

SABIC Agri-Nutrient Company
Saudi Joint-Stock Company
SABIC Agri-Nutrients Company Bylaws (A Listed)

Company Chapter (1): Incorporation

Article (1): Name of the Company:

SABIC Agri-Nutrients Company established pursuant to the Royal Decree No. M/13, dated 11/05/1385 AH shall become a (a listed) Saudi joint stock company in accordance with these Bylaws.

Article (2): Headquarters:

The headquarters of the Company shall be in Riyadh City, Kingdom of Saudi Arabia. The Board of Directors may establish branches, offices or agencies for the Company inside or outside the Kingdom.

Article (3): Objectives:

The objectives of the Company are as follows:

- a. Producing, transforming, manufacturing, trading in and marketing of all types of fertilizers and agri-nutrients including but not limited to Ammonia and Urea inside and outside the Kingdom. The Company may, for realization of the stated objective, carry out for its own account or for a third party's account, all industrial, financial and commercial activities of whatever kind.
- b. Establishing, operating and purchasing all or part of chemical and non-chemical plants for the purpose of expanding the Company's activities.
- c. The Company may individually establish limited-liability or closed joint stock companies in accordance with the controls and procedures set forth by the competent authorities. The Company may possess holdings and shares in other existing companies of the same type, merge therewith or acquire such companies. The Company shall have the right to participate with third parties in establishing limited liability or joint stock companies or other companies inside or outside the Kingdom after satisfying the requirements of the laws, regulations and instructions observed in this respect. The Company may dispose of such shares provided that it does not engage in any brokering activities in respect of these shares.

The Company shall practice its business activities according to the applicable laws and after obtaining the required licenses from the competent authorities, if any.

Article (4): Duration:

The duration of the Company shall be ninety nine (99) years commencing from the date of issuance of the Royal Decree authorizing its incorporation. Such duration may be extended for similar or shorter period(s) by a resolution to be issued by the Extraordinary General Assembly of the Shareholders at least one year prior to the end of the duration.

Chapter (2): Capital and Shares

Article (5): Capital:

The capital of the Company shall be (SR 4,760,354,040), divided into (476,035,404) Shares with nominal value, each having a value of ten (10) Riyals.

Article (6): Subscription to Shares:

The shareholders have subscribed to the entire capital shares of the Company, which are (476,035,404) shares represented in the Company's paid-up capital.

Article (7): Preferred Shares:

The Extraordinary General Assembly of the Company may issue or purchase preferred shares, convert ordinary shares to preferred shares or convert preferred shares to ordinary shares as per the rules set by the competent authority. Holding the preferred shares may grant the right of having a higher proportion than the proportion of ordinary shares holders of the Company's net profits after the deduction of the statutory reserve. If there are preferred shares, no shares with priority over them may be issued except upon the approval of a special assembly composed of holders of preferred shares who are prejudiced by such issuance. Such assembly shall convene and issue its resolutions as prescribed for the Extraordinary General Assembly. This provision shall also apply to amending or cancelling the priority rights granted to preferred shares upon its issuance.

Article (8): Company's Shares:

Company's shares shall be nominal and shall not be issued at less than par value, but may be issued for more than par value; in which case the difference of value shall be added to an independent budgetary item as part of Shareholders' entitlements and shall not be distributed to Shareholders as profits. A share shall be indivisible as far as the company is concerned. If a share is jointly owned by several persons, they must elect one of them to exercise the rights attached to such share on their behalf, but they shall be jointly liable for the obligations arising from such ownership

Article (9): Trading of Shares:

Shares shall be traded according to the regulations of the Capital Market Authority (the “CMA”).

Article (10): Ownership of Shares:

Ownership of shares shall certainly imply that the shareholder accepts the Company’s Bylaws and their compliance with the resolutions adopted by the General Assembly in accordance with the provisions of these Bylaws, whether such shareholders agree or disagree with such resolutions.

Article (11): Share of Profits Payment:

Shares dividends and amounts due in case the Company’s assets were divided after liquidation shall be paid to the latest registered owner in the Company’s register whom the share carries his/her name. Such owner shall have the right to collect the amounts due from shares whether they are shares of the Company’s profits or a share of the Company’s assets.

Article (12): Shareholder’s Obligations:

A shareholder shall only be obligated to the share value set out upon issuance, and there shall not be any increase on the shareholder’s obligations.

Article (13): Increase of Capital:

1. The Extraordinary General Assembly may decide to increase the Company’s capital, provided that the original capital has been fully paid up. The capital is not required to be fully paid up if the unpaid portion of the capital relates to shares issued in exchange for the conversion of debt instruments or financing instruments into shares and the prescribed period for conversion into shares has not expired yet
2. The Extraordinary General Assembly may, in all cases, allocate all or part of the shares issued for capital increase to employees of the Company and/or all or part of its subsidiaries. Shareholders may not exercise pre-emptive rights if the Company issues shares for employees.
3. At the time the Extraordinary General Assembly issues a resolution approving the capital increase, a shareholder will be entitled to a pre-emptive right to subscribe to the new shares issued against cash contribution. Such shareholder shall be informed of their pre-emptive rights in accordance with the controls and procedures set by the regulatory authorities.

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4. A shareholder may sell or assign the pre-emptive right during the period from the date the General Assembly's resolution approving the capital increase is adopted until the last day of subscription to the new shares related to such rights, in accordance with the controls set by the competent authority.
 5. The new shares shall be distributed to holders of pre-emptive right who requested subscription in proportionate to their pre-emptive right of the total pre-emptive rights resulting from the capital increase, provided that the shares they receive do not exceed the amount of new shares they requested. The remainder of the new shares shall be distributed to holders of pre-emptive right who requested more than their respective shares in proportionate to their pre-emptive right of the total pre-emptive rights resulting from the capital increase, provided that the shares they receive do not exceed the amount of new shares they requested. The remaining shares shall be offered to third parties, unless the Extraordinary General Assembly decides or the Capital Market Authority (the "CMA") states otherwise.

Article (14): Capital Reduction:

The Company's capital may be reduced by virtue of a resolution to be issued by the Extraordinary General Assembly based on a proposal of the Board of Directors. Such resolution shall indicate the amount and methods of capital reduction.

Article (15): Buy-back of Shares:

The Company may buy-back and pledge its shares in accordance with the Companies Law, its regulations, and the controls determined by the competent authority.

Chapter (3): Debt Instruments and Finance Bonds (Sukuk)

Article (16): Debt Instruments and Finance Bonds (Sukuk):

The Board of Directors may issue tradeable finance bonds, sukuk and debt instruments of any form or nature or any other securities inside or outside the Kingdom in accordance with the established laws, rules and regulations. The Board of Directors shall have the authority to issue such bonds and debt instruments whether in one or more parts or through a series of issues under one or more programs established by the Board from time to time, all of which shall be in the times, amounts and terms set by the Company's Board of Directors, the Board shall also have the right to take all measures required to issue such bonds and debt instruments as long as it doesn't contradict with any requirements or instructions issued in this regard.

Chapter (4): Board of Directors

Article (17): Company Management:

The Company shall be managed by a board of directors (the “Board of Directors”), composed of eight (8) members to be elected by the Ordinary General Assembly for three (3) Gregorian years, and they may be reelected.

Article (18): Expiry of Board Membership:

Membership of a Board member will expire upon the expiry of their term or if a member becomes unfit for membership according to any law or instructions applicable in KSA. However, the Ordinary General Assembly may, at any time, dismiss all or part of the Board members without prejudice to the right of a dismissed member to claim compensation if they are dismissed for an unacceptable reason or at inappropriate time. A Board member may step down, provided that this takes place at an appropriate time, otherwise such member shall be liable to the Company for the damage caused by stepping down.

Article (19): Vacant Position in the Board:

The Board of Directors may appoint a member to temporarily fill the vacancy during a session of the Board regardless of the order of votes attained and the competent authority shall be informed in accordance with the regulatory controls and procedures, provided that such temporary appointment shall be laid before the first Ordinary General Assembly to convene after such appointment. The new member shall complete the unexpired term of his predecessor. If the number of the Board members falls below five (5), the Board of Directors must invite the Ordinary General Assembly to convene within sixty (60) days to elect the required number of members.

Article (20): Authorities of the Board:

- a. Whilst observing the powers prescribed for the General Assembly, the Board of Directors shall have the broadest authorities for managing the Company and conducting all that is necessary to achieve its objectives including but not limited to the disposition of its assets, properties and real estates. The Board shall also have the right to purchase, pay, accept payment, mortgage, redemption of mortgage, sell, transfer ownership, receive payment, handover the priced items, donate and accept donations. Resolutions in relation to the disposal of the Company’s assets, properties and real estates shall consider the following terms:

1. The Board shall set forth the reasons and justifications for sale in the resolution;
2. The sale shall be conducted on the spot except in cases of necessity and with sufficient guarantees

However, such disposition shall not result in hindering the core activities of the Company nor shall it result in shouldering the Company with other additional obligations causing harm to it.

b. The Board of Directors shall have the right to conclude agreements with the finance institutions, funds, banks and governmental departments as well as commercial and non-commercial establishments to provide loans and appropriate financial facilitations of whatever term provided that such term shall not exceed the duration of the Company. Moreover, the following shall be observed when loans are concluded:

1. The total value of loan agreements concluded for every fiscal year shall not exceed the capital of the Company. In case that the total value of loans concluded in any fiscal year exceeds the value of the capital of the Company as an exception from the foregoing, the Ordinary General Assembly shall have right to approve such loans

2. The Board of Directors shall determine how loans are used and repaid

3. Conditions for loans and guarantees provided in connection therewith shall not harm the Company and its Shareholders.

c. The Board of Directors shall have the right to provide loans and appropriate financial facilitations for the companies in which the Company owns shares and guarantee the loans of such companies. The Board of Directors shall also have the right to, within its powers and authorities, delegate on its behalf one or more members or third parties to take any action or perform a certain work(s).

d. The Board of Directors of the Company shall have the right, in cases it approves, to discharge the Company's debtors from their liabilities in accordance to its interests.

e. The Board of Directors shall have the right to delegate authorities, within the limits of its jurisdictions, to one or more of its members or any employee in the Company to take any certain action or perform a certain work(s), and shall also delegate them with the authority of delegation in all or some of its authorities.

Article (21): Remunerations of the Board Members:

The remunerations of Board members may be a particular amount, an allowance for attended meetings, in-kind benefits or a percentage of net profits, two or more of such benefits may be combined. If the remuneration is a certain percentage of the Company's net profits, such percentage shall not exceed 10% of the net profits, which shall be after the deduction of the reserves set by the General Assembly as an implementation of the provisions and regulations of the Companies Law, its regulations and these Bylaws, and after the distribution of profits to shareholders of no less than 5% of the Company's paid capital, provided that the entitlement of such remuneration shall be in proportion with the number of sessions attended by a member. The Chairman of the Board may be given a remuneration in addition to the remunerations prescribed for the members of the Board as determined by the members of the Board. In all cases, the sum of what a Board member gets as remunerations and financial and in-kind benefits shall not exceed five-hundred thousand riyals annually, pursuant to the regulations set by the competent authority. The Board's report to be submitted to the Ordinary General Assembly shall include a comprehensive statement of all benefits received by the Board members during a financial year, including bonuses, expense allowances and other benefits. The report must also include a statement of the amounts received by the Board members in their capacity as officers or administrators or any other amounts received thereby in consideration of technical or administrative activities or consultations. The report shall include as well a statement of the number of Board meetings and the number of meetings attended by each member since the date of the last General Assembly.

Article (22): Authorities of the Chairman, Vice-Chairman and the Secretary:

The Board shall appoint, from amongst its members, a Chairman and a Vice- Chairman to perform the work of the Chairman in case of his absence or if he is temporary prevented from carrying out his functions. The Chairman shall represent the Company before courts, whether it is a plaintiff or a defendant, and he shall have the right to authorize another person for such purpose. The Chairman shall not hold any executive position in the Company. The Board shall appoint a Secretary, from amongst its members or others, and shall specify the jurisdictions and the remunerations of the Board Chairman and the Secretary in whatever respect not provided for in these Bylaws.

Article (23): Board Meetings:

The Board of Directors shall meet at the headquarters or anywhere else at the invitation of its Chairman at least four (4) times a year. The Chairman must call for a meeting whenever requested to do so in writing by two (2) members. The Board may meet outside the headquarters if circumstances so require.

Article (24): Quorum of Board Meetings:

Board Meetings shall not be valid unless attended at least by five (5) members. When necessary, a board member may give proxy to another board member, provided that such proxy shall be in writing and only for one meeting, in such case, the member with the proxy shall have two votes. A Board member shall not represent more than one member.

A Board meeting may be conducted via the modern electronic means through live visual and audio transmission, which shall enable Board members to participate effectively in the General or Special Assembly, in a way that makes them able to hear and follow-up presentations, discuss, be heard and vote on resolutions.

Article (25): Board Resolutions:

Resolutions of the Board shall be adopted by majority votes of members present or represented. In case of a tie, the side on which the Chairman's vote was cast shall prevail.

The Board may adopt resolutions by way of circulation without holding a meeting unless a member requests in writing the Board to convene for deliberation. Such resolutions shall be adopted unanimously and shall be presented to the Board in its next meeting to add it in the minute.

Article (26): Board Deliberations:

Board deliberations and resolutions shall be documented in minutes to be signed by the Chairman, Board members present and the secretary. Such minutes shall be kept in a special register cosigned by the Chairman and the Secretary of the Board.

Article (27): Authorities of the Board Chairman:

The Board Chairman shall preside over the Board meetings and represent the Company in its relations with third parties. The Vice-Chairman shall temporary perform the duties of the Chairman in case the Chairman is absent or prevented from carrying out his functions. The Board Chairman shall have the right to represent the Company and sign before all governmental and non-governmental parties judicial or non-judicial, act as a

defendant or a plaintiff for the Company, produce or refute evidence, assent or dissent and accept judgments or object to them. He shall have the right, as well, to acknowledge, waive, seek reconciliation, and ask for the oath to be administered, and accept or reject the swearing. In addition, he may abdicate the right for suing, abandon litigation and waive the right for raising a claim of forgery. Besides, he shall have the right to seek sequestration, ask for lifting the seizure, refer to enforcement departments and receive payments. Furthermore, he shall have the right to sell, buy, transfer ownership of real estate property in name of Company employees or third parties, have title deeds issued, receive title deeds, have replacement documents issued, receive endorsed checks, mortgage, redemption of mortgage, borrow and sign loan contracts, articles of associations and amendments of companies incorporated by the Company, participated in incorporating them or merge therein or therewith. Moreover, the Chairman shall have the right to sell, buy, assign and accept assignment of Company's shares in other companies, sign all agreements and contracts, register patents and trademarks, sign arbitration documents, represent the Company before arbitration panels, follow-up and sign all the Company's transactions. The Chairman shall also have the right to delegate certain duties to a Board Member or third party who may sub-delegate such duties

Chapter (5): General Assembly

Article (28): Constitution of the General Assembly:

The General Assembly shall be constituted of all the Company's shareholders. All resolutions passed within the scope of the General Assembly's powers, as per these Bylaws, shall become binding on all shareholders including absent shareholders and those of opposing opinions.

Article (29): The Right of Attending the General Assemblies:

Every shareholder shall have the right to attend the General Assembly in person, or via a written proxy given to someone attending. In case the representative is not a shareholder nor a government representative or a public legal person, the signatures in such proxy shall be certified by the Notary Public.

Article (30): Registration for Attendance of the General Assembly:

Shareholders intending to attend the General or Special Assembly shall register their names in the Company's headquarters starting from the date of the meeting until the determined time of the Assembly. Shareholders by proxy shall provide the Company with the written proxies at least two (2) days prior to the meeting. A statement shall be prepared showing the names of shareholders and the proxies intending to attend the

meeting, the number of shares held by each of them, in person or by proxy, and the number of votes assigned to these shares.

Article (31): Votes at the General Assembly:

Accumulative voting shall be adopted for election of members of the Board of Directors, whereas each shareholder shall have votes as per the number of shares held by them, and they shall be entitled to either exercise all of their votes towards one nominee or to divide their votes towards several nominees without any duplication of such votes. Each share shall have one vote, and each shareholder shall have a number of votes as per the number of shares held or represented by them, unless decided otherwise by the General Assembly upon issuing a certain type of shares.

Article (32): Authorities of the Ordinary General Assembly:

Subject to the powers reserved for the Extraordinary General Assembly, the Ordinary General Assembly shall be in charge of all matters relating to the Company.

Article (33): Presiding Over the General Assembly:

The Chairman of the Board of Directors, or who act on his behalf, shall preside over the General Assembly. The Chairman shall appoint a Secretary, who must be approved by the General Assembly.

Article (34): Meetings of the General Assembly:

Meetings of the General Assembly shall be held in the City where the Company's headquarters is located, and it may be held in any other city inside the Kingdom of Saudi Arabia as the Board may see fit. A meeting of the General Assembly shall be held each year during the six (6) months following the end of the Company's fiscal year in the venue, day and time determined in the published meeting invitation. The Assembly shall particularly convene to read the Board's report on the Company's activities and financial position as well as the Auditor's report, to certify the annual budget and Profits and Loss statements if necessary, to determine dividends to be distributed to shareholders, to appoint Auditors and determine their remunerations and to appoint Board members and determine their remunerations, if needed.

The General Assembly may be held, and shareholders may participate in the deliberations and vote on resolutions via the modern electronic means as per the regulations set by the competent authority.

Article (35): Call for a General Assembly:

The Board of Directors may call for a General Assembly when it sees fit. It shall call for a General Assembly when so requested for a specific reason by the Auditor, the Audit Committee or shareholders holding at least five (5%) of the capital. The Auditor may call for a General Assembly if the Board fails to call for one within thirty (30) days from the Auditor request date.

The General Assembly shall be called in pursuant to the regulations and procedures set by the competent authorities prior to the meeting date and as per the duration stipulated in the related rules and regulations. The invitation shall indicate the venue, day and time for the meeting along with the agenda of the Assembly, the invitation shall also contain a copy of the Board's report, Auditor report, the annual budget and Profits and Loss statements. A copy of the invitation and agenda shall be sent to the Ministry and the Authority in the time stipulated for publishing.

Article (36): Quorum of the Ordinary General Assembly:

The Ordinary General Assembly shall not be valid unless attended by shareholders representing at least fifty percent (50%) of the capital.

If such quorum is not attained in the first meeting, a second meeting shall be called to be held within the next thirty (30) days following the date of the previous meeting, the invite shall be published in the ways provided for in the Companies Law. The second meeting may be held one (1) hour after the end of the period specified for the first meeting provided that the first meeting's invite contains the possibility of such adjourned meeting. The second meeting shall be valid regardless of the number of shares represented thereat.

Resolutions shall be issued by the majority of votes represented in the meeting.

Article (37): Jurisdictions of the Extraordinary General Assembly:

Whilst observing the restrictions set out in the Companies Law, the Extraordinary General Assembly shall have the authority to amend the provisions of these Bylaws. The Extraordinary General Assembly may pass resolutions falling under the jurisdiction of the Ordinary General Assembly on the same conditions and in the same situations prescribed for the latter.

Article (38): Quorum of the Extraordinary General Assembly:

The Extraordinary General Assembly shall be valid only if attended by shareholders representing at least fifty percent (50%) of the capital. If such quorum is not met at the first meeting, a second meeting shall be called. The second meeting may be held one (1) hour after the end of the period specified for the first meeting provided the first meeting's invitation shall contain the possibility for holding such adjourned meeting, and in all cases it shall be valid if attended by shareholders representing at least twenty-five (25%) of the capital (one fourth the capital).

If the quorum is not met in the second meeting, a third meeting shall be called and it shall be valid regardless of the number of shares represented thereat after the approval of the competent authority.

The resolutions of the Extraordinary General Assembly shall be passed by the two-thirds (2/3) majority of the shares represented at the meeting. In case the resolution is related to increasing or decreasing the capital, extending or terminating the Company's term before the duration specified in its Bylaws or merging the Company with another company or corporation, it shall not be valid unless passed by three-fourths (3/4) majority of the shares represented at the meeting. Otherwise, meetings of the Extraordinary General Assembly shall be governed by all of the rules regulating the Ordinary General Assembly, and the Board shall publish the Extraordinary General Assembly's resolutions if it contains amending the Company Bylaws in accordance with Article sixty five (65) of the Companies Law.

Chapter (6): The Audit Committee

Article (39): Formation of the Audit Committee:

An Audit Committee shall be formed by a resolution of the Ordinary General Assembly, which shall consist of not less than three (3) and not more than five (5) members from among the non-executive Board members, whether shareholders or others. The resolution of the Ordinary General Assembly shall specify the tasks, responsibilities, and procedures of the Audit Committee as well as the remunerations of its members.

Article (40): Quorum of the Audit Committee Meeting:

A meeting of the Audit Committee shall only be quorate if attended by the majority of its members. The Audit Committee's resolutions shall be taken by the majority of members in attendance, and the chairman of the Audit Committee shall have a casting vote in the event of a tie.

Article (41): Authorities of the Audit Committee:

The Audit Committee shall have the power to supervise the business of the Company. In order to do so, it has the right to access records and documents of the Company and to request any clarification or statement from the Board of Directors or executive management. Further, the Audit Committee may request the Board of Directors to call for a General Assembly if its business was hindered by the Board of Directors or if the Company sustained material losses or damages.

Article (42): Audit Committee Reports:

The Audit Committee must review the financial statements of the Company and the reports and notes submitted by the auditor and provide its opinions thereon, if any. In addition, the Audit Committee must prepare a report on its opinion on the adequacy and efficiency of the Company's internal control system and the other acts the Company performed within the Committee's scope of work. The Board of directors must place sufficient copies of the Audit Committee's report in the headquarters of the Company prior to the date set for convening the General Assembly in accordance with the duration determined in the related rules and regulations in order to provide any shareholder with a copy thereof. The Audit Committee's report must be read at the General Assembly meeting.

Chapter (7): The Auditor

Article (43): Appointing the Auditor:

The Company shall have one (1) auditor (or more) to be selected from the auditors licensed to practice in the Kingdom of Saudi Arabia. The Ordinary General Assembly shall appoint such auditor and fix the auditor's remuneration and term of office and it may reappoint them, provided that the auditor's total term of offices does not exceed five (5) consecutive years. An auditor who finished such term may be re-appointed after the lapse of two years from the date such term expired. The Assembly may also, at all times, change the auditor without prejudice to their right to claim compensation if the change occurred at inappropriate time or for an illegitimate reason.

Article (44): Authorities of the Auditor:

The auditor may, at any time, have access to the books and records of the Company and any other documents, may ask for any statements or clarifications they deem necessary to verify the assets and liabilities of the Company and may perform any other function within the scope of their work. The Chairman of the Board shall enable the auditor to

perform their duties. If the auditor faces any difficulty in this regard, they shall state that fact in a report to be submitted to the Board. If the Board does not facilitate the job of the auditor, the auditor shall ask the Board to call for a meeting of the Ordinary General Assembly to consider the issue.

Chapter (8): Company's Accounts and Distribution of Profits

Article (45): Fiscal Year:

The Company's fiscal year shall begin on the first day of January and end on the last day of December of each year. However, the first fiscal year shall cover the period from the date of the Company's registration to the end of December of the following year.

Article (46): Financial Documents:

1. At the end of each fiscal year, the Board of Directors shall prepare the financial statements and profit and loss accounts of the Company and a report of its activities and financial position for such fiscal year, including the proposed method to distribute the dividends. The Board of Directors shall place documents at the disposition of the auditor at least (45) days ahead of the date set for convening the General Assembly meeting.
2. The Chairman, the chief executive officer and the chief financial officer of the Company shall sign the documents set forth in paragraph (1) of this Article and copies thereof shall be deposited at the Company's headquarters and be made available to shareholders ahead of the date set for convening the General Assembly meeting in accordance with the duration determined in the related rules and regulations.
3. The Chairman shall provide the shareholders with the financial statements of the Company, the Board of Directors' report and the auditor's report, unless they are published in a daily newspaper distributed in the city where the headquarters of the Company is based. Copies of these documents shall also be sent to the Ministry at least (15) days ahead of the date set for convening the General Assembly.

Article (47): The Statutory Reserve:

Annually, the Company shall set aside ten percent (10%) of the net profits to form the statutory reserve. Such set-aside shall be stopped whenever the said reserve amounts to thirty percent (30%) of the paid capital of the Company. If in any year, the reserve falls below thirty percent (30%) of the capital, the Company shall resume such set-aside. The Ordinary General Assembly has the authority to decide other kinds of reserves and allocations.

The statutory reserve shall be used to cover the Company's losses or to increase capital. If such reserve exceeds 30% of the capital, the Ordinary General Assembly may decide to distribute the surplus to shareholders in the years the Company fails to make net profits sufficient for distribution as specified hereby.

Article (48): Dividend Distribution:

The Company shall distribute a percentage of the annual and interim net profits, which shall be not less than five percent (5%) of the paid capital to shareholders. Dividends shall be distributed in the place and at the times determined by the Board of Directors.

Article (49): Distribution of Dividends to holders of Preferred Shares:

1. If no dividends are distributed for any financial year, no dividends may be distributed for the following years except after payment of the percentage specified in the provisions of Article (114) of the Companies Law to holders of preferred shares for that year.
2. If the Company fails to pay the specified percentage under the provisions of Article 114 of the Companies Law from the dividends for three (3) consecutive years, the Special Assembly of holders of these shares, to convene pursuant to Article 89 of the Companies Law, may resolve either to attend the meetings of the Company's General Assembly and to participate in voting or to appoint representatives thereof at the Board in proportion with the value of their shares in the capital until the Company pays all priority dividends allocated for holders of such shares for the previous years.

Chapter (9): Disputes

Article (50): Liability Claim:

Each shareholder has the right to file a liability claim, which is vested in the Company, against the Board Members if they committed a fault which has caused special damage to the shareholder. A shareholder may not file such claim unless the Company is still entitled to file the claim. A shareholder shall inform the Company of their intent to file the claim.

Chapter (10): Dissolution and Liquidation of the Company

Article (51): Company Losses:

1. If losses of a joint stock company reach one-half of the paid capital, at any time during a financial year, any officer of the Company or the auditor shall, upon being aware of such losses, notify the Chairman of the Board of such losses. The Chairman of the Board shall

notify the Board members of such losses forthwith. Within fifteen (15) days from the date of being aware of the losses, the Board shall call for a meeting of the Extraordinary General Assembly within forty-five (45) days from the date the Board is aware of the losses in order to decide either to increase or reduce the Company's capital in accordance with the provisions of the Companies Law to the extent the losses fall below one-half of the paid capital or to dissolve the Company prior to the term set herein.

2. The Company shall be deemed to have expired by operation of the Companies Law if the General Assembly did not meet within the time specified in paragraph 1 of this Article, if the Assembly met and was unable to pass a resolution in this regard or if the Assembly decided to increase the capital according to the conditions stipulated in this Article but not all of the capital increase shares have been subscribed to within ninety (90) days from the date the Assembly's resolution to increase the capital is passed.

Article (52): Winding up of the Company:

The Company shall, upon termination, enter into liquidation and shall retain its legal personality to the extent necessary for liquidation. The decision of the voluntary liquidation shall be issued by the Extraordinary General Assembly. The decision of liquidation shall include appointing the liquidator and determining their powers and remuneration, the limitations imposed on the powers thereof and the necessary period for liquidation. The term of voluntary liquidation shall not exceed five (5) years, and may not be extended for a further period unless upon a judicial order. The authority of the Company's Board of Directors shall end upon its dissolution. The Board shall continue to manage the Company and shall be deemed as liquidators against third parties until a liquidator is appointed. The Shareholders' assemblies shall remain valid during the liquidation period, and the role thereof shall be limited to practicing its powers that are not in conflict with those of the liquidator.

Chapter (11): Closing Provisions

Article (53):

The provisions of the Companies Law shall apply to whatever item not covered by these Bylaws in accordance with the conditions observed upon incorporating the Company and the provisions of its Bylaws.