

Article of Association

Morabaha Marina Financing Company SCJSC

(A Saudi Listed Joint Stock Company)

(CHAPTER I)

FORMATION OF THE COMPANY

Article (1): Formation

A Saudi listed joint stock Company established pursuant to the Companies Law and the Finance Companies Control System issued by the Royal Decree and its Implementing Regulations. It is a Saudi joint stock company in accordance with the following:

Article (2) – Name of the Company

The name of the Company shall be “Morabaha Marina Financing Company SCJSC”, a Saudi listed joint stock Company (hereinafter referred to as “the Company”)

Article (3) – Objectives of the Company

The Company aims to carry out financing operations in accordance with the Companies Law, the Finance Companies Control System, its implementing regulations, the relevant regulations, rules and instructions issued by the Central Bank of Saudi Arabia. The company practices and implements the following activities:

1. Financing productive assets as well as small and medium enterprises
2. Financial leasing
3. Consumer finance

The company carries out its activities in accordance with applicable regulations and after obtaining the necessary licenses from the competent authorities, if any.

Article (4) – Participation and Ownership in Companies:

After obtaining a written no-objection from the Central Bank of Saudi Arabia, this Company is entitled to participate in other companies and to set up companies by itself (companies of limited liability or closed joint stock ones). Besides, the Company is entitled to possess an interest or a shareholding in existing companies or merge into the same, and is also entitled to partner with third parties to form joint stock companies or limited liability companies, after having fulfilled all the relevant legal requirements and set regulations. The Company may also acquire and possess stocks or shares in such companies after meeting the requirements stipulated in the laws and regulations applicable in this regard.

Article (5) – Head Office of the Company:

The Company’s head office shall be in the city of Riyadh. The Board of Directors may establish branches, offices or agencies for the Company within or outside the Kingdom of Saudi Arabia, after obtaining a written no-objection from the Central Bank of Saudi Arabia.

Article (6) – Duration of the Company:

The duration of the Company shall be ninety nine (99) Gregorian years commencing on the date of being registered in the commercial register. The Company's period may always be extended by a resolution of the Extraordinary General Assembly taken at least one year prior to the expiration of the term of the Company.

(CHAPTER II)

CAPITAL AND SHARES

Article (7) – Capital of the Company:

The share capital of the Company is estimated at (SR. 714.285.720) divided into (71.428.572) nominal shares of equal value of (SR. 10) per share. All shares are ordinary and paid in full.

Article (8) – Subscription for Shares:

The Founders have subscribed for the full capital stock of (SR. 71.428.572) paid in full.

Article (9) – Preferred Shares:

The company may issue or purchase preferred shares according to the following controls:

1. Obtaining the approval of the Extraordinary General Assembly
2. Obtaining the approval of the shareholders who are harmed by this issuance, in accordance with Article (110) of the Companies Law.
3. The percentage of preferred shares shall not exceed (10%) of the company's capital.
4. The company's capital must have been paid in full.
5. Complying with other relevant laws and regulations.

In cases where the company has shares of different types or categories, it may convert one type or category of shares to another type or category, in accordance with the following controls:

1. Obtaining the approval of the Extraordinary General Assembly, unless the share issuance decision stipulates that they are automatically converted to another type or category when certain conditions are met or after a specific period has passed.
2. Obtaining the approval of the shareholders who are harmed by this conversion, in accordance with Article (110) of the Companies Law.
3. Complying with other relevant laws and regulations.
4. The Board of Directors shall submit a transfer statement to the General Assembly. It shall include the method of calculating the transfer percentage, the effect of the transfer on shareholders who hold the same category to which the transfer will be made, and its effect on other shareholders.

Article (10) –Sale of un-valued Shares

The shareholder is obligated to pay the value of the share at the times set therefor. If a Shareholder fails to pay the value of the shares at the times set therefor, then the Board of Directors may sell such shares in a public auction or the capital market as the case may be, after informing the shareholder through an approved newspaper, registered letter or by any means of modern technology, in accordance with the

controls set by the competent authority. Notably, other shareholders have priority in purchasing the shares of the defaulting shareholder.

The company obtains the amounts due thereto from the proceeds of the sale and returns the remainder to the shareholder. If the proceeds of the sale are not sufficient to meet these amounts, the company may collect the remainder from all of the shareholder's funds. The rights related to the defaulted shares shall be suspended upon the expiry of the specified date therefor until they are sold or the due amount is paid in accordance with what was mentioned above. It includes the right to obtain a share of the net profits to be distributed and the right to attend assemblies and vote on their decisions. However, the shareholder who defaults in payment until the day of the sale may pay the value due in addition to the expenses that the company spent in this regard. In this case, the shareholder may request receipt of the profits distributed.

The company shall cancel the certificate of the sold share in accordance with the provisions of this Article, give the buyer a new certificate of the share with the same number, and mark in the share registry the execution of the sale and include the necessary data for the new owner.

Article (11) – Issuance of Shares:

The shares shall be nominal, ordinary, and indivisible. If the share is owned by multiple people, they must choose one of them to act on their behalf in using the rights related thereto. These people will be jointly liable for the obligations arising from ownership of the share. The nominal value of the company's shares shall be (SR. 10) per share. Shares may not be issued for less than their nominal value, but at a higher value than this value. In this case, the value difference is added in a separate clause within shareholders' equity, which is used in accordance with the applicable regulations and controls.

The company issues paper or electronic certificates per shareholder proving his ownership of the said shares. The certificates must have serial numbers and be signed by the Chairman of the Company's Board of Directors or his authorized representative. It must be stamped with the company's seal and includes, in particular, the number and date of the ministerial decision licensing the company's incorporation, the number and date of the ministerial announcing the company's incorporation, the type and number of shares owned by the shareholder, the value of the capital, the number of shares distributed, the nominal value of the shares, the amount paid, the purpose of the company in brief, its head office and duration.

Article (12) – Transfer of Shares:

The company's shares are traded in accordance with the provisions of the Capital Market Law and its implementing regulations. In all cases, the shares may not be disposed of except after obtaining a written non-objection from the Central Bank of Saudi Arabia in accordance with Article (8) of the Finance Companies Control System.

Article (13) –Shareholders Register:

Without prejudice to Article (8) of the Finance Companies Control System, and Article (10/3) of the Implementing Regulations of the Finance Companies Control System, the company shall prepare a special register of the names of the shareholders, their nationalities, information, places of residence and professions, the number of shares owned by each of them, the numbers of the shares and the amount paid. The company may contract to prepare this register, and it must be kept in the Kingdom.

Article (14) – Increase of Capital

1. After obtaining prior written non-objection from the Central Bank of Saudi Arabia and after the approval of the competent authorities, the Extraordinary General Assembly may adopt a resolution to increase the Company's capital provided that the original capital shall have been paid in full. It shall not be required that the capital be fully paid up in case the unpaid portion of the capital is related to shares issued against converting debt instruments or financial instruments into shares and are not expired yet following the period specified for converting same to shares.
2. The Extraordinary General Assembly may in all cases allocate shares issued upon increasing capital or a portion thereof for the Company employees and subsidiaries or some of them, or any of such cases. Shareholders shall not have preemptive rights for said shares issued for the Company employees.
3. The shareholder, who owns shares at the time of issuing the Extraordinary General Assembly's resolution to increase capital, has a priority in subscribing to new shares issued in exchange for cash shares. He shall be notified of his priority by a registered letter to its address indicated the shareholder registry or through modern technological means. He shall also be informed of the decision to increase the capital and the conditions and method of subscription and its start and end dates, taking into account the type and class of the share owned.
4. The Extraordinary General Assembly may suspend the aforesaid preemptive rights in connection with subscribing for new cash shares, or give preemptive rights to non-Shareholders in cases it sees suitable for the Company best interest.
5. The shareholder has the right to sell or waive the preemptive rights for a financial consideration or for free in accordance with the implementing regulations of the Companies Law
6. Subject to the provisions stated in Paragraph (4) above, the new shares shall be allotted to the Shareholders with preemptive rights who have expressed their desire to subscribe thereto, in proportion to the preemptive rights owned by them in proportion to preemptive rights of the total preemptive rights resulting from the increase of capital, provided that the number of shares allotted to them shall not exceed the number of new shares they have applied for. The remaining new shares shall be allotted to the Shareholders with preemptive rights who have asked for more than their proportionate share, in proportion to their preemptive rights of the total preemptive rights resulting from the increase of capital, provided that that their total allotment does not exceed the number of new shares. Any remaining new shares shall be offered for public subscription unless otherwise specified by the Extraordinary General Assembly or the Capital Market Law.

Article (15) – Decrease of Capital:

1. After obtaining the prior written non-objection of the Central Bank of Saudi Arabia and the approval of the competent authorities, the Extraordinary General Assembly may reduce its capital if it proves to be in excess of the Company's needs or if the Company sustains losses, in which case only capital may be lowered beyond the limit specified in Article (59) of the Companies Law. Such resolution shall be issued only after reading the Extraordinary Assembly's report on the reasons calling for such reduction, the

obligations to be fulfilled by the Company and the effect of the reduction on such obligations. This report shall be attached to the company's auditor report.

2. If the reduction of the capital is due to its being in excess of the Company's needs, then the Company's creditors must be invited to express their objection thereto within (45) days from the date specified for holding the extraordinary general assembly meeting to take the reduction decision. The invitation shall be attached to a statement indicating the capital before and after reduction as well as the date of meeting. Should any creditor object and present to the Company evidentiary documents of such debt within the time limit set above, then the Company shall pay such debt, if already due, or present an adequate guarantee of payment if the debt is due on a later date. The creditor who notified the company of his objection to the reduction and whose debt was not paid may apply to the competent judicial authority before the date specified for holding the extraordinary general assembly to take the reduction decision. In this case, the competent judicial authority may request the repayment of the debt, the provision of sufficient guarantee, or the postponement of holding an extraordinary general assembly meeting, as the case may be.

3. The reduction shall not be invoked by the creditor who submitted his request on the date stipulated in the above article unless he fulfills his debt or obtains sufficient guarantee to fulfill it.

4. The company takes into account equality between shareholders holding shares of the same type and class when reducing capital.

(CHAPTER III)

BOARD OF DIRECTORS

Article (16) – Managing Company Affairs:

The Company shall be managed by a Board of Directors composed of (8) members to be appointed by the Ordinary General Assembly for a term not exceeding 3 (three) years by cumulative voting method, after meeting the suitability requirements determined by the Central Bank of Saudi Arabia and obtaining a non-objection letter therefrom.

Article (17) – Board Membership Expiration:

Membership of the Board of Directors shall be terminated upon the expiration of the appointment period. Termination of membership shall also occur if the member becomes unsuitable for membership under any law or regulations prevailing in the Kingdom. Board membership also expires by resignation or death, or if it is proven to the Board of Directors that the member has neglected his duties in a way that harms the company's interest, provided to obtain the approval of the Ordinary General Assembly. Board membership also expires if it is proven that the member did not attend more than three consecutive hearings without an excuse accepted by the Board of Directors, or if he is declared bankrupt or becomes insolvent, submits a request for settlement with its creditors, stops paying its debts, suffers a mental illness, committed an act that violated trust or morals, or is convicted of forgery. However, the Ordinary General Assembly may dismiss all or some of the members of the Board of Directors in accordance with the controls set by the competent authority. In this case, the Ordinary General Assembly must elect a new Board of Directors or someone to replace the dismissed member - as the case may be - in accordance with the provisions of the Companies Law.

Article (18): End of the Board of Directors' Term and Retirement of its Members

1. The Board of Directors must convene the Ordinary General Assembly before the end of its term to elect a board of directors for a new term. In case of election failure and the term of the current Board has expired, its members will continue to perform their duties until a Board of Directors is elected for a new term, provided that the Board members whose term has ended do not exceed ninety (90) days from the date of its term expiration.
2. If the Board Chairman and members retired, they must convene the Ordinary General Assembly to elect a new Board of Directors. The retirement shall not take effect until the new Board is elected, provided that the retiring Board shall not exceed (120) days from the date of retirement.
3. The Board member may retire by a written notification addressed to the Chairman of the Board. If the Chairman of the Board retires, the notification must be directed to the remaining members of the Board and the Secretary of the Board. Retirement shall be effective - in both cases - from the date specified in the notification.
4. After meeting the suitability requirements determined by the Central Bank of Saudi Arabia and obtaining a non-objection letter therefrom and in case the position of a Board member becomes vacant due to his death or retirement and this vacancy does not result in a violation of the conditions necessary for the validity of the Board's meeting due to the number of its members being less than the minimum stipulated in the Companies Law or this article of association, the Board may temporary appoint

someone with the required experience and competence in this vacant position. The Ministry as well as the Capital Market Authority shall be notified of this appointment within (15) days of its date. This appointment shall be presented during the first meeting of the Ordinary General Assembly. The new member shall continue the term of his predecessor. If the necessary conditions for holding Board of Directors are not met due to the number of its members being less than the minimum stipulated in the Companies Law or these Laws, the remaining members must invite the Ordinary General Assembly to convene within sixty (60) days to elect the necessary members.

Article (19) – Powers of the Board of Directors:

Without prejudice to the Finance Law and its Implementing Regulations as well as the powers conferred on the General Assembly, the Board of Directors shall be vested with full powers to manage the company, achieve its objectives, set its policies, determine its investments, and supervise its business and funds within or outside KSA. The Board of Directors is entitled to apply for and obtain loans from governmental funds and financing organization, whatever their terms. It is also entitled to obtain commercial loans and issue instruments for loans whose terms do not exceed the Company's term. The Board of Directors may discharge the company's debtors from their obligations in accordance with its interest, provided that the minutes of the Board of Directors and its decision include the following conditions:

1. The exemption must be one year after the debt arose.
2. The exemption must be for a specified amount per year for one debtor.
3. The exemption is the Board's right that may not be delegated. The Board may also, within the limits of its jurisdiction, delegate one or more of its members or third parties to carry out a specific work or tasks.
4. The exemption is not related to the release of the Board's member, Company's partners, or any related party, whether the relationship is direct or indirect.

The Board of Directors shall obtain the approval of the General Assembly when selling assets whose value exceeds (50%) of the value of its total assets, whether the sale is made through one or several transactions. In this case, the transaction that exceeds (50%) of the value of the assets requires the approval of the General Assembly, and this percentage is calculated from the date of the first transaction executed during the previous (12) months.

Article (20) – Remuneration of Board of Directors' Members:

The remuneration of the Board of Directors will be as follows: the Chairman of the Board of Directors will be given an amount of (SR. 150,000) annually, and the Vice Chairman of the Board of Directors will be given an amount of (SR. 140,000) annually. The remuneration of each member of the Board of Directors will be an amount of (SR. 120,000) annually. The Chairman, his Vice-Chairman, and each member shall be paid an amount of (SR. 3,000) for each meeting of the Board of Directors and an amount of (SR. 2,000) for each meeting of the committees affiliated to the Board of Directors. In all cases, the total amount paid to members of the Board of Directors does not exceed (10%) of net profits.

The company also pays the Chairman and the Board's members the actual expenses incurred to attend the meetings of the Board or committees affiliated thereto, including travel and accommodation expenses. Medical insurance benefits are granted to the Board's members and their families in

proportion to the insurance benefits granted to the executive management. The Chairman of the Board of Directors shall sign such insurances. The company must ensure that all written details of the proposed remuneration and compensation are sent to all shareholders prior the general assembly at which these remuneration and compensation are voted on. The company shall also ensure that the general assembly approves the terms of the remuneration and compensation in a general assembly in which members of the Board of Directors do not have the right to vote therein. The remuneration of Board's members may be modified with the approval of the Extraordinary General Assembly of Shareholders, within the limits stipulated in the Companies Law and its regulations. The Board of Directors' report to the Ordinary General Assembly at its annual meeting must include a comprehensive statement of everything that the members of the Board of Directors have obtained or are entitled to receive, such as remunerations, hearing attendance allowance, expense allowance, medical insurance and other benefits. It shall also include a statement of what the Board members received in their capacity as workers or administrators, or what they received in exchange for technical or administrative work or consultations. It should also include a statement of the number of Board sessions and the number of sessions attended by each member.

Article (21) – Chairman, Managing Director and Secretary Powers:

After obtaining the prior written non-objection of the Central Bank of Saudi Arabia and the approval of the competent authorities, the Board of Directors shall appoint at its first meeting from among its members a Chairman and Vice-Chairman, and may appoint a Managing Director. It is not permissible to combine the position of Chairman of the Board of Directors with any executive position in the company.

Without prejudice to the Financing Laws and its Implementing Regulations, the Chairman of the Board is responsible for, including but is not limited to, representing the company in its relations with third parties, governmental and private entities, Sharia courts, judicial bodies, the Board of Grievances, notaries, labor and workers' offices, the higher and primary committees, and the commercial securities committees, all other judicial committees, arbitration and civil rights bodies, police departments, chambers of commerce and industry, private bodies, companies and institutions of all kinds. He also represents the Company in entering into tenders, receiving, paying, approving, claiming, defending, pleading, settlement, reconciliation, accepting and denying rulings, arbitrating, applying rulings and appealing them. The Chairman of the Board of Directors also has the right to sign all types of contracts, documents and papers. He is also entitled to conclude articles of association in which the company participates along with all their amendments, appendices and decisions, sign agreements and instruments before notaries and official bodies, as well as signing loan agreements after the approval of the Board. He is also entitled to issue guarantees, legal powers of attorney on his behalf, follow up on transactions, obtain the company's rights, meet its obligations, buy and sell, mortgage, accept the mortgage, release the mortgage, receive, deliver, rent, lease, open accounts and credits, withdraw and deposit with banks in addition to issuing bank guarantees.

He is entitled to represent the company in signing all papers, documents, checks and all banking transactions, as well as dealing with financial and investment companies and commercial banks in order to open, activate and close investment accounts, withdraw and transfer therefrom, and sign agreements and contracts. He also has the right to appoint or dismiss employees and workers, request visas, bring labor from outside the Kingdom, conclude contract therewith, determine their salaries, obtain residency permits, and transfer and waive sponsorships. Within the limits of his jurisdiction, the Chairman is entitled to appoint attorneys and agents on behalf of the company and authorize or assign one or more of its members or a third party to carry out a specific business, with regard to the sale of the company's

real estate. The minutes of the Board of Directors must include the reasons for the sale decision and that the sale must be close to the ideal price, and be present except in cases determined by the Board and with sufficient guarantees. This disposition may not result in the cessation of some activities, in accordance with Article (54) of the Implementing Regulations of the Finance Companies Control System.

The Board of Directors shall appoint a secretary for the Board, whether from among its members or from others, and determine his remuneration. This secretary is liable for recording the minutes of Board of Directors meetings, recording and archiving the decisions issued from these meetings, in addition to exercising other powers assigned by the Board of Directors.

The term of the Chairman of the Board of Directors, his deputy, the Managing Director, and the Secretary shall not exceed the term of each of them in the Board. They may be re-elected, and the Board may exempt them of any of their obligations, and this exemption does not entail relieving them of their membership in the Board. The Board also appoints a CEO of the company and determines his powers and remuneration. The Board may also cancel the position of the CEO and merge his powers and remuneration with the powers and remuneration of the Managing Director.

The Managing Director is also responsible for all tasks entrusted to him by the members of the Board of Directors.

Article (22) – Board Meetings:

The Board of Directors shall be convened at least four times per year and no less than one meeting every three months, upon a call by the Chairman. The call shall be documented in the manner deemed appropriate by the Board. The Chairman of the Board shall call for a meeting if so requested in writing to discuss one topic or more.

Article (23) – Quorum of the Board Meeting:

A Board meeting shall not be a valid meeting unless attended by half of the members. A member of the Board of Directors gives a proxy to another member to attend the Board meetings in accordance with the followings:

- a. A member of the Board of Directors may not act on behalf of more than one Board member as to attending the same meeting.
- b. A proxy shall be made in writing.
- c. A Board member acting by proxy may not vote on resolutions on which his principal is prohibited from voting under the law.

The Board resolutions shall be adopted with the approval of the majority vote of the members present in person or represented by proxy. In case of a tie, Director presiding over the Board shall have a casting vote. The Board of Directors' resolution shall be effective from the date of its issuance, unless it stipulates that it will take effect at another time or when certain conditions are met.

The General Assembly may also - based on the recommendation of the Board of Directors - terminate the membership of any member who fails to attend three consecutive meetings or five separate

meetings during the term of his membership without a legitimate excuse accepted by the Board of Directors.

The Board may issue its decisions on urgent matters by presenting them to all members by circulation, unless one of the members requests - in writing – a Board meeting to deliberate thereon. These decisions are issued with the approval of the majority of the votes of its members, and are presented to the Board of Directors at its first subsequent meeting to be recorded in the minutes of that meeting. Every Board member who has a direct or indirect personal interest in any matter or proposal presented to the Board or the emerging committees shall inform the Board or the committee of the nature of his interest in this matter. Without excluding him from the number necessary for the validity of the meeting, he shall not participate in the deliberations and votes of the Board or Committee regarding the said matter or proposal.

Article (24) – Minutes of Meetings:

The Board deliberations and resolutions shall be drawn in minutes prepared by the Secretary and signed by the Board Chairman, attending members, and the Secretary. Such minutes shall be recorded in a special register to be signed by the Board Chairman and the Secretary. Modern technological means may be used to sign, document deliberations and decisions, and record minutes.

(CHAPTER IV)

SHAREHOLDERS ASSEMBLIES

Article (25) – Attending Assembly

Each subscriber shall have the right to attend the Constituent Assembly. Each Shareholder may authorize in writing another Shareholder, other than the members of the Board of Directors, to attend the General Assembly on his/its behalf.

Article (26) – Powers of Ordinary General Assembly:

Regardless the matters within the jurisdiction of the Extraordinary General Assembly, the Ordinary General Assembly has jurisdiction over all matters related to the company. The Annual Ordinary General Assembly is held at least once a year during the six months following the end of the company's fiscal year. Other ordinary general assemblies may be called whenever necessary.

Article (27) – Powers of Extraordinary General Assembly

The Extraordinary General Assembly has the authority to amend the company's bylaws, except for the matters prohibited by law from being amended. In all cases, the approval of the Central Bank of Saudi Arabia must be obtained in writing before making any amendment to these bylaws.

The extraordinary general assembly is also responsible for dissolving the company and approving the company's purchase of its shares. It may also issue decisions on matters within the jurisdiction of the Ordinary General Assembly, in accordance with the terms and conditions established for the Ordinary General Assembly.

Article (28) – Manner of Convening General Assemblies:

The Shareholders' General Assembly shall be by the call of the Board of Directors, in accordance with the requirements of the Companies Law. The Board of Directors shall convene a meeting of the Ordinary General Assembly within (30) days if requested to do so by the Auditor or a number of Shareholders representing at least five percent (10 %) of the Company's capital. The Auditor may invite the Ordinary General Assembly to convene if the Board does not invite it within thirty days of the date the Auditor's request.

The summons shall be made at least (21) days prior to the time set for such meeting. However, sending such summons shall be made through registered letters to the shareholders addresses listed in the shareholder registry, or announcing it through modern technological means. A Copy of the summon and the agenda shall be sent to the CMA and the Central Bank of Saudi Arabia, within the period set for publication.

The summon to the General Assembly meeting shall include the followings:

1. Identification of the one entitled to attend the assembly meeting and his right to delegate someone, not a member of the Board of Directors, to act on his behalf. Identification of the shareholder's right to discuss the topics included in the assembly's agenda, ask questions, and how to exercise the right to vote.

2. The place, date and time of the meeting
3. The type of assembly, whether public or private
4. The meeting agenda, including the items required to be voted on by shareholders.

When preparing the agenda of the General Assembly, the Board of Directors must take into account the topics that shareholders wish to include. Shareholders who own at least 10% of the company's shares may add one or more topics to the agenda of the General Assembly when preparing it.

Article (29) – Record of Attendance at the Meetings of the General Assembly:

Shareholders who wish to attend the general assembly shall register their names at the meeting place before the time specified for the assembly. In the event the general assembly meeting is held through modern technological means, the Board shall establish the necessary procedures to verify the identity of the shareholder who votes automatically and the shareholder participating in the assembly meeting, and his eligibility to vote on any of the meeting's clauses.

Article (30) – Quorum of Ordinary General Assembly

A meeting of the Ordinary General Assembly shall be valid only if attended by Shareholders representing at least 25% (twenty five percent) of the Company's capital. If such quorum cannot be attained at the first meeting, a second meeting shall be held according to Article (28) thereof and within (30) days following the time set for the preceding meeting. However, the second meeting may be held one hour after the end of the period specified for the first meeting, provided that the call to the first meeting includes information indicating the possibility of holding that meeting. In all cases, the second meeting shall be deemed valid irrespective of the number of shares represented therein.

Article (31) – Quorum of Extraordinary General Assembly

A meeting of the Extraordinary General Assembly shall be valid only if attended by Shareholders representing at least 50% (fifty percent) of the Company's capital. If such quorum cannot be attained at the first meeting, a second meeting shall be held according to Article (28) thereof. However, the second meeting may be held one hour after the end of the period specified for the first meeting, provided that the call to the first meeting includes information indicating the possibility of holding that meeting. In all cases, the second meeting shall be deemed valid if attended by a number of Shareholders representing at least 1/4 (one-quarter) of the Company's capital.

In case quorum cannot be attained at the second meeting, an invitation shall be made to a third meeting which shall be held under the same conditions included in Article (28) thereof. The third meeting shall be deemed valid irrespective of the number of shares represented therein.

Article (32) – Voting Rights:

Each Shareholder shall have one vote for each share held at the meetings of General Assemblies. Cumulative ballot must be used when electing the Board of Directors. Members of the Board of Directors may not vote on the Assembly's decisions that relate to business and contracts in which they have a direct or indirect interest or that involve a conflict of interest.

Article (33) – Assembly Resolutions:

Resolutions of the Ordinary General Assembly shall be adopted by an absolute majority of the shares represented thereat. Resolutions of the Extraordinary General Assembly shall be adopted by a majority vote of two thirds of the shares represented at the meeting. However, if the resolution to be adopted is related to increasing or reducing the capital, extending the Company's term of existence, dissolving the Company prior to the expiry of the period specified therefor under these Articles of Association or merging the Company with another Company or establishment, then such resolution shall be valid only if adopted by a majority of 3/4 (three quarters) of the shares represented at the meeting. The decision will not be effective unless approved by the Central Bank of Saudi Arabia.

Article (34) – Discussions at the Assembly Meetings:

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

Article (35) – Chairing the General Assembly and Preparing Minutes:

The Shareholders' General Assembly shall be presided over by the Chairman of the Board of Directors or, in his absence, the Vice-Chairman, or the member designated by the Board in the absence of the Chairman and the Vice-Chairman. In case of failure, the General Assembly shall be presided over by someone nominated by the shareholders from among the Board members or others through voting.

Minutes shall be written for the meeting showing the names of the Shareholders present in person or represented by proxy, the number of the shares held by each, the number of votes attached to such shares, the resolutions adopted at the meeting, the number of votes assenting or dissenting to such resolutions and a comprehensive summary of the discussions that took place at the meeting. Such minutes shall be regularly recorded after each meeting in a special register to be signed by the Chairman of the Assembly, the Secretary and the canvasser.

(CHAPTER V)

REVIEW COMMITTEE

Article (36) – Committee Formation:

A Review Committee shall be formed under a resolution by the Ordinary General Assembly. Such Committee shall comprise 3 (three) members who shall be non-Board Directors, whether from Shareholders or others. The majority of its members shall be independent and appointed after fulfilling the suitability requirements determined by the Central Bank of Saudi Arabia and obtaining a non-objection letter therefrom. The General Assembly shall issue regulations for the audit committee's work, including the tasks of the committee, how it works, and the rules for selecting its members, their remuneration, and the duration of their membership.

Article (37) – Meeting Quorum:

For a valid meeting of the Review Committee, a majority of its members is required. Besides, the Committee decisions shall be passed by the majority of attending members. In case of a tie, the Committee Chairman shall have a casting vote.

Article (38) – Committee Powers:

The Review Committee shall be responsible for overseeing the Company business, and for such purpose, the Committee shall be given access to the Company records and documents, and shall also request any explanation or statement from the Board Directors of the Executive Management. Besides, such Committee shall be entitled to ask the Board of Directors to call the General Assembly to convene if the Board obstructs the Committee functions or should the Company experience serious losses or damage.

Article (39) – Committee Reports:

The Review Committee shall examine the Company financial statements, reports, and notes submitted by the Auditor, and express its comments, if any, thereon. Besides, the Committee shall prepare a report of its opinion of the sufficiency of the Company internal control system alongside its assignments within its competence. The Board of Director shall file sufficient copies of such report at the Company head office at least (21) days before the date specified for the General Assembly such that each Shareholder shall be given a copy thereof. Such report shall be read at the General Assembly.

(CHAPTER VI)

AUDITOR

Article (40) – Appointment of Auditor:

Without prejudice to Article (74) of the Implementing Regulation of the Financing Company Control System, the Company shall have one auditor or more to be selected from among the auditors certified licensed to work in the Kingdom of Saudi Arabia. The Auditor shall be appointed annually and his remuneration and the duration of his work shall be specified by the General Assembly, provided that the period of his appointment does not exceed the legally prescribed period, and it may reappoint him. The General Assembly may further dismiss the Auditor without prejudice to his right to compensation if dismissal was due to groundless reasons, provided that the Chairman of the Board of Directors informs the competent authority of the dismissal decision and its reasons within a period not exceeding (5) days from the date of issuance of the decision.

Article (41) – Auditor's Powers:

The Auditor shall have access at all times to the Company's books, records and any other documents, and may request statements, notes, information, and clarifications as it deems necessary. It may further check the Company's assets and liabilities. The Chairman shall help the Auditor perform his duties, and should the Auditor encounter any difficulties in this regard, he shall state the same in a report to be submitted to the Board of Directors. In case the Board does not facilitate the Auditor's duties, the Auditor shall be required to ask the Board to hold an Ordinary General Assembly to consider the matter and the violations of the provisions of the Companies Law, the Finance Companies Control System, its implementing regulations, the relevant regulations, the provisions of this article of association, or the rules and instructions issued by the Central Bank of Saudi Arabia. It shall also consider his opinion on the extent to which the company's accounts conform to reality. The auditor may send this invitation if the Board of Directors does not send it within (30) days from the date of the auditor's request.

(CHAPTER VII)

THE COMPANY'S ACCOUNTS AND DISTRIBUTION OF PROFITS

Article (42) – Fiscal Year:

The Company's fiscal year shall commence on the 1st of January and expire on the 31st of December of each Gregorian year. However, the Company's first fiscal year shall cover the period commencing as of its registration in the commercial register and expiring on the 31st of December of the current Gregorian year.

Article (43) – Financial Statements:

1. Without prejudice to the provisions of the Companies Law and the Finance Companies Control System and its Implementing Regulations, especially Article (26) of the Implementing Regulations of the Finance Companies Control System, the Board of Directors shall prepare at the end of each fiscal year an inventory of the Company's financial statements, a report on the Company's activities and its financial position for the preceding Fiscal year and its proposals as to the distribution of the net profits. The Board of Directors shall put such documents at the auditor's disposal at least 45 (forty five) days prior to the convening of the annual Ordinary General Assembly.
2. The documents stated in paragraph (1) above, shall be signed by the Chairman of the Board of Directors, Chief Executive Officer, and Chief Financial Officer. Copies thereof shall be available at the Company's head office for the Shareholders' review.
3. The Chairman of the Board of Directors shall provide Shareholders with the Company's financial statements, Board of Directors' report, and Auditor's report unless all such documents are published in any of the modern technology means at least (21) days prior to the date set for convening the General Assembly. These documents shall be deposited with the Saudi Center for Economic Business through the electronic deposit program for financial statements.

Article (44) – Distribution of Profits

The Company's annual net profits shall be allocated as follows:

1. The Ordinary General Assembly - when determining shares in net profits - may decide to form reserves, to the extent that achieves the interest of the company or ensures the distribution of fixed profits to the shareholders. The aforementioned assembly may also deduct amounts from the net profits to achieve social purposes for the company's employees
2. Without prejudice to the provisions of Article (26) of the Implementing Regulations of the Finance Companies Control System, the General Assembly determines the percentage that must be distributed to shareholders from the net profits after deducting reserves, if any, and the company's annual net profits are distributed after deducting all general expenses and other costs..

Article (45) – Dividends Maturity:

A shareholder shall be paid his dividend share subject to a resolution by the General Assembly, and such resolution shall state the date of maturity and distribution. Profits shall be distributed amongst Shareholders registered in the Shareholders Register at the end of the day specified for maturity. The Board of Directors must implement the General Assembly's decision regarding the distribution of profits to shareholders within (15) days from the date of entitlement to these profits specified in the General Assembly's decision.

Article (46) – Distribution of Dividends of Preferred Shares:

If the company fails to pay the holders of preferred shares the specified percentage of the company's net profits after deducting reserves for a period of three consecutive years, the special assembly of the owners of these shares, held in accordance with the provisions of Article (89) of the Companies Law, may decide that they will attend the company's general assembly meetings and participate in voting until the company is able to pay all the profits allocated to the owners of these shares for those years. Each preferred share has one vote at the General Assembly meeting. In this case, the holder of the preferred share has the right to vote on all items on the agenda of the Ordinary General Assembly.

Article (47) – Company Losses:

Without prejudice to Article (70) of the Implementing Regulations of the Finance Companies Control System, If the company's losses amount to half of the issued capital, the Board of Directors shall disclose that and provide recommendations regarding those losses within (60) days from the date of its knowledge that they have reached this amount. The Board shall also call the Extraordinary General Assembly to convene within (180) days from the date of being aware of this to consider the continuation of the company while taking any of the necessary measures to address or resolve those losses.

(CHAPTER VIII)

DISPUTES

Article (48) – Liability Claim:

1. The company may file a liability claim against the members of the Board of Directors due to violating the provisions of the Companies Law or this article of association, or due to their faults or negligence in performing their work, resulting in damages to the company. The General Assembly or the shareholders decide to file this case and appoint someone to act on behalf of the company. One or more shareholders representing (5%) of the company's capital may file a liability claim in the event that the company does not file it, taking into account that the primary goal of filing the case is to achieve the company's interests and that the case must be based on a valid basis. Further, the claimant shall have a good faith and be a shareholder in the company at the time the case is filed.

2. Each Shareholder shall have the right to file a liability action, vested in the Company, against the members of the Board of Directors if they have committed a fault which has caused some particular damage to such Shareholder.

(CHAPTER IX)

DISSOLUTION AND WINDING UP OF THE COMPANY

Article (49) – Company Winding Up:

Without prejudice to the provisions of Article (20) of the Implementing Regulations of the Finance Companies Control System, the company is dissolved by one of the reasons mentioned in Article (243) of the Companies Law. After the company's winding up, it enters the stage of liquidation, and the Board of Directors and the General Assembly must take liquidation procedures in accordance with the provisions of the Companies Law. The company maintains its legal capacity to the extent necessary for liquidation. Further, the decision to appoint the liquidator is issued by the extraordinary general assembly within a period not exceeding sixty (60) days from the date of the company's winding up, provided to specify powers, fees, restrictions imposed thereon - if any - and the time period necessary for liquidation. Besides, the powers of the Board of Directors shall cease upon the Company's winding up. However, the Board of Directors shall remain responsible for the management of the Company until the liquidators are specified, and shall be considered as liquidators for third parties until liquidators are appointed. The Shareholders' Assemblies shall remain through the liquidation period and shall maintain their powers to the extent that they do not interfere with the powers of the liquidators. During the liquidation period, the shareholder retains the right to view the company's documents as stipulated in the Companies Law or this article of association.

(CHAPTER X)

GENERAL PROVISIONS

Article (50):

1. The company is subject to the regulations applicable in the Kingdom of Saudi Arabia
2. Any provision contradicts the provisions of the Companies Law will not be considered and the provisions included in the Companies Law will be applied thereto. Everything not included in this article of association will be subject to the Companies Law and its implementing regulations, the Finance Companies Control System and its implementing regulations, and the relevant regulations, rules and instructions issued by the Central Bank of Saudi Arabia.

Article (51):

These Articles of Association shall be filed and published in accordance with the Companies Law and its Regulations.