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**Published on the website on May 2024**

**Law No. (9) of 2020 ratifying the Agreement of Establishment and Articles of Association of the Gulf Payments Company**

**We, Hamad bin Isa Al Khalifa, King of the Kingdom of Bahrain.**

Having reviewed the Constitution,

And the Agreement of Establishment and Articles of Association of the Gulf Payments Company, signed on 20/07/1440 A.H., corresponding to 27 March 2019,

The Shura Council and the Council of Representatives have approved the following Law which we hereby ratify and promulgate:

**Article One**

Agreement of Establishment and Articles of Association of the Gulf Payments Company, signed on 20/07/1440 A.H., corresponding to 27 March 2019, attached to this Law, have been ratified.

**Article Two**

The Prime Minister and the Ministers - each within his jurisdiction - shall implement this Law, and it shall come into force from the day following the date of its publication in the Official Gazette.

**King of the Kingdom of Bahrain**

**Hamad bin Isa Al Khalifa**

Issued at Riffa Palace:

On: 20 Shaaban 1441 A.H.

Corresponding to: 13 April 2020

**Gulf Payment Company**

**First:  Agreement of Establishment**

**Second: Articles of Association**

**Version (15) May 2018.**

**In the Name of Allah, the Most Gracious and the Most Merciful**

**First:  Agreement of Establishment**

In accordance with the Articles of Association of the Gulf Cooperation Council, which calls for closer ties and stronger links between the GCC countries, and the pursuit of advanced stages of economic and financial integration, and to achieve coordination, integration and interconnection between the Member States in all fields, and to strengthen and deepen the links, connections and aspects of cooperation that exist between their peoples in various fields. And the establishment of similar systems in various fields, including financial payment systems, which was confirmed by the economic agreement according to which economic integration between the GCC countries will take place in a progressive stage, starting with the creation of a free trade zone, then the customs union, then the Gulf common market, and finally the monetary and economic union, and the establishment of the joint projects necessary for this.

Pursuant to the decision of the Supreme Council of the Cooperation Council for the Arab States of the Gulf at its (37th) session to approve the establishment and integration of a system linking the payment systems in the GCC countries by owning and managing the project through the establishment of an independent company owned and financed by the monetary institutions and central banks of the GCC countries.

The monetary institutions and central banks of the Gulf Cooperation Council countries have agreed on the following:

**Article One**

**Establishment**

In accordance with this Agreement and the Statutes attached hereto, there shall be established a closed joint stock company to be known as "Gulf Payments Company", hereinafter referred to as "the Company". This Company shall have full legal personality and shall be vested with all powers to achieve its objectives.

**Article Two**

**Head Office and Legal Domicile of the Company**

The Company's registered office will be located in the city of Riyadh in the Kingdom of Saudi Arabia and its branch office in the city of Abu Dhabi in the United Arab Emirates. A branch, offices or agencies may be established inside or outside the Kingdom by decision of the Board of Directors of the company.

**Article Three**

**Company's Objectives:**

**First:** The Company Objectives:

The company was established to achieve the following objectives:

To establish and develop a system linking the payment systems in the GCC countries to implement the transfer and settlement of payments between them, in a manner which neither undermines the interests of domestic payment systems nor conflicts with the policies and procedures in each country.

To implement clearing operations through the mechanism and procedures agreed by the monetary institutions and central banks of the GCC countries.

To provide and develop various services related to the Gulf payment system.

To manage and operate the Gulf payment system.

To develop and strengthen common Gulf payment systems to serve the interests of participating countries and their populations, and develop appropriate strategies to avoid risk in its various forms, in accordance with international best practices.

To establish a regional infrastructure that provides the basis for joint regional payment systems between the countries of the Gulf Cooperation Council, through the following elements:

To provide a cross-border real-time settlement system for GCC countries.

To support transactions in the local currencies of the GCC countries and financial settlement operations between Gulf monetary institutions and central banks.

To enhance financial stability by providing an efficient infrastructure to facilitate the clearing and settlement of financial transactions, thereby strengthening the regional market.

To promote integration among financial markets, ensure the swift completion of cash transfers, unify their format and ensure their protection, as well as supporting bilateral and multilateral trade relations.

**Second:** Company tasks:

In order to achieve its objectives, the company may carry out the following tasks:

Implement financial transfers of various types across borders, whether in local currency or any other foreign currency, which are then agreed between the participants and approved by the Board of Directors, in accordance with internationally recognised accounting, financial and banking standards.

Co-operate with monetary institutions and central banks in the Gulf to fulfil their assigned role in a manner that does not conflict with each country's internal policies and procedures.

Provide studies and recommendations on payment systems issues.

Collect and prepare statistics related to the Gulf payment system.

Cooperate with international organizations, institutions and bodies in the field of payment systems and work to strengthen the credibility of the Gulf payment system.

Own and dispose of movable assets and funds, including leasing, renting and hiring, subject to the approval of the Board of Directors.

Carry out work that is similar, complementary, necessary or related to the aforementioned corporate purpose, in accordance with the corporate purpose, after approval by the company's Board of Directors.

The company shall carry out its activities in accordance with this agreement after having obtained the necessary licences from the competent authorities - if any - of the country of the registered office.

**Article Four**

**Participation and Ownership in Undertakings**

The Company shall be entitled to participate in other companies and may establish limited liability companies or private joint stock companies which correspond to the nature of the objects and purposes of the Company, after approval by the Board of Directors of the Company.

**Article Five**

**Company Term**

The term of the company is unlimited - from the date of its registration in the commercial register of the country of its registered office.

**Article Six**

**Capital**

The company's capital is set at one hundred and eighty million Saudi riyals (180,000,000), divided into eighteen million nominal shares (18,000,000) of equal and indivisible value, each having a value of (10) Saudi riyals, all of which are ordinary shares in cash.

**Article Seven**

**Subscription**

The founders have subscribed to the entire capital stock of eighteen million shares (18,000,000) with a value of one hundred and eighty million Saudi Riyals (180,000,000), of which sixty million Saudi Riyals (60,000,000) have been paid, on the condition that the remaining value of the shares in cash shall be paid on the dates determined by the Board of Directors of the Company. The shares were distributed to the founders as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **#** | **Founder** | **Number of Shares** | **Value of shares (in cash)** | **Value of shares paid up (in cash)** | **Percentage of Contribution** |
| 1  | Central Bank of United Arab Emirates  | 3,000,000  | 30,000,000  | 10,000,000  | 16.66%  |
| 2  | Central Bank of Bahrain  | 3,000,000  | 30,000,000  | 10,000,000  | 16.66%  |
| 3  | Saudi Arabian Monetary Agency  | 3,000,000  | 30,000,000  | 10,000,000  | 16.66%  |
| 4  | Central Bank of Oman  | 3,000,000  | 30,000,000  | 10,000,000  | 16.66%  |
| 5  | Central Bank of Qatar  | 3,000,000  | 30,000,000  | 10,000,000  | 16.66%  |
| 6  | Central Bank of Kuwait  | 3,000,000  | 30,000,000  | 10,000,000  | 16.66%  |
|   | Total | **18,000,000** | **180,000,000** | **60,000,000** | **100%** |

All cash amounts shall be deposited with one of the banks operating in the Kingdom of Saudi Arabia in the name of the company being incorporated.

**Article Eight**

**Shareholder Liability**

The liability of shareholders shall be limited to their shares in the share capital and no shareholder shall be liable, by virtue of his contribution, for the company's obligations to third parties.

**Article Nine**

**The Company's Board of Directors**

The Company shall be managed by a Board of Directors composed of twelve (12) members representing the monetary institutions and central banks of the countries of the Gulf Cooperation Council for a term not exceeding three years.

Exceptionally, the founders shall appoint the first Board of Directors for a period of three years and their names shall be determined one month after the signature of this Agreement. At its first meeting, the Board of Directors shall choose a Chairman and a Vice-Chairman, provided that both positions are filled on a periodic basis to ensure the participation of all the founders.

**Article Ten**

**Representing the Company**

The Chairman of the Board of Directors is the legal representative of the company and represents it before the courts, arbitration authorities and third parties. The Chairman of the Board of Directors shall be entitled, by written decision, to delegate some of his powers to other members of the Board of Directors or employees of the company to carry out one or more specific tasks. The Vice-Chairman of the Board of Directors replaces the Chairman of the Board of Directors in his absence.

**Article Eleven**

**Immunities and Exemptions**

First: Company Funds and Financial Activities:

The company's funds and assets in the GCC countries shall not be subject to nationalization, confiscation or seizure, and shall not be subject to custody or seizure except pursuant to a final judicial judgement issued by a competent judicial authority in one of the GCC countries.

The Company's funds and financial transactions are exempt from any currency conversion restrictions that may be imposed by any Gulf Cooperation Council country.

The assets, funds, income and operations of the Company authorized under this Agreement and the Articles of Association of the Company attached hereto shall be exempt from taxes and charges of any kind in all countries of the Gulf Cooperation Council and from any deduction legally imposed in any such country. This excludes fees due in relation to any services obtained by the company from a public institution.

Second: Board Members and Company Employees:

Members of the Board of Directors shall enjoy immunity from any executive or judicial proceedings in relation to matters performed by them in the exercise of their official tasks or in connection with the conduct of the company's business.

Members of the Board of Directors and the employees of the company shall enjoy exemption from all taxes or duties on the salaries or bonuses they receive from the company, and they shall enjoy special facilities for travel and residence in the country of the registered office and in the other countries of the Cooperation. Council for the Arab States of the Gulf to enable them to perform their tasks in accordance with the laws and regulations in force in each State, it being understood that nothing in the foregoing shall require any Member Government to grant the above-mentioned immunities and exemptions to any of its nationals.

**Article Twelve**

**Settlement of Disputes**

In case of a dispute arising between any of the contracting parties contributing to the Company or between any of them and the Company regarding the interpretation or application of the provisions of this Agreement and the Articles of Association attached thereto, the parties to such dispute shall seek to resolve it amicably through negotiation. If such negotiations fail within ninety days from the date of a party's request to enter into negotiations, the dispute shall be submitted to the Gulf Cooperation Council Commercial Arbitration Centre in accordance with the procedures and rules applied by the Centre.

Notwithstanding the provisions of Clause 1, the parties to the dispute may agree to submit the dispute to an arbitrator mutually agreed upon by the parties within thirty days from the date of presentation of the notice sent by the applicant for arbitration. If the parties fail to agree on such arbitrator, the Secretary General of the Cooperation Council for the Arab States of the Gulf shall appoint another arbitrator who shall have all the powers and duties of the arbitration tribunal.

**Article Thirteen**

**General provisions**

Legal System of the Company

The provisions contained in this Agreement and the Articles of Association annexed thereto shall apply to the Company and to the rights of its shareholders, as they form an integral part thereof, and the provisions of the regulations in force in the country of the registered office shall apply to what is not stipulated in this Agreement and the Articles of Association annexed thereto.

**Article Fourteen**

**Amendment of the Agreement**

This Agreement may be amended with the approval of the Shareholders, and on the proposal of any Shareholder, and the amendment shall be subject to the same procedures as those set out in Article (15) of this Agreement.

**Article Fifteen**

**Application and ratification of the Agreement**

This Agreement shall be ratified in accordance with the procedures followed in each country, and this Agreement shall enter into force on the date on which the ratification document of the second country is deposited with the General Secretariat of the Cooperation Council for the Arab States of the Gulf and shall be implemented by the countries which ratify it.

**Article Sixteen**

**Agreement Copy**

This Agreement has been drafted in eight original copies, one copy of which shall be delivered to each Party for implementation, one copy shall be retained by the General Secretariat of the Cooperation Council for the Arab States of the Gulf and one copy shall be retained by the Company.

**Second: Articles of Association**

**Annex to the Company Establishment Agreement**

**Second: Articles of Association**

**Part One**

**Incorporation of the Company**

**Article One Establishment and Company Name :**

In terms of the Agreement of Establishment and these Articles of Association, a closed joint stock company shall be established called "Gulf Payments Company", hereinafter referred to as the Company.

**Article Two: Head Office and Legal Domicile of the Company:**

The Company's registered office will be located in the city of Riyadh in the Kingdom of Saudi Arabia and its branch office in the city of Abu Dhabi in the United Arab Emirates. A branch, offices or agencies may be established inside or outside the Kingdom by decision of the Board of Directors of the company.

**Article Three: Duration of the Company:**

The term of the company is unlimited from the date of its registration in the commercial register of the country of its registered office.

**Article Four: The Company Objectives:**

**First:** The Company Objectives:

The company was established to achieve the following objectives:

To establish and develop a system linking the payment systems in the GCC countries to implement the transfer and settlement of payments between them, in a manner which neither undermines the interests of domestic payment systems nor conflicts with the policies and procedures in each country.

To implement clearing operations through the mechanism and procedures agreed by the monetary institutions and central banks of the GCC countries.

To provide and develop various services related to the Gulf payment system.

To manage and operate the Gulf payment system.

To develop and strengthen common Gulf payment systems to serve the interests of participating countries and their populations, and develop appropriate strategies to avoid risk in its various forms, in accordance with international best practices.

To establish a regional infrastructure that provides the basis for joint regional payment systems between the countries of the Gulf Cooperation Council, through the following elements:

To provide a cross-border real-time settlement system for GCC countries.

To support transactions in the local currencies of the GCC countries and financial settlement operations between Gulf monetary institutions and central banks.

To enhance financial stability by providing an efficient infrastructure to facilitate the clearing and settlement of financial transactions, thereby strengthening the regional market.

To promote integration among financial markets, ensure the swift completion of cash transfers, unify their format and ensure their protection, as well as supporting bilateral and multilateral trade relations.

**Second:** Company tasks:

In order to achieve its objectives, the company may carry out the following tasks:

Implement financial transfers of various types across borders, whether in local currency or any other foreign currency, which are then agreed between the participants and approved by the Board of Directors, in accordance with internationally recognised accounting, financial and banking standards.

Co-operate with monetary institutions and central banks in the Gulf to fulfil their assigned role in a manner that does not conflict with each country's internal policies and procedures.

Provide studies and recommendations on payment systems issues.

Collect and prepare statistics related to the Gulf payment system.

Cooperate with international organizations, institutions and bodies in the field of payment systems and work to strengthen the credibility of the Gulf payment system.

Own and dispose of movable assets and funds, including leasing, renting and hiring, subject to the approval of the Board of Directors.

Carry out work that is similar, complementary, necessary or related to the aforementioned corporate purpose, in accordance with the corporate purpose, after approval by the company's Board of Directors.

**Article Five: Participation and Ownership in Undertakings:**

The Company may, with the approval of the Board of Directors, itself set up limited liability companies or private limited companies, it may also hold shares and holdings in other companies and has the right to participate with others in the creation of joint stock companies or limited liability companies after satisfying the requirements of the regulations and instructions followed in this respect, the Company shall also be able to transfer these shares or holdings, provided that this does not involve mediation in their negotiation.

**Part Two**

**Capital and Shares**

**Article Six: Capital:**

The company's capital is set at one hundred and eighty million Saudi riyals (180,000,000), divided into eighteen million nominal shares (18,000,000) of equal and indivisible value, each having a value of (10) Saudi riyals, all of which are ordinary shares in cash.

**Article Seven: Subscription for Shares:**

The founders have subscribed to the entire capital stock of eighteen million shares (18,000,000) with a value of one hundred and eighty million Saudi Riyals (180,000,000), of which sixty million Saudi Riyals (60,000,000) have been paid, on the condition that the remaining value of the shares in cash shall be paid on the dates determined by the Board of Directors of the Company. The shares were distributed to the founders as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **#** | **Founder** | **Number of Shares** | **Value of shares (in cash)** | **Value of shares paid up (in cash)** | **Percentage of Contribution** |
| **1** | Central Bank of United Arab Emirates  | 3,000,000  | 30,000,000  | 10,000,000  | 16.66%  |
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| **3** | Saudi Arabian Monetary Agency  | 3,000,000  | 30,000,000  | 10,000,000  | 16.66%  |
| **4** | Central Bank of Oman  | 3,000,000  | 30,000,000  | 10,000,000  | 16.66%  |
| **5** | Central Bank of Qatar  | 3,000,000  | 30,000,000  | 10,000,000  | 16.66%  |
| **6** | Central Bank of Kuwait  | 3,000,000  | 30,000,000  | 10,000,000  | 16.66%  |
|  | Total | 18,000,000  | 180,000,000  | 60,000,000  | 100%  |

All cash amounts shall be deposited with one of the banks operating in the Kingdom of Saudi Arabia in the name of the company being incorporated.

**Article Eight: Ownership of shares:**

The ownership of shares shall entail the acceptance of the provisions of the contract of incorporation, the articles of association of the company and the decisions of its general assembly.

**Article Nine: Share Trading:**

The shares subscribed by the founders may only be traded after the publication of the accounts for two financial years, each of which shall not be less than twelve months from the date of incorporation of the company, indicating their nature, the date of incorporation of the company and the period during which their activity is prohibited.

The provisions of this article apply to what the founders subscribe to in the event of a capital increase before the expiry of the prohibition period.

**Article Ten: Register of shareholders:**

The company's shares are traded by registration in the register of shareholders established or contracted to be established by the company, which includes the names of the shareholders, the share numbers and the amount paid from them. This entry is marked on the share and the transfer of title to the nominal share shall be valid vis-à-vis the company and any third parties only from the date of its registration in the aforementioned register.

**Article Eleven Capital Increase:**

The Extraordinary General Meeting may decide to increase the company's capital, provided that the capital is fully paid up. The decision determines the method of capital increase and the amount of the increase, with shareholders having priority to subscribe to the new shares. Shareholders shall be informed of the decision, of their priority, of the subscription conditions, of its duration, and of the start and end dates, by registered letter.

The new shares are distributed to the shareholders who have requested to subscribe, in proportion to the shares they own, provided that the amount they obtain does not exceed what they have requested in terms of new shares. The balance of the new shares is distributed to the shareholders who applied for them. Shareholders may apply for more than their pro rata share, in proportion to the shares they own, provided that the amount they receive does not exceed what they have applied for. They receive all the new shares they request, by decision of the Extraordinary General Meeting.

**Article Twelve: Capital Decrease:**

The Extraordinary General Meeting may decide to reduce the capital if it exceeds the company's needs or if the company is incurring losses. In the latter case only, the capital may be reduced below a limit (to be determined at a later date) of Saudi riyals. The decision to reduce capital shall only be made after reading the auditor's report on the reasons for the reduction, the obligations owed by the company and the effect of the reduction on those obligations. The decision shall indicate the method and amount of the reduction.

If the reduction of capital results from the company's needs being exceeded, the creditors shall be invited to express their objections within a period of sixty days from the publication of the decision on the reduction in a daily newspaper circulated in the region where the registered office of the company and the participating Member States are registered. If one of the creditors objects and delivers its documents to the company by the aforementioned date, the company shall pay its debt to that creditor if it is due or provide a sufficient guarantee to honour it if it is due.

**Part Three**

**The Company's Board of Directors**

**Article Thirteen: Management of the Company**

The Company shall be managed by a Board of Directors composed of twelve (12) members representing the monetary institutions and central banks of the countries of the Gulf Cooperation Council for a term not exceeding three years.

Exceptionally, the founders shall appoint the first Board of Directors for a period of three years and their names shall be determined one month after the signature of this Agreement. At its first meeting, the Board of Directors shall choose a Chairman and a Vice-Chairman, provided that both positions are filled on a periodic basis to ensure the participation of all the founders.

**Article Fourteen: Powers of the Council:**

Taking into account the powers granted to the General Meeting, the Board of Directors shall have the necessary powers to manage the Company in order to achieve its objectives, and may in particular:

Developing and overseeing the implementation of corporate policies, fundamental directions and principal objectives, including:

Developing and reviewing the company's overall strategy, principal business plans and risk management policy.

Determining the optimum capital structure and financial objectives for the business, preparing annual budgets and presenting them to the Annual General Meeting.

Supervising the company's major capital expenditure, as well as owning and disposing of assets.

Setting performance targets and monitoring the implementation and overall performance of the business.

To periodically review and approve the organisational and functional structures of the business.

Approving internal policies, including employment policies, salaries, contractual policies and working hours, and establishing and overseeing internal control systems and controls, including:

Developing a written policy that regulates conflicts of interest and deals with potential conflicts for Board members, senior management and shareholders.

Ensuring the robustness of financial and accounting systems, including systems related to financial reporting.

Creating a risk management framework that oversees the internal control functions and maintains integrity.

Annual review of the effectiveness of the company's internal control procedures.

Establishing a written policy regulating the confidentiality of information.

Establishing a written policy regulating the relationship with stakeholders in order to protect them and safeguard their rights, including:

Mechanisms for compensating stakeholders in the event of violation of their rights recognised by regulations and protected by contracts.

Mechanisms for settling complaints or disputes that may arise between the company and stakeholders.

Mechanisms for establishing good relations with customers and suppliers and maintaining the confidentiality of information concerning them.

Rules of conduct for the company's employees that respect good professional and ethical standards.

Establishing policies and procedures that ensure the company's compliance with laws and regulations and its commitment to disclose material information to shareholders, creditors and other stakeholders.

Representing the company before public and private authorities inside and outside the Kingdom, including various judicial authorities, and deciding whether to have recourse to arbitration.

Establishing a written policy to ensure the safe and smooth management and operation of payment systems, including:

Creating a business continuity plan and a crisis and emergency work plan.

Establishing an information security policy and maintaining its confidentiality.

Reviewing service level agreements and compliance.

**Article Fifteen: Delegation of Powers:**

The Board of Directors may delegate some of its powers to the Chairman or Vice-Chairman.

**Article Sixteen: The company's commitments and obligations:**

Members of the Board of Directors shall not bear any personal liability concerning the commitments and obligations of the company due to the performance of their duties and functions.

**Article Seventeen: Remuneration of members of the Board of Directors:**

The Ordinary General Meeting determines the remuneration of the members of the Board of Directors and the Board of Directors' report to the Ordinary General Meeting shall include a full statement of all bonuses, expense allowances and other benefits received by the members of the Board of Directors during the year, and shall also include a statement of what the members of the Board have received, as employees or directors, or what they have received in exchange for technical, administrative or consultancy work, and shall also include a statement of the number of Board sessions and the number of meetings attended by each member from the date of the last General Meeting.

**Article Eighteen: Appointment and powers of the Chairman of the Board of Directors:**

The Board of Directors shall appoint from among its members a Chairman of the Board and a Vice-Chairman, who shall replace the Chairman in the event of absence or impediment, at a frequency which guarantees the participation of all the founders. A Managing Director of the Company may be appointed from among the members of the Board of Directors of the Company, provided that he is not a Chairman and Chief Executive Officer or Managing Director of another company.

The Chairman of the Board of Directors is the company's legal representative before the courts and in its dealings with third parties.

**Article Nineteen Secretary:**

The Board of Directors shall have a Secretary who is not a member of the Board.

The Secretary of the Board of Directors shall take the minutes of the meetings and the members who attended the meeting and the Secretary shall sign them. A member who disagrees with a decision taken by the Board may record his objection in the minutes of the meeting. The signatories of the minutes shall be responsible for the accuracy of the data contained therein and the Board shall carry out the necessary checks in this respect.

**Article Twenty Chief Executive Officer or Managing Director:**

The Board of Directors may appoint a Managing Director or Chief Executive Officer of the Company or several managers or authorised agents and determine their powers, conditions of service, salaries and rewards. The Managing Director or Managing Director of the company shall not be the Managing Director or Managing Director of the company or Managing Director of another company.

**Article Twenty One: Termination Council Membership:**

The term of office of a member of the Board of Directors shall terminate upon expiry of his term of office, or at the request of the shareholder whom the member represents in accordance with the constitutive contract. However, the Ordinary General Meeting may at any time dismiss all or some of the members of the Board of Directors. Such dismissal shall be without prejudice to the right of the dismissed member vis-à-vis the company to claim compensation if the dismissal occurred for an unacceptable reason or at an inappropriate time. A member of the Board of Directors shall be entitled to retire, provided that he does so at an appropriate time, failing which he shall be liable to the company for any damage resulting from his retirement.

**Article Twenty Two: Vacancy on the Council:**

If the position of a member of the Board of Directors becomes vacant, a replacement member shall be appointed by the shareholder represented by the holder of the vacant position within five working days of the date on which the position is filled, provided that the appointment is presented to the Ordinary General Meeting at its first meeting, and the new member shall complete his predecessor's term of office. If the necessary conditions for convening the Board of Directors are not met due to the number of its members being less than the stipulated minimum, the remaining members shall convene the Ordinary General Meeting to meet within sixty days to elect the necessary number of members.

**Article Twenty Three: Meetings of the Council:**

The Board of Directors shall meet at least four times a year, convened by its Chairman. Meetings shall be convened by registered post or by electronic mail. The Chairman of the Board may convene the Board to meet whenever the need arises and shall convene the Board to a meeting whenever two members so request.

**Article Twenty Four: Quorum for the Council Meeting:**

A meeting of the Board of Directors shall be valid only if attended by (8) members in person, provided that the Chairman or his alternate is among them. A member of the Board of Directors may delegate other members to attend Board meetings under the following conditions:

A member of the Board of Directors shall not represent more than one member at the same meeting.

The mandate shall be confirmed in writing.

The representative may not vote on decisions for which the system prohibits the delegate from voting.

Decisions of the Board shall be taken by a majority of the votes of the members present or represented and, in the event of a tie, the party with which the Chairman of the Committee has voted shall prevail.

**Article Twenty Five: Deliberations of the Council:**

The deliberations and decisions of the Board of Directors are recorded in minutes signed by the Chairman of the meeting, the members of the Board of Directors present and the Secretary. These minutes are recorded in a special register signed by the Chairman of the Board of Directors and Secretary.

**Part Four**

**Article Twenty Six: Constituent Assembly:**

Every subscriber has the right to attend the Constituent Meeting. A Constituent Meeting shall be held within forty-five days of the date of issue of the incorporation decision. For the meeting to be valid, the presence of a certain number of subscribers owning or representing by power of attorney at least half of the capital is required. If this quorum is not reached, a second meeting shall be held one hour after the end of the time limit set for the first meeting, provided that the notice convening the first meeting so stipulates. In all cases, the second meeting is valid regardless of the number of participants.

The meeting shall be chaired by the person elected by the Constituent Assembly from among the founders, and the decisions of the Constituent Assembly shall be taken by a majority of the votes of the shareholders owning at least three quarters of the shares represented at the meeting.

**Article Twenty Seven: Powers of the Constituent Assembly:**

The Constituent Assembly shall be competent to consider and take decisions on the following matters:

The founders' report on the terms of the company's establishment and related expenses.

The actions of the founders in relation to the company during the founding period.

Approving the incorporation of the company and announcing the start of its operations.

Electing the members of the first Board of Directors if they are not appointed by the founders.

Appointing the company's first auditor, if not designated in the company's incorporation agreement.

**Article Twenty Eight: Powers of the Ordinary General Meeting:**

The General Meeting is composed of one representative from each of the contracting parties. The General Meeting is held in the country of the registered office and may be held outside the country of the registered office by decision of the Board of Directors. The Ordinary General Meeting is responsible for:

The Board of Directors' report on the company's activities and financial position during the year, and the Statutory Auditor's report.

The company's budget and profit and loss account.

To elect members of the Board of Directors where necessary.

To appoint the statutory auditors and set their fees.

Proposals by the Board of Directors concerning the distribution of dividends.

Proposals by the Board of Directors concerning the remuneration of Board members and their determination.

To dismiss or remove members of the Board of Directors and to take legal action against them, where appropriate.

To dismiss or remove the Statutory Auditors from office and take action against them, where appropriate.

The General Meeting shall be held at least once a year within six months of the end of the financial year. Other ordinary General Meetings may be convened whenever the need arises.

**Article Twenty Nine: Powers of the Extraordinary General Meeting:**

The provisions relating to the Ordinary General Meeting apply to the Extraordinary General Meeting, taking into account the following provisions:

Amendments to the Company's Articles of Association.

Increasing or decreasing the capital.

Dissolving the company or merging it with another company.

Selling the project undertaken by the company or disposing of it in any other way.

**Article Thirty: Convening of Meetings:**

Ordinary and extraordinary general meetings of shareholders shall be convened by the Board of Directors, and the Board of Directors shall convene the ordinary general meeting at the request of the auditor, the audit committee or the representatives of two Member States representing at least one third of the company's shares. The auditor shall be entitled to convene the meeting if the Board fails to convene the meeting within thirty days of the date of the auditor's request.

Shareholders are invited to convene the meeting at least ten days before the date indicated, by registered letter or by e-mail.

**Article Thirty One: Meetings Attendance Register:**

Shareholders wishing to attend the Ordinary or Extraordinary General Meeting shall register at the e-mail address provided by the Company before the time set for the meeting.

**Article Thirty Two: Quorum for Ordinary General Meetings:**

The Ordinary General Meeting shall be valid only if it is attended by shareholders representing at least half of the share capital. If the quorum required to hold this meeting is not reached, a second meeting shall be held within a period not exceeding thirty days from the date set for the first meeting. In all cases, the second meeting is valid regardless of the number of shares represented at it.

**Article Thirty Three: Quorum for Extraordinary General Meetings:**

The Extraordinary General Meeting shall be valid only if it is attended by shareholders representing at least three quarters of the capital. If this quorum is not reached at the first meeting, the second meeting shall be held within a period not exceeding thirty days from the date fixed for the holding of the first meeting, provided that the notice convening the meeting includes the possibility of holding such a meeting, in which case the second meeting shall be valid if attended by shareholders representing more than half of the capital.

If the necessary quorum is not reached at the second meeting, notice shall be given of a third meeting to be held thirty days from the date of the second meeting. The third meeting shall be valid regardless of the number of participants. In the latter case, the decisions of the General Meeting shall not take effect until they have been approved by the competent authorities of the country in which the registered office is located.

**Article Thirty Four: Voting in Meetings:**

Each subscriber shall have one vote for each share he represents at the Constituent Assembly, and each shareholder shall have one vote for each share at General Meetings.

**Article Thirty Five: Meetings Decisions:**

Decisions of the Constituent General Meeting are taken by an absolute majority of the shares represented at the meeting, and decisions of the Ordinary General Meeting are taken by an absolute majority of the shares represented at the meeting. Decisions of the Extraordinary General Meeting are also taken by a two-thirds majority of the shares represented at the meeting.

**Article Thirty Six: Meetings Discussions:**

Every shareholder has the right to discuss the matters on the meeting agenda and to address questions concerning them to the members of the Board of Directors and the Statutory Auditor. The Board of Directors or the Statutory Auditor shall answer shareholders' questions insofar as this does not expose the company's interests to prejudice. If the shareholder considers that the answer to his question is not convincing, he may appeal to the Association and its decision in this respect shall be final and binding.

**Article Thirty Seven: Chairmanship of a General Meeting and drafting of minutes:**

General Meetings of shareholders are chaired by the Chairman of the Board of Directors or his deputy in his absence, or by whomever he delegates from among its members in the absence of the Chairman of the Board of Directors and his deputy.

At the General Meeting, minutes shall be prepared showing the number of shareholders present or represented, the number of shares they hold in person or by a representative, the number of votes allocated to them, the decisions taken, the number of votes in favour or against, and a full summary of the discussions that took place at the meeting.

Minutes are regularly recorded after each meeting in a special register signed by the Chairman of the Association, its Secretary and the vote collector.

**Part Five**

**The Audit Committee**

**Article Thirty Eight: Establishment of the Audit Committee:**

An Audit Committee shall be set up by decision of the Board of Directors, consisting of five members who are not members of the Board of Directors, shareholders or otherwise. The decision shall specify the committee's duties, the controls over its work and the remuneration of its members.

**Article Thirty Nine: Quorum for Audit Committee Meetings:**

For an Audit Committee meeting to be valid, the majority of its members shall be present and its decisions shall be taken by a majority of the votes of those present. In the event of a tie, the side on which the Chairman of the Audit Committee votes shall prevail.

**Article Forty: Powers of the Audit Committee:**

The Audit Committee is responsible for monitoring the work of the Company and, to this end, has the right to examine its records and documents and to request any clarification or statement from members of the Board of Directors or Executive Management. It may ask the Board of Directors to convene a General Meeting of the Company if the Board of Directors is obstructing its work or if the Company suffers serious harm, damage or loss.

**Article Forty One: Reports of the Audit Committee:**

The Audit Committee shall examine the company's financial statements and the reports and notes submitted by the statutory auditor and express its opinion, if any, on them. It shall also prepare a report on its opinion as to the adequacy of the company's internal control system and other work it has undertaken which falls within its remit. The Board of Directors shall deposit a sufficient number of copies of this report at the Company's registered office at least ten days before the date of the General Meeting. Provided that shareholders receive at least one copy. The report shall be read at the meeting.

**Part Six**

**Auditor**

**Article Forty Two: Appointment of the Statutory Auditor:**

The Company shall have one (or more) Statutory Auditor(s) from among the auditors licensed to work in the Kingdom of Saudi Arabia, who shall be appointed annually by the Ordinary General Meeting and whose remuneration and term of office shall be determined, provided that the period The term of office of the appointed auditor may not exceed three years, extendable to a maximum of five consecutive years. A period of two years shall elapse before resuming the use of the same references once the five-year period has elapsed. The Assembly may also change it at any time without prejudice to its right to compensation if the change is made at an inappropriate time or for an illegal reason.

**Article Forty Three: Powers of the Statutory Auditor:**

The statutory auditor has the right to inspect the company's books, registers and other documents at any time. He also has the right to request the data and clarifications he deems necessary to obtain, in order to verify the company's assets, liabilities and other matters falling within the scope of his work. The Chairman of the Board of Directors and the Chief Executive Officer of the company shall enable him to carry out his assignment and if the auditor encounters any difficulties in this respect, he shall substantiate this in a report to the Board of Directors. If the Board of Directors and Chief Executive Officer do not facilitate the work of the statutory auditor, the latter shall invite the Ordinary General Meeting to consider the matter.

**Part Seven**

**Company Financial Statements and Distribution of Profits**

**Article Forty Four: Fiscal Year:**

The company's financial year begins on the first of January and ends at the end of December of each year, provided that the first financial year begins from the date of its registration in the Trade Register until the end of December of the following year.

**Article Forty Five: Financial documents:**

At the close of each financial year, the Board of Directors shall draw up the Company's financial statements and a report on its business and financial position for the previous financial year, which report shall include the proposed method of profit distribution. The Board shall submit these documents to the Statutory Auditor at least forty-five days before the date set for the General Meeting.

The Chairman of the Board of Directors of the Company, its Chief Executive Officer and its Chief Financial Officer shall sign the documents referred to in Clause (1) of this Article and copies thereof shall be deposited at the registered office of the Company at the disposal of the shareholders at least ten days before the date fixed for the General Meeting.

The Chairman of the Board of Directors shall provide the shareholders with the company's accounts, the Board of Directors' report and the auditor's report, and may also send a copy to the competent authorities of the participating countries. (Their names appear in the Agreement of Establishment), this shall be done at least fifteen days before the date of the General Meeting.

**Article Forty Six: Dividend Distribution:**

The company's annual net profits shall be distributed as follows:

(10%) of net profits are set aside each year to form the company's legal reserve. The Ordinary General Meeting may decide to end this reserve when it reaches (30%) of the paid-up capital.

The General Meeting may, on a proposal from the Board of Directors, set aside (10%) of net profit to constitute a contractual reserve for specific purposes.

The Ordinary General Meeting may decide to set aside other reserves, insofar as this is in the interests of the company or ensures the distribution, as far as possible, of fixed profits to shareholders.

Once operations have started and profits have been made, the Ordinary General Meeting shall decide on the profit percentage for each participant, and it shall also decide on the profit percentages for subsequent years, in a manner which benefits the participants and is not prejudicial to the interests and stability of the company, taking into account the provisions stipulated in Article (seventeen) of this law, the Ordinary General Meeting shall subsequently decide on the remuneration of the members of the Board of Directors.

**Article Forty Seven: Dividend Entitlement:**

The shareholder is entitled to his share of the profits in accordance with the decision of the General Meeting to this effect, this decision indicating the dividend due and the distribution date. The entitlement to dividends belongs to shareholders entered in the shareholders' register on the date set for entitlement to dividends.

**Article Forty Eight: Company Losses:**

If the company's losses amount to half of the capital paid up, at any time during the financial year, any member of the company's management or auditors shall immediately inform the Chairman of the Board of Directors, and the Chairman of the Board of Directors shall immediately Whoever becomes aware of the losses shall convene an Extraordinary General Meeting to be held within forty-five days of becoming aware of the losses. To decide whether to increase or decrease the capital of the company in accordance with the provisions of this Law to the extent that the percentage of losses falls to less than half of the paid-up capital, or to dissolve the company.

**Part Eight**

**Dissolution and Liquidation of the Company**

**Article Forty Nine: Termination of the Company**

Once the company has been formed, the liquidation phase begins and the legal entity is retained to the extent necessary for the liquidation. The decision on voluntary liquidation is taken by the Extraordinary General Meeting. The liquidation decision shall include the appointment of the liquidator, determine his powers and his charges, the restrictions imposed on his powers and the period of time required for the liquidation. The period of voluntary liquidation shall not exceed five years and may not be extended beyond that period, except by court order and with the permission of the Company's Board of Directors. The term of office of the directors ends with the dissolution of the company. They shall, however, continue to be responsible for the management of the company and, vis-à-vis the others, shall be considered as liquidators until the liquidator is appointed. The shareholders' meetings remain in place during the liquidation period and their role is limited to exercising their powers, which do not conflict with those of the liquidator.

Signed on 20/07/1440 A.H., corresponding to 27/03/2019

Central Bank of United Arab Emirates

Central Bank of Bahrain

Saudi Arabian Monetary Agency

Central Bank of Oman

Central Bank of Qatar

Central Bank of Kuwait