholders wish to list. One or more Shareholders holding at least ten percent (10%) of the Company's voting shares shall have the right to propose the addition of specific topics to the agenda during its preparation. This percentage may be adjusted by the competent authority.

- 2- The Board of Directors shall ensure that each topic on the agenda is listed as a separate item and shall avoid grouping fundamentally distinct matters under a single item. Furthermore, contracts or transactions in which any Board member has a direct or indirect interest shall not be aggregated under a single item for voting purposes.
- 3- 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 Board members and the auditor. The Board of Directors or the auditor shall answer the Shareholders' questions to the extent that does not expose the Company's interest to any damage.

Article (31): Calling Assemblies:

- 1- General or Special Shareholders' Assemblies shall be convened at the call of the Board of Directors. The Board of Directors shall call the Ordinary General Assembly to convene within thirty (30) days from the date of a request submitted by the auditor, the Audit Committee, or one or more Shareholders holding at least ten percent (10%) of the Company's voting shares. The auditor may call the Ordinary General Assembly for a meeting if the Board fails to call the Assembly to convene within thirty (30) days from the date of the auditor's request.
- 2- The Capital Market Authority may authorize the calling of an Ordinary General Assembly Meeting in the following cases:
 - a) If the specified period for convening the Assembly within six months after the end of the Company's fiscal year passes without it being convened.
 - b) If the number of Board members falls below the minimum required for the General Assembly to convene.
 - c) If there have been found any violations to the provisions of Companies law or to the Company's Memorandum of Association or any mal-management.
 - d) If the Board of Directors fails to call the General Assembly to convene within thirty (30) days of receiving a request from the auditor, the Audit Committee, or Shareholders collectively holding at least ten percent (10%) of the Company's voting shares.

- 3- This call and the agenda shall be published at least twenty-one (21) days prior to the scheduled meeting date. The call shall be published on both the Market's electronic portal and the Company's website, and a copy of the call and agenda shall be sent to the Commercial Register. A copy shall also be forwarded to the Capital Market Authority. Notwithstanding the above, it shall be sufficient to send the invitation within the specified period to all Shareholders via registered mail to their addresses recorded in the Shareholder Register, or to publish the call through electronic means. A copy of the call and the agenda shall be sent to the Capital Market Authority during the period specified for publication.

Article (32): Register of Assembly Attendance:

Shareholders who wish to attend the General or Special Assembly shall register their names at the Company's headquarters before the time specified for the Assembly, or through the method specified by the Company in the call or on its website. The Company's General Assembly may be convened in any city within the Kingdom or through modern technological means.

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

- 1- The Ordinary General Assembly meeting shall only be valid if attended by a number of Shareholders representing at least (quarter) of the Company's voting shares.
- 2- If the quorum required for holding a meeting of the Ordinary General Assembly in accordance with Paragraph (1) of this Article is not met, a call shall be sent for a second meeting to be held within the thirty days following the date set for the preceding meeting. This call shall be published in the manner described in Article (30) of these Articles. However, the second meeting may, if so stated in the original call, be held after the lapse of one hour from the time fixed for the first meeting, provided that the call to hold the first meeting includes an announcement of the possibility of holding this meeting. In all cases, the second meeting shall be deemed valid regardless of the number of shares represented therein.

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

- 1- The Extraordinary General Assembly meeting shall only be valid if attended by a number of Shareholders representing at least (half) of the Company's voting shares.
- 2- If the quorum required for the Extraordinary General Assembly Meeting to be held is not met, under Paragraph (1) of this Article, a call shall be extended for a second meeting to be held under the same conditions stipulated in Article (30) of these Articles. However, the second meeting may be held an hour after the end of the period specified for convening the first meeting, provided that the call to hold the first meeting includes an announcement of the possibility of holding this meeting. In all cases, the second meeting shall be valid if attended by a number of Shareholders representing at least (quarter) of the Company's voting shares. 3. If the required quorum is not met in the second meeting, a call shall be made for a third meeting to be held under the same conditions stipulated in Article (30) hereof. This third meeting shall be valid regardless of the number of voting shares represented therein, subject to the approval of the Capital Market Authority.

Article (35): Voting at Assemblies:

Votes at the meetings of the Ordinary and Extraordinary General Assemblies shall be counted on one-share-one vote basis. Cumulative voting shall be used in electing the Board of Directors, so that the right to vote per share shall not be used more than once. The Board members shall not participate in voting on the resolutions of the Assembly concerning business or contracts in which they have a direct or indirect interest or which entail a conflict of interest.

Article (36): Resolutions of Assemblies:

Resolutions in the Ordinary General Assembly shall be made by a majority of the voting rights represented at the meeting. Resolutions in the Extraordinary General Assembly shall be made by a two-thirds majority of the voting rights represented at the meeting, unless the resolutions concerns the increase or decrease of capital, extension of the Company's duration, dissolution of the Company before the period specified in its Articles of Association, its merger with another company,

or its division into two or more companies, in which case the resolution shall be valid only if approved by three-quarters of the voting rights represented at the meeting.

Article (37): Deliberations at Assemblies:

Each Shareholder shall have the right to discuss the items listed in the Assembly's agenda and to direct questions in respect thereof to the Board members and the auditor. Any provision in the Company's Articles of Association denying such right shall be null and void. The Board of Directors or the auditor shall answer the Shareholders' questions to the extent that does not expose the Company's interest to any damage. If the Shareholder deems the answer to the question unsatisfactory, then he may refer the issue to the Assembly and its resolution in this regard shall be final and binding.

Article (38): Chairing the Assemblies and the Preparation of the Minutes:

- 1- The General Assembly shall be presided over by the Chairman or, in his absence, by the Vice Chairman or, in his absence, by any Board member designated by the Board of Directors. If this is not possible, the General Assembly shall be presided over by an individual appointed through a vote by the Shareholders, whether from the Board members or others.
- 2- During the General Assembly meeting, minutes shall be prepared, containing the count of attending or represented Shareholders, the number of shares they hold, either in their name or through proxy, the allocated votes, the resolutions passed, the votes in favor or against, and a comprehensive summary of the deliberations held during the meeting. These minutes shall be diligently recorded after each meeting in a dedicated register, signed by the Chairman of the Assembly, its secretary, and the vote collector.

Chapter 6:

Committees Stemmed from the Board of Directors

Article (39): Board Committees:

The Board of Directors shall establish committees in accordance with the applicable laws and regulations. By resolution of the Ordinary General Assembly, an Audit Committee shall be formed, consisting of members who are not executive members of the Board, whether Shareholders or non-Shareholders, with the number of members not being fewer than three and not exceeding five. The resolution shall define the committee's duties, functions, and the remuneration of its members.

A quorum for a meeting of the Audit Committee requires the presence of a majority of its members. Resolutions shall be made by a majority of the votes cast by those present, and in the event of a tie, the Chairman's vote shall prevail.

The Audit Committee shall be responsible for overseeing the Company's operations. In this regard, it shall have the right to access the Company's records and documents and request any clarifications or information from the Board members or the executive management. The Committee may also request the Board of Directors to convene a General Assembly if the Board obstructs the Committee's work or if the Company is exposed to significant harm or losses.

The Audit Committee shall review the company's financial statements, reports, and the auditor's notes, providing its comments, if any. The Committee shall also prepare a report expressing its opinion on the adequacy of the Company's internal control system, as well as on any other matters within its purview. The Board of Directors shall deposit sufficient copies of this report at the Company's headquarters at least ten days prior to the General Assembly meeting, so that any Shareholder who wishes may obtain a copy. The report shall be read out during the General Assembly meeting.

Chapter 7:

Auditor:

Article (40): Appointment of the Auditor:

- 1- The General Assembly shall appoint one or more auditors from among those licensed to practice in the Kingdom, specifying their remuneration, term of office, and scope of duties. The General Assembly may reappoint them, provided that the total duration of their appointment does not exceed the period stipulated by the relevant legal provisions.
- 2- The General Assembly may dismiss the auditor, without prejudice to the auditor's right to compensation for any damages incurred, if applicable. The Director or Board Chairman shall inform the competent authority of the dismissal resolution and its reasons within five (5) days from the date of the resolution.
- 3- The auditor may resign from its duties by providing written notice to the Company. Its mandate shall terminate from the date of submission or on a later date specified in the notice, without prejudice to the Company's right to seek compensation for any resulting damages, if applicable. Upon submission of the resignation notice, the resigning auditor shall provide the Company and the competent authority with a statement outlining the reasons for its resignation. The Board of Directors shall convene the General Assembly to deliberate on the reasons for the resignation, appoint another auditor.

Article (41): Powers of the Auditor:

The auditor shall, at any time, have the right to view the Company's books, records and other documents, and he may request the data and clarifications that they deem necessary to obtain. The auditor may also verify the Company's assets, liabilities, and other matters that fall within the scope of his work. The Board of Directors shall enable the auditor to perform his duty, and if the auditor finds it difficult in this regard, this shall be proven in a report submitted to the Board of Directors. Should the Board does not facilitate the work for the auditor, he shall request the Board of Directors to call the Ordinary General Assembly to consider the matter. If the Board of Directors fails to issue this call within thirty (30) days from the date of the auditor's request, the auditor may do so.

Article (42): Obligations of the Auditor:

- 1- The Company's auditor shall be independent in accordance with the professional standards recognized in the Kingdom.
- 2- The auditor may not combine his role with the establishment, management, or membership of the Board of Directors of the Company whose accounts he audits. The auditor shall not be a partner, employee, or relative of any of the Company's founders, directors, or Board members. Furthermore, the auditor shall not purchase or sell shares in the company whose accounts he audits during the auditing period.
- 3- The Company's auditor shall not perform any technical, administrative, or consulting services for the company whose accounts he audits, or for its benefit, except as otherwise permitted by applicable regulations.
- 4- The auditor shall present a report to the Shareholders or the General Assembly at its annual meeting, or to the Shareholders, on the Company's financial statements, prepared in accordance with the auditing standards recognized in the Kingdom. The report shall include the management's stance on facilitating the auditor's access to the requested data and notes, any identified violations of the law, the Company's Memorandum of Association, or its Articles of Association within the auditor's scope of responsibility, and the auditor's opinion on the fairness of the Company's financial statements. The auditor shall read out his report or a summary thereof at the annual General Assembly Meeting, or submit the report by circulation, as applicable, in accordance with the provisions of the law.
- 5- The auditors shall include in their annual report to the General Assembly— in addition to the information required by the Companies Law— their opinion on whether the Company's financial statements accurately reflect its financial position as of the balance sheet date and the results of its operations for the fiscal year then ended. Furthermore, the auditors shall confirm whether the preparation, presentation, and audit of these financial statements are in compliance with the applicable accounting standards in the Kingdom.

- 6- The financial statements and the auditors' report thereon shall be published within three months following the end of the Company's fiscal year.
- 7- The auditor shall not disclose any confidential information regarding the Company obtained in the course of his duties to the Shareholders or third parties, other than in the General Assembly; otherwise, he may be under penalty of being liable for compensation, in addition to the possibility of his dismissal.
- 8- The auditor shall be held accountable for the contents of his report and for any damages suffered by the Company, Shareholders, or third parties as a result of errors in the performance of his duties. In the event that the Company has more than one auditor, they shall be jointly liable, unless it is proven that an auditor did not participate in the error giving rise to such liability.

Chapter 8:

Company Accounts and Dividend Distribution:

Article (43): The Fiscal Year:

The Company's fiscal year commences on 1 January and ends on 31 December of the same year, provided that the first fiscal year commences from the date of the ministerial resolution announcing the incorporation of the Company and ends on 31 December of the following year.

Article (44): Financial Documents:

- 1- At the end of each fiscal year, the Board of Directors shall prepare the financial statements, which shall include a statement of the financial position of 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 flows of insurance operations and a statement of Shareholders' cash flows, as well as a report on the Company's activities and financial position for the preceding year. The report shall include the method proposed by the Board of Directors for the distribution of net profits for that fiscal 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 Board Chairman, the CEO and the CFO shall sign the aforesaid documents mentioned in Paragraph (1), and file a copy thereof in the Company's headquarters to be at the disposal of the Shareholders at least twenty-one (21) days prior to the date set for convening the General Assembly.
- 3- The Board Chairman shall provide the Shareholders with the Company's financial statements, the Board of Directors' report (following its signature), and the auditors' report, unless these have been published through any modern technological means, at least twenty-one (21) days prior to the scheduled date of the General Assembly meeting. Additionally, he shall ensure these documents are filed in accordance with the relevant regulations.

Article (45): Insurance Operations Accounts:

The insurance operations accounts shall be kept separate from the Shareholders' income statement, according to the following details:

First: Insurance Operations Accounts:

- 1- An independent account shall be dedicated to earned premiums, reinsurance commissions and other commissions.
- 2- An independent account shall be dedicated to compensation incurred by the Company.
- 3- At the close of each fiscal year, the total surplus shall be calculated as the difference between the aggregate premiums and claims, less marketing, administrative, and operational expenses, along with the required technical provisions in accordance with the applicable regulatory guidelines.
- 4- Net surplus shall be determined as follows:

The policyholders' returns on investment shall be either added to or subtracted from the total surplus referred to in Paragraph (3) above, after calculating the insured persons' earnings and deducting their payable expenses.
- 5- The distribution of the net surplus shall be effected by allocating ten percent (10%) directly to the insured persons or by applying it as a reduction to their premiums for the subsequent year. The remaining ninety percent (90%) shall be transferred to the Shareholders' income accounts.

Second: Shareholders' Income Statement:

- 1- Shareholders' profits from the return on investment of Shareholders' funds shall be established in accordance with the guidelines set forth by the Board of Directors.
- 2- The Shareholders' share of the net surplus shall be determined in accordance with the provisions outlined in Paragraph (5) of Clause (First) of this Article.

Article (46): Zakat and Reserve:

The Company shall:

- 1- Set aside Zakat and the legally prescribed income tax.
- 2- Set aside (20%) of the net profits to form a statutory reserve. The Ordinary General Assembly may discontinue this deduction when the total reserve reaches 100% of the paid-up capital.
- 3- The Ordinary General Assembly may set aside a percentage of the annual net profits to form additional reserves to the extent required to serve the Company's best interest or to distribute consistent profits to Shareholders, whenever feasible.

Article (47): Entitlement of Profits:

The Shareholder shall be entitled to his share of the profits by virtue of the resolution of the General Assembly passed in this regard. The resolution shall show the entitlement date and distribution date. The entitlement to dividends shall be to the Shareholders registered in the Shareholders' records at the end of the day specified for entitlement. The Company shall notify the Capital Market Authority without delay of any resolutions to distribute profits or to recommend the same, and pays the profits to be distributed to Shareholders in the venue and on the dates determined by the Board of Directors, by virtue of the instructions issued by the competent authority, taking into consideration the Insurance Authority's prior written approval.

Article (48): Company losses:

If the losses of the Company amount to (half) of the issued capital, the Board of Directors shall, within (sixty) days from the date of its knowledge thereof, announce the losses and the recommendations relating thereto, and shall, within (one hundred and eighty) days from said date, call for

an Extraordinary General Assembly meeting to consider the continuation of the Company by taking measures necessary to resolve such losses or the dissolution of the Company.

Chapter 9:

Disputes:

Article (49): Company's Liability

The Company shall comply with all acts and actions carried out by the Board of Directors, even if they are beyond its functions, unless the stakeholder has bad faith or knows that such actions are beyond the Board's functions.

Article (50): Liability of Board Members:

- 1- The Board members shall bear joint and several liability for compensating the Company, its Shareholders, or third parties for any harm arising from their errors, negligence, or failure in the discharge of their duties, or from their breach of the Cooperative Insurance Companies Control Law, its Implementing Regulations, other applicable laws, regulations, and directives, as well as the Companies Law and the Company's Articles of Association. Any provision stipulating otherwise shall be considered null and void. In addition, all Board members shall be held liable if the error arises from a resolution issued unanimously. As for the resolutions passed by the majority of opinions, the opposing members shall not be questioned thereabout if they express their objection in the minutes of the meeting. Absence from the meeting during which a resolution is adopted shall not absolve a member from liability unless it is established that the absent member was unaware of the resolution or was unable to register an objection upon becoming aware thereof.
- 2- The Company may initiate a liability claim against the Board members for violations of the Cooperative Insurance Companies Control Law, its Implementing Regulations, and other relevant laws, regulations, and instructions, or for errors, negligence, or failure in the performance of their duties that result in damage to the Company. The General Assembly shall determine whether to proceed with such a claim and appoint a representative to act on the Company's behalf in its pursuit. If the Company is in the process of liquidation, the liquidator shall be

responsible for filing the claim. If liquidation proceedings are initiated against the Company in accordance with the Bankruptcy Law, the claim shall be filed by the person legally authorized to represent the Company.

- 3- The Ordinary General Assembly approval to absolve the Board members from liability shall not be precluded from filing a liability claim.
- 4- A partner or Shareholder, or multiple partners or Shareholders representing at least five percent (5%) of the Company's Share Capital, may file a liability claim on behalf of the Company if the Company fails to do so, provided that the claim is primarily aimed at safeguarding the Company's interests, is based on legitimate grounds, and the claimant acts in good faith while being Shareholder in the Company at the time the claim is filed.
- 5- To initiate the claim referenced in Paragraph (4) above, the Board members shall be notified of the intent to file the claim at least fourteen (14) days in advance of the filing date.
- 6- A Shareholder may initiate a private right of claim against the Board members if the wrongful act attributed thereto results in a damage personally affecting that Shareholder.
- 7- Upon the request of a Shareholder, the competent judicial authority may order the Company to bear the costs associated with filing a liability claim, regardless of the outcome, provided that the claim is filed in good faith and is in the Company's best interests.
- 8- Except for cases of forgery and fraud, a liability claim shall not be heard upon the lapse of five (5) years from the end of the fiscal year in which the act resulting in damage was committed, or upon the lapse of three (3) years from the end of the concerned Board member's term of service, whichever is later.
- 9- A member of the Company's Board of Directors or its Director shall be deemed to have acted in good faith when making or voting on a resolution if the following conditions are met:
 - a) He has no personal interest in the matter at hand.
 - b) He has adequately understood and considered the matter in question, to the extent reasonable under the circumstances.

- c) He genuinely and rationally believed that the resolution is in the best interests of the Company.

The burden of proof to the contrary lies with the claimant. For the purposes of this Article, "resolution" refers to any act or omission concerning the Company's affairs.

Chapter 10:

Dissolution of the Company:

Article (51): Dissolution of the Company:

- 1- The Company, upon termination, shall be considered under liquidation. The legal personality of the Company shall continue until the completion of the liquidation.
- 2- The resolution to initiate voluntary liquidation shall be made by the Extraordinary General Assembly.
- 3- The liquidation resolution shall include the appointment of the liquidator, the determination of his powers and fees, the restrictions imposed on his powers, and the period of time necessary for the liquidation. The period of voluntary liquidation shall not exceed three (3) years, and it shall not be extended for a longer period except by court order.
- 4- The authority of the Board of Directors of the Company terminates upon its dissolution; however, the Board members shall continue to manage the Company and, with respect to third parties, shall be regarded as liquidators until a liquidator is appointed. The Company's general assemblies shall remain in existence throughout the liquidation period, with their powers limited to those that do not conflict with the powers of the liquidator.

Chapter 11:

Final Provisions:

Article (52): Law Applicable to the Company

The Cooperative Insurance Companies Control Law and its Implementing Regulations, the Companies Law, and all other applicable laws, rules and regulations shall apply to all other matters not specifically provided for herein.

Article (53): Publishing

These Articles shall be filed and published in accordance with the Companies Law.