

The Bylaws of Riyad Bank
(A Saudi Joint-Stock Company)

Chapter 1
Incorporation of the Company

Article 1: Incorporation

A Saudi joint stock company incorporated pursuant to Council of Minister's Resolution No. 91 dated 1 Jumada Al-Awwal, 1377H, corresponding to 23 November, 1957G, and pursuant to the provisions of the Banking Control Law, the Companies Law, its Regulations, and these Bylaws, in accordance with the following:

Article 2: Name of the Company

Riyad Bank (a Saudi joint-stock company).

Article 3: Objectives of the Company

The Company shall carry out and perform the following objectives: to carry out, both for its own benefit and for the benefit of third parties in the Kingdom of Saudi Arabia and abroad, all banking and investment activities, including but not limited to the following:

- a. Receiving cash amounts, accepting deposits and trusts, opening current, term and saving accounts, establishing, managing and leasing deposit funds, and issuing certificates of deposit and bonds, or tools for dealing therewith, whether with or without guarantee, in addition to refunding their value.
- b. Providing credit facilities of various types, including opening various credits, concluding the contracts with regard to loans of different terms, in addition to accepting and providing various types of guarantees and collaterals.
- c. Withdrawing, payment and collection of commercial papers, bank cheques, remittances, payment orders, etc., accept, deduct and pledge the bills of exchange, promissory notes, and all aspects of transactions thereon.
- d. Opening, accepting or endorsing documentary credits and activities related thereto, obtaining local and external letters of guarantee issued, accepting and dealing with the same.
- e. Trading shares and bonds, and carrying out all activities related to securities instruments and Sukuks, in addition to trading the same.
- f. Carrying out transfers of all kinds as well as exchange and foreign exchange activities.
- g. Carrying out investment and save activities, possession of fund of all kinds, leasing safes to third parties, and providing and marketing savings schemes and investment opportunities on behalf of the Company and third parties.
- h. Acting as an agent, correspondent, or representative for foreign and local banks, acting in any capacity for the management of business and funds for third parties, in addition to collecting business and funds

for the benefit of the Company and third parties, paying dues on behalf of third parties, investment trust, and providing assistance and advice in this regard to third parties.

i. Participating, or contributing, by any means, to the companies and institutions that engage in an activity that is part of the Company's purposes, providing assistances to achieve the same, merging or purchasing them in accordance with the limits and provisions set forth in the Banking Control Law and the relevant laws and instructions and after obtaining the written non-objection of the Saudi Central Bank.

j. Financing and supporting all types of financial, commercial, industrial, agricultural, urban, service and other development projects, in addition to participating in their establishment, or contributing to and marketing the same, and activities related to their investments, and other various banking or investment activities, which banks usually practice within the limits of applicable regulations.

The Company shall carry out its activities in accordance with the applicable laws and regulations, after obtaining the necessary licenses from the competent authorities, if any.

Article 4: Shareholding and Ownership Interests of Companies

The Company may, on its own, establish or incorporate limited liability or closed joint-stock companies, provided that the share capital of such companies shall not be less than SAR 5 million.

Moreover, the Company may enter into partnerships with third parties and own shares and equity stakes in other existing companies or merge with them. It may also co-found, in partnership with third parties, joint-stock or limited liability companies after fulfilling the requirements of the laws, regulations and instructions applicable in this regard. The Company may also dispose of such shares or equity stakes, provided that this does not include brokerage in their trading, in accordance with the limits and provisions contained in the Banking Control Law, the relevant laws and instructions and after obtaining the written non-objection of the Saudi Central Bank.

Article 5: Headquarters of the Company

The Company's headquarters shall be located in Riyadh, and it may establish branches, offices, representatives or agencies both within and outside Saudi Arabia based on a resolution of the Company's Board of Directors (the "Board"), in accordance with the limits and provisions contained in the Bank Control Law, the relevant laws and instructions and after obtaining the written non-objection of the Saudi Central Bank.

Article 6: The Company's Term

The Company's term shall be (99) calendar years commencing on the date of announcing its incorporation. Afterwards, each fiscal year shall commence on January 1st and shall end on December 31st each year, and such term may be extended by a resolution issued by the Extraordinary General Assembly.

Chapter 2

Capital and Shares

Article 7: The Company's Capital

The Company's share capital shall be SAR 30,000,000,000, divided into 3,000,000,000 shares of equal value. The value of each share is SAR 10, all of which are ordinary shares, which may be increased pursuant to the relevant laws and after obtaining the written non-objection of the Saudi Central Bank.

Article 8: Subscription of Shares

The shareholders have subscribed to all of the share capital amounting to 3,000,000,000, fully paid up shares.

Article 9: Preferred Shares

The Extraordinary General Assembly of the Company may, after obtaining the written non-objection of the Saudi Central Bank, issue preferred shares, decide to purchase preferred shares or ordinary shares, convert ordinary shares into preferred shares or convert preferred shares into ordinary shares; however, preferred shares shall not provide the right to vote in Shareholders General Assembly. These shares entitle their owners to receive a greater share of the Company's net profits than the owners of the ordinary shares after setting aside the statutory reserve, in accordance with the limits and provisions contained in the Banking Control Law and the relevant regulations and instructions.

Article 10: Company's Buyback and Sale of its Own Shares and Granting Loans to Employees

The Company, in accordance with the limits and provisions provided in the Banking Control Law, the relevant laws and instructions, and after obtaining the written non-objection of the Saudi Central Bank, may carry out the following activities:

1. Purchase its own ordinary or preferred shares, and purchase its shares to be used as treasury shares in accordance with the limits and provisions set out in the Banking Control Law and the relevant laws and instructions issued by the competent authorities.
2. Sell treasury shares under one or several phases.
3. Purchase and allocate its shares to the Company's employees within the employee share ownership program in accordance with the limits and provisions contained in the Banking Control Law and the relevant laws and instructions issued by the competent authorities. In all cases, the shares purchased by the Company do not provide voting rights in the shareholders' general assembly meetings.
4. Grant loans to its employees within the programs designated for motivating its employees, whether in return for profits or without.

Article 11: Seizure of Shares and Sale of Unpaid Shares

In accordance with the limits and provisions set forth in the Banking Control Law and the relevant laws and instructions, the Company may seize shares owned by any shareholder (and his funds of unpaid dividends), in order to guarantee the performance of his loans or the fulfilment of his obligations and what he owes to the Company, which he may have concluded alone or jointly with another person. The Board may, after ten working days from the shareholder's claim to pay his debts without him doing so, sell the reserved shares by auction and collect the Company's proceeds from the sale, and refund the remainder, from the amount payable to the Company, to the shareholder or his representative.

The shareholder shall pay the value of the share on the dates specified therefor. If he fails to pay the outstanding amount on the due date, the Board may, upon notifying the shareholder through any means of

publication in a daily newspaper issued at the Company's headquarters, under a registered letter, or by means of modern technology, sell such share as per the open auction or the share market, as the case may be, in accordance with the limits and provisions provided in the Banking Control Law and the relevant laws and instructions determined by the competent authority. The Company shall collect the amounts due thereto from the sale proceeds and refund the remainder to the shareholder. If the sale proceeds are insufficient to pay the amount due, the Company may collect the remaining balance from the said shareholder's funds. Nevertheless, the shareholder, who fails to fulfill the payment until the day of the sale, may pay the value indebted thereby along with the expenses incurred by the Company in this regard. In such a case, the Company shall recover the sold share in accordance with the provisions of this Article, and provide the buyer a new share bearing the same serial number of the canceled share, and mark the same in the share register indicating that the sale has taken place, and the details of the name of the new owner.

Article 12: Issuance of Shares

The shares are of nominal value, and may not be issued for less than their nominal value. Rather, they may be issued at a higher value. In this latter case, the difference in value shall be added under an independent item within the shareholders' equity, and may not be distributed as cash dividends to shareholders. The share shall be indivisible vis-à-vis the Company. If the share is owned by multiple persons, they must choose one person to represent them for exercising the rights related thereto, and such persons shall be jointly liable for the obligations arising out of their ownership of the share.

Article 13: Trading of Shares

The shares shall be negotiable in accordance with the limits and provisions contained in the Banking Control Law, the relevant laws and instructions, and these Bylaws.

Article 14: Increase of Share Capital

1. The Extraordinary General Assembly may adopt a resolution to increase the Company's share capital, provided that the original capital is fully paid, unless the unpaid portion of the capital relates to convertible debt instruments or Sukuk that have not matured.
2. The Extraordinary General Assembly may allot all the shares issued as a result of a capital increase or part thereof to the Company and/or subsidiaries' employees. The shareholder may not exercise his pre-emption rights on shares allotted to employees.
3. Shareholders (at the time of the issuance of the Extraordinary General Assembly's resolution approving the capital increase) shall have pre-emptive rights to subscribe for the new cash shares. The shareholders shall be notified of the pre-emptive rights vested in them by notice to be published in a daily newspaper addressing the capital increase resolution, the conditions of subscription, the period of subscription and its start and end dates, or by written notice to the shareholder by registered mail or through modern technology means.
4. The Extraordinary General Assembly may suspend the shareholder's pre-emption rights in a cash capital increase or grant them to others if it considers it in the Company's best interest.
5. The shareholder shall have the right to sell or assign its pre-emption rights in accordance with the limits and provisions contained in the Banking Control Law and the relevant laws and instructions set by the competent authorities.

6. Subject to Paragraph (4) above, the new shares shall be allotted to the holders of pre-emption rights who requested subscription, in proportion to the pre-emption rights they own of the total pre-emption rights arising out of the capital increase, provided that the shares allotted to them shall not exceed the number of new shares they requested. The remainder of the new shares shall be distributed to the holders of pre-emption rights who requested more than their proportionate rights, in proportion to the pre-emption rights they own from the total pre-emption rights arising out of the capital increase, provided that the shares allotment does not exceed the number of new shares they requested. The remainder of the shares shall be offered for public subscription, unless provided otherwise by the Extraordinary General Assembly or Capital Market Law.
7. The capital increase resolution of the General Assembly shall be approved in accordance with the limits and provisions contained in the Banking Control Law, the relevant laws and instructions and after obtaining the written non-objection of the Saudi Central Bank.

Article 15: Capital Reduction

The Extraordinary General Assembly may, after obtaining the written non-objection of the Saudi Central Bank, reduce its capital in accordance with the limits and provisions contained in the Banking Control Law and the relevant regulations and instructions, in the event that such capital is in excess of the Company's needs or if the Company incurs losses. Only in the latter case, the Company's capital may be reduced below the limit described in the Companies Law, the Banking Control Law and the instructions issued by the Saudi Central Bank. The capital reduction resolution shall only be issued after reading out a special report to be prepared by the external auditor on the reasons underlying the reduction, the obligations of the Company and the impact of the reduction on such obligations.

If the capital is reduced due to being in excess of the Company's needs, the Company's creditors must be called to express their objections to such reduction as per the legal timeframe prescribed by law as of the date of publication of the reduction resolution in a daily newspaper that is distributed in the area where the Company's headquarters is located. If any creditor objects and submits to the Company the supporting documents in a timely manner, the Company shall be required to pay off his debt if it is due for payment, or to provide a sufficient guarantee for settlement of such debt if its maturity date is not yet due, in accordance with the limits and provisions contained in the Banking Control Law and the relevant laws and instructions.

Article 16: Debt Instruments and Sukuk

1. The Company may, after obtaining the written non-objection of the Saudi Central Bank, pursuant to a resolution issued by the Board, and in accordance with the Capital Market Law and the limits and provisions contained in the Banking Control Law and the relevant laws and instructions, issue debt instruments or financing Sukuk. The Company may not issue debt instruments or Sukuk convertible into shares except after obtaining the written non-objection of the Saudi Central Bank and after the issuance of a resolution by the Extraordinary General Assembly indicating the maximum number of shares allowed to be issued against such instruments or Sukuk, whether such debts or Sukuk are issued at the same time or through a series of issues or through one or more schemes for issuance of finance instruments or Sukuk.
2. The Board shall issue, without the need for new approval to be issued by the aforesaid General Assembly, new shares against the debt instruments and finance Sukuk whose holders request their conversion, immediately upon the expiry of the conversion request duration set for the holders of such instruments

<p>or Sukuk, and the Board shall take the necessary actions for amending the Company's Bylaws in respect of the number of issued shares and capital.</p>
<p>3. The Board shall publish the completion of each capital increase in the manner specified in the Companies Law regarding the publication the resolutions of the Extraordinary General Assembly</p>
<p>4. Subject to the provisions of the Companies Law, and after obtaining the written non-objection of the Saudi Central Bank, the Company may, in accordance with the limits and provisions included in the Banking Control Law, and the relevant laws and instruction, convert debt instruments or finance Sukuk into shares in accordance with the Capital Market Law. In all cases, such instruments shall not be converted into shares in either of the following two cases:</p>
<p>a. If the conditions for issuing debt instruments or financial Sukuks do not include the possibility of converting these instruments and instruments into shares through increasing the Company's capital.</p>
<p>b. If the holder of the debt instrument or the finance Sukuk does not approve this conversion.</p>
<p>The resolutions of the shareholders' general assembly shall apply to the holders of debt instruments and finance Sukuk. However, the aforementioned general assembly may not amend the rights assigned to them except their approval issued in their own assembly held in accordance with the provisions of the Companies Law.</p>
<p>Chapter 3 Board of Directors</p>
<p>Article 17: Management of the Company</p>
<p>The Company shall be managed by a Board comprised of (10) members elected by the Ordinary General Assembly, after obtaining the written non-objection of the Saudi Central Bank on their nomination, for a term of office not exceeding three years. Such Board may be re-elected in accordance with the limits and provisions included in Banking Control Law and the relevant laws and instructions.</p>
<p>Article 18: Termination of Board Membership</p>
<p>Membership of the Board shall be terminated based on the expiry of its term or the expiry of the member's validity in accordance with any law or instructions applicable in the Kingdom of Saudi Arabia. Nevertheless, the Ordinary General Assembly may, at any time, dismiss all or some of the members of the Board, without prejudice to the right of the dismissed member towards the Company concerning compensation claim if the dismissal was based on an unacceptable reason or at inappropriate time. The Board member may resign, provided that such resignation shall be at a proper time, otherwise, he shall be liable before the Company for any damages resulting from his resignation. In all cases, the Saudi Central Bank shall be notified.</p>
<p>Article 19: Vacant Board Positions</p>
<p>If the position of a member of the Board becomes vacant, the Board, based on the majority, and after obtaining the written non-objection of the Saudi Central Bank, may appoint a temporary member in the vacant position, provided that new member shall have the experience and efficiency required to complete the term of the former member in accordance with the limits and provisions set forth in the Banking Control Law as well as the relevant laws and instructions. The Ministry, the Capital Market Authority and other competent</p>

authorities shall be notified of the new appointment within the period specified under law from the date of appointment that shall be presented in the first meeting of Ordinary General Assembly. In the event that the number of Directors falls below the quorum required by the Companies Law or the Bylaws for the proper convening of the Board meetings, the Ordinary General Assembly shall be convened within the period specified under the relevant law to appoint the necessary number of Directors.

Article 20: Powers of the Board of Directors

Without prejudice to the provisions of Banking Control Law and the instructions issued by Saudi Central Bank, and subject to the competencies conferred upon the General Assembly, the members of the Board shall jointly be vested with the broadest powers to manage the Company for achieving its purposes, and may perform all actions and activities that the Company is entitled to perform under these Bylaws or Articles of Incorporation. The Board is also entitled to accept and terminate the option-based sale, lend and borrow, perform mortgage, receive, accept and amend mortgage, handover and disburse of compensations and debts in cash or under plain cheques or bank cheques. Furthermore, the Board may purchase real estate and accept its evacuation, execute declaration on receiving the amount, implement deferred sale, exercise emptying in return for the premises (the deed), perform bartering, update deeds and insert the same in the comprehensive law, amend names of districts and drawings, sell and evacuate real state with the Notary, receive the value by virtue of bank cheques under the Company's name, sign lease and rental contracts, hand over the leased unit and takeover the leased unit to the lessor , and receive the rent amounts in cash or checks, receive instruments. The Board is entitled to divide, sort, merge the real estate instruments, assign part of the area in return for compensation and without consideration, and assign the real estate to the heirs, assign the real estate to the state, amend the land areas, lengths, the names of the owners and the numbers therein, the extraction of a replacement for the lost, perform mortgage and the release of the mortgage, accept the mortgage, modify the mortgage, exchange and offsetting with or without consideration, purchase and sell shares, bonds and merchandise for the account of the Company or its clients, receive its value, exchange the same, disburse profits and coupons besides open, manage and operate all types of accounts of inside or outside the Kingdom and operate them by cash deposit or withdraw or by checks or transfers, approve the signature, transfer to and from accounts, and activate the accounts and update data, close and settle the accounts, sign and endorse (assign) all commercial papers, and in general sign all the Company's banking transactions and full representation of the Company in its relationship with banks and other entities. Such Board also shall have the right to sign Articles of Incorporation, engage in companies and modify the same, including increasing its capital, participate, merge, liquidate such companies and convert them from limited liability companies to stock joint companies and vice versa before the notary, the Ministry of Commerce, and the Ministry of Investment, and issue, amend, renew and write off the commercial register, add activities, and conclude all types of commercial agency contracts in the name of the Company and extract and renew the licenses and its renewal for the Company, refer to the Saudi Authority for Intellectual Property, the Ministry of Commerce, the Ministry of Investment, government agencies, and register trade names and trademarks of the Company. The Board also shall have the authority to represent the Company in its Boards of Directors, appoint employees, terminate their services, recruit and sponsor them, conclude Articles of Incorporation, contracts of supplying, insurance, contracting, transportation and all services, and sign traveler's checks, guarantees, and all types of credits, transfers and commercial papers of all types, endorse and disburse the value of the same, make declaration on behalf of the Company, execute clearance based on settlement of dues and rights of debtors clearance, denial, file appeal on forgery, represent the Company in conciliation, waiver, granting deadlines, settlement with and without compensation, and the receipt of all amounts by checks or in cash, and the Board also, within the limits of its competence, is entitled to authorize

third parties to perform all or any of the above-mentioned duties and permit the authorized persons to authorize others on sequential basis.

The Chairman of the Board shall represent the Company in its relations with the judiciary and public and private government entities, and he is entitled to delegate others to do so and authorize the delegate to delegate third parties in succession.

Article 21: Directors Remuneration

The members of the Board shall receive a certain amount as remuneration to be offered to each member in proportion to the number of sessions he attends in accordance with Companies Law, regulations and controls issued by the Capital Market Authority and the Saudi Central Bank. The Board is entitled to specify additional remuneration for the Chairman of the and the Managing Director, if any, in proportion to their powers included in these Bylaws. The report of the Board submitted to the General Assembly shall include a comprehensive statement of all the rewards, compensations and expenditures received by the members in accordance with the disclosure requirements issued by the competent authorities. The Company shall also pay both the Chairman of Board and its members the actual expenses incurred by them in order to attend the meetings of the Board or the Board committee, including travel and accommodation expenses.

Article 22: Powers of the Chairman, Vice Chairman, Managing Director and Secretary

The Board shall appoint, from among its members, a Chairman (the “**Chairman**”) and a Vice Chairman (the “**Vice Chairman**”). The Board may also appoint a Managing Director (the “**Managing Director**”) in accordance with the limits and provisions included in Banking Control Law, the relevant laws and instructions, and after obtaining the written non-objection of the Saudi Central Bank. It is prohibited to conjoin the position of the Chairman with any other executive position in the Company. The Board Chairman, in addition to the competencies entrusted to him from the Board and in line with the provisions of Banking Control Law and instructions issued by Saudi Central Bank, shall be empowered to sign on behalf the Company severally, option-based sale, lend and borrow, perform mortgage, receive, release, accept and amend mortgage, handover and disburse of compensations and debts in cash or under plain cheques or bank cheques. Furthermore, the Board Chairman may purchase real estate and accept its evacuation, execute declaration on receiving the amount, implement deferred sale, exercise emptying in return for the premises (the deed), perform bartering, update deeds and insert the same in the comprehensive law, amend names of districts and drawings, sell and evacuate real state with the Notary, receive the value by virtue of bank cheques under the Company’s name, sign lease and rental contracts, hand over the leased unit and takeover the leased unit to the lessor , and receive the rent amounts in cash or checks, receive instruments. The Board is entitled to divide, sort, merge the real estate instruments, assign part of the area in return for compensation and without consideration, and assign the real estate to the heirs, assign the real estate to the state, amend the land areas, lengths, the names of the owners and the numbers therein, the extraction of a replacement for the lost, perform mortgage, redeem the mortgage and accept the mortgage. He is also entitled to modify the mortgage, exchange and offsetting with or without consideration, purchase and sell shares, bonds and merchandise for the account of the Company or its clients, receive its value, exchange the same, disburse profits and coupons besides open, manage and operate all types of accounts of inside or outside the Kingdom and operate them by cash deposit or withdraw or by checks or transfers, approve the signature, transfer to and from accounts, and activate the accounts and update data, close and settle the accounts, sign and endorse (licensing) all commercial papers, and in general sign all the Company’s banking transactions and full representation of the Company in its relationship with banks and other entities. Such Board also shall have

the right to sign Articles of Incorporation, engage in companies and modify the same, including increasing its capital, participate, merge, liquidate such companies and convert them from limited liability companies to stock joint companies and vice versa before the notary, the Ministry of Commerce, and the Ministry of Investment, and issue, amend, renew and write off the commercial register, add activities, and conclude all types of commercial agency contracts in the name of the Company and extract and renew the licenses and its renewal for the Company, refer to the Saudi Authority for Intellectual Property, the Ministry of Commerce, the Ministry of Investment, government agencies, and register trade names and trademarks of the Company. Furthermore, he may represent the Company in its Boards of Directors, appoint employees, terminate their services, recruit and sponsor them, conclude Articles of Incorporation, contracts of supplying, insurance, contracting, transportation and all services, and sign guarantees, all types of credits, transfers, all types of commercial documents, endorse and receive the value of the same. He is also authorized to represent the Company including its management, branches and offices inside and outside the Kingdom of Saudi Arabia, via attendance, prosecute, plead, filing case and defend in any lawsuits filed by or against the Company, in all degrees of jurisdiction, in courts of first instance, court of cassation and discrimination, before all courts, divisions and judicial committees of various jurisdictions, including but not limited to banking, finance, insurance and tax committees, arbitration tribunals inside and outside the Kingdom, endowment departments, the Supreme Court and any other judicial body, all ministries, departments, bodies, and public and governmental and non-governmental institutions with all its departments, and the select experts, request to take and reject the oath, to send and receive notifications, request, endorse and release attachment, to divide its two types, and to submit and receive all the necessary summons, regulations and reports, written and oral answers, testimony and citation, judgments and decisions, contracts and documents, and others, request for execution and taking actions, file claim on imprison insolvent debtors, release them, prevent them from traveling, seize their property, and sign on behalf the Company all the necessary documents and submit them to official and non-official bodies, make acknowledgement on behalf of the Company, and execute clearance based on settlement of dues and rights of debtors clearance, denial, file appeal on forgery, represent the Company in conciliation, waiver, granting deadlines, settlement with and without compensation, and the receipt of all amounts by checks or in cash, and the Board chairman also, within the limits of its competence, is entitled to authorize third parties to perform all or any of the above-mentioned duties and permit the authorized persons to authorize others on sequential basis.

After obtaining the written non-objection of the Saudi Central Bank, the Board shall appoint and select a secretary from its members or from others. The secretary shall assume performing the tasks assigned to him by the Board and his pay shall be set by the Board and the term of the Board Chairman, Vice Chairman, Managing Director and Secretary of the Board shall not exceed the membership term of any of the aforesaid in the Board. The aforesaid may be re-elected, and the Board may at any time dismiss them or any of them without prejudice to the right of the dismissed persons to be compensated if the dismissal is based on illegal reason or takes place at an inappropriate time.

Article 23: Board Meetings

The Board shall be convened at least four times in one fiscal year upon a call by the Chairman, under the appropriate means and conditions determined by the Chairman of the Board, and the Chairman of the Board shall call the Board to a meeting whenever requested by two of the members.

Article 24: Quorum for Board Meeting

The meeting of the Board shall not be valid unless attended by at least half of the Directors, provided that the number of attendants is not less than half of the members. The Board member may assign other members to attend the Board meetings on his behalf by virtue of a written delegation. The Board's resolutions shall be adopted with the approval of the majority of attending Directors or proxies, in the event of a tie, the Chairman of the Board shall have a vesting vote.

Article 25: Minutes of Board Meetings

The Board's deliberations and resolutions shall be recorded in minutes signed by the Chairman, the attending Directors, and the Secretary. Such minutes shall be recorded in a special register signed by the Chairman and the Secretary. Electronic means may be used for the purpose of recording the deliberations.

Article 26: Board Committees

The Board may establish main and subsidiary committees for following up and monitoring the Company's operations. The Board shall approve the charters of such committees in accordance with the limits and provisions contained in the Banking Control Law and the relevant laws and instructions issued by the Saudi Central Bank and the competent authorities. Such charters shall describe the tasks, responsibilities, duration and scope of work and the powers granted to these committees, and disclose the details in relation thereto in the report of the Board in accordance with the disclosure requirements prescribed by the competent authorities.

Chapter 4

Shareholders Assemblies

Article 27: Attendance of Assemblies

Each subscriber, regardless of the number of his shares, shall have the right to attend the Constituent General Assembly. Each shareholder shall have the right to attend the General Assembly. Each Shareholder may authorize in writing another person, other than a member of the Board or an employee of the Company, to attend the General Assembly on his/her behalf.

Article 28: Competences of the Ordinary General Assembly

Except for matters reserved for the Extraordinary General Assembly, the Ordinary General Assembly shall attend to all matters concerning the Company. The Ordinary General Assembly shall be convened at least once a year, within 6 months following the end of the Company's fiscal year. Additional Ordinary General Assembly meetings may be convened whenever needed.

Article 29: Competences of the Extraordinary General Assembly

The Extraordinary General Assembly shall have the power to amend the Company's Bylaws, except for such provisions as may be impermissible to be amended under the law. Furthermore, the Extraordinary General Assembly may adopt resolutions on matters falling within the competence of the Ordinary General Assembly under the same conditions applicable to the latter.

Article 30: Manner of Convening General Assemblies

The General Assembly or meetings of shareholders may be held at the call of the Board in accordance with the measures and legally-scheduled dated. The Board shall call the Ordinary General Assembly to convene,

if requested by the External Auditor, the Audit Committee or a number of shareholders representing at least 5% of the Company's capital. The External Auditor may call the Assembly to convene if the Board failed to do so in accordance with the time period required in the relevant laws from the date of the External Auditor's request. The invitation to convene the General Assembly shall be published in accordance with the relevant regulations and instructions. However, notice may be given at the time fixed above by registered letters or through any other legal means. A copy of the call and the agenda shall be sent to the Ministry, the Capital Market Authority and the Saudi Central Bank, within the period specified for publication.

Article 31: Quorum of the Ordinary General Assembly Meeting

The meeting of the Ordinary General Assembly shall not be valid unless attended by shareholders representing at least a quarter of the Company's capital, and if the necessary quorum for holding this meeting (a quarter of the capital) is not present, the second meeting shall be held an hour after the end of the period specified for the first meeting, provided that the call to hold the first meeting contains the possibility of holding this meeting. In all cases, the second meeting shall be valid regardless of the number of shares represented therein.

Article 32: Quorum of the Extraordinary General Assembly Meeting

The meeting of the Extraordinary General Assembly shall not be valid unless attended by shareholders representing at least a half of the Company's capital, and if the necessary quorum for holding this meeting (a half of the capital) is not present, the second meeting shall be held an hour after the end of the period specified for the first meeting, provided that the call to hold the first meeting contains the possibility of holding this meeting. In all cases, the second meeting shall be valid when attended by a number of shareholders representing at least a quarter of the Company's capital. If the necessary quorum is not present in the second meeting (a quarter of the capital), a call shall be issued regarding convening third meeting under the same conditions set out in Article (28) of these Bylaws, and the third meeting shall be valid irrespective of the number of shares represented therein, after obtaining the relevant authority's approval.

Article 33: Voting at the General Assembly Meetings

Each shareholder shall have one vote for each share he owns at the Constituent General Assembly. Each shareholder shall have one vote for each share he/it owns at any General Assembly meeting. Cumulative voting must be used in electing Board.

Article 34: General Assembly Resolutions

Resolutions of the Constituent General Assembly shall be adopted by the absolute majority vote of the shares represented thereat. Resolutions of the Ordinary General Assembly shall be adopted by the absolute majority vote of the shares represented at a meeting thereof. The resolutions of the Extraordinary General Assembly shall be adopted by vote of two-thirds majority of the members represented at the meeting. However, if such resolutions relate to the increase or decrease of the Company's capital, extending the Company's term, dissolution of the Company before the expiry of its term, or its merger with another company, then the approval of majority of three quarters of the shares represented at a meeting thereof shall be required.

Article 35: Deliberations in General Assembly Meetings

Each shareholder has the right to discuss the matters listed in the General Assembly's agenda and to direct questions in this respect to the members of the Board and the external auditor. The Board or the external

auditor shall answer the shareholders' questions to the extent that the Company's interest is unsatisfactory. If the shareholder deems that the answer to his question is unsatisfactory, he may resort to the assembly, and its resolution in this regard shall be conclusive and binding.

Article 36: Chairmanship of General Assembly Meetings and Preparation of Minutes

The General assembly meetings shall be chaired by the Chairman or the Vice Chairman in the absence of the Chairman or by a member assigned by the Board from among its members in the absence of the Board Chairman and the Vice Chairman. Minutes shall be written in the General assembly meetings meeting containing the number of the present shareholders or representatives, the number of shares they hold in person or by proxy, the number of votes invested therein, the resolutions taken, the number of votes agreeing to or dissenting from such resolutions and a comprehensive summary of the discussions that took place at the meeting. The minutes shall be recorded in a regular manner after each meeting in a special register signed by the Assembly's Chairman, its Secretary and the person assigned to count votes.

Chapter 5

Audit Committee

Article 37: Formation of the Committee

An Audit Committee shall be formed by the Ordinary General Assembly, consisting of three to five independent members in accordance with the definition of independence provided in the governance instructions issued by the competent authorities, taking into account that the selection of persons subject to the statutory instructions and rules shall be in accordance with the limits and provisions provided in the Banking Control Law and the relevant regulations and instructions and after obtaining the written non-objection of the Saudi Central Bank. The resolution to form the Audit Committee shall include the Committee's tasks, rules of work, and remunerations for its members. A copy of the resolution is to be provided to the Saudi Central Bank.

Article 38: Quorum of Audit Committee Meetings

A meeting of the Audit Committee shall only be valid if attended by the majority of its members. The chairman of the Audit Committee shall have a casting vote in the event of a tie.

Article 39: Audit Committee Powers

The Audit Committee shall have the power to supervise the Company's activities, **in accordance with the principles of corporate governance in financial institutions and the provisions of the relevant instructions, and for this purpose, it has the right to** access the Company's books and records, request information and clarification from Board members or executive management, and convene the General Assembly if the Board of Directors obstructs its work or if the Company incurs significant losses or damages.

Article 40: Audit Committee Reports

The Audit Committee shall review the Company's financial statements, reports and notes of its Auditor, and prepare an annual report regarding the sufficiency of the internal audit policies and controls, and any other work conducted within its scope. Before the date of the general assembly meeting that must be held within the period specified by law, the Board shall make available to shareholders a sufficient number of copies in the Company's head office, Such report shall be read in the General Assembly meeting.

Chapter 6

External Auditor

Article 41: Appointment of the External Auditor

The Company shall have one (or more) External Auditors from among the external auditors authorized to operate in the Kingdom. The External Auditor shall be appointed annually, and its compensation and term shall be determined by the General Assembly. The General Assembly may, at any time, remove the External Auditor without prejudice to its right to compensation in case the termination was unjustified or at an inappropriate time.

Article 42: External Auditor's Powers

The External Auditor shall have access at all times to the Company's books, records and any other documents, and may request information and clarification as it deems necessary. It may further check and confirm the Company's assets and liabilities. The Chairman shall enable the External Auditor to undertake its duties. The External Auditor shall record any difficulties it may face in such regard in its report to the Board. If the Board does not facilitate the External Auditor's work, the External Auditor shall request the Board to convene the Ordinary General Assembly to look into the matter.

Chapter 7

Company's Accounts and Profits Distribution

Article 43: Fiscal Year

the Company's fiscal year shall commence on January 1st and shall end on the 31st of December of each year.

Article 44: Financial Statements

1. The Board shall prepare at the end of each fiscal year the Company's financial statements, and a report of its activities and financial position for the preceding fiscal year, and this report shall also include the proposed method for profits distribution. The Board shall make these documents available to the External Auditor before the date specified for the General Assembly's convention based on the period specified by law.
2. The Company's Chairman, Chief Executive Officer and Chief Financial Officer shall all sign the documents referred to in Paragraph (1) of this Article. Copies thereof shall be sent to the Company's headquarters for the purpose of being at the disposal of the shareholders at least (10) days prior to the General Assembly's convening date.
3. The Chairman shall provide the shareholders with the Company's financial statements, the Board's report and the external auditor's report, unless such documents are published in a daily newspaper well-known at the Company's headquarters or through modern technology means. He shall also send a copy of these documents to the Ministry, the Capital Market Authority and the Saudi Central Bank, before the General Assembly's convening date, according to the period specified by law.

Article 45: Distribution of Profits

The Company's annual net profits shall be distributed after deducting all the general expenses and other costs and providing the necessary reserves to handle its debts, investment losses and emergency crises that the Board deems necessary in accordance with the provisions of the Banking Control Law and the instructions of the Saudi Central Bank, as follows:

1. A ratio of (25%) of the net profit shall be set aside to form the Company's statutory reserve. The Ordinary General Assembly may decide to discontinue such allocation when the said reserve reaches (100%) of the paid-up capital.
2. The Ordinary General Assembly, based on the proposal of the Board, may set aside a certain rate of the net profits to form a voluntary reserve to be allocated.
3. The General Assembly may decide to form other reserves to the extent that it serves the Company's interest or ensures the distribution of fixed profits as much as possible to the shareholders. The mentioned assembly may also deduct amounts from the net profits to establish social institutions for the Company's employees or to assist the existing institutions.
4. An rate of the profits shall be distributed from the remainder to the shareholders within the limits of the distributable profits, whether annually, semi-annually or quarterly.

Article 46: Entitlement to Dividends

The shareholder shall be eligible for its share in the profits in accordance with the resolution of the General Assembly issued in this regard. The resolution shall indicate the entitlement and distribution dates. The entitlement to dividends shall be for the shareholders registered in the shareholders' registers at the end of the day set for eligibility.

Article 47: Dividends of Preferred Shares

1. If no dividends are distributed for any fiscal year, then no dividends may be distributed for the following years unless and until the specified ratio is paid in accordance with the provisions of the Companies Law for Preferred Shareholders for that year.
2. If the Company fails to pay the specified ratio in accordance with the provisions of the Companies Law from the profits for a period of three consecutive years, the assembly of those shareholders, held in accordance with the provisions of the Companies Law, may decide to either attend the General Assembly meetings of the Company and get involved in the voting, or appoint their representatives at the Board in proportion to the value of their shares in the capital until the Company is able to pay all the priority dividends allocated to these shareholders for the previous years.

Article 48: Company's Losses

1. If the Company's losses amount to half of the paid-up capital, at any time during the fiscal year, the Saudi Central Bank shall be notified thereof. Any of the Company's officers or the external auditor, as soon as he becomes aware thereof, shall inform the Chairman of the Board, and the Chairman of the Board shall in a timely manner inform the members of the Board of that. From the date of its knowledge thereof, the Board, within the period specified by law, shall call the Extraordinary General Assembly to meet within the period specified by law from the date of his knowledge of the losses, so that it decides either to either increase the Company's capital or reduce it, in accordance with the provisions of the Companies

Law and Bank Control Law, and that is to the extent that the loss ratio falls below half of the paid-up capital (God forbids), or to dissolve the Company before the time specified in these Bylaws.

2. The Company shall be deemed dissolved according to the Companies Law, after the issuance of the written non-objection of the Saudi Central Bank, if the General Assembly Meeting is not held within the period specified in paragraph (1) of this Article or in case it convenes and fails to issue a resolution in this regard or if it decides to increase the capital in accordance with the conditions set forth in this Article, and the subscription for each capital increase has not been performed within the period specified by law from the issuance of the Assembly's resolution regarding the increase, in accordance with the limits and provisions contained in the Bank Control Law and the relevant regulations and instructions.

Chapter 8

Disputes

Article 49: Liability Lawsuit

Each shareholder shall have the right to file a liability action, vested on behalf of the Company, against the Directors if they have committed a fault which has caused some particular damage to such shareholder, provided that the Company's right to file such action shall still be valid. The shareholder shall notify the Company of his/its intention to file such action.

Chapter 9

Dissolution and Liquidation of the Company

Article 50: Termination of the Company

1. If all the Company's shares devolve to one shareholder and he does not meet the conditions set forth in Article 55 of the Companies Law, the Company shall remain solely responsible for its debts and obligations. However, this shareholder shall normalize the Company's situation with the provisions of the Companies Law within a period not exceeding one year, otherwise, the Company shall be dissolved under the power of the law.
2. Upon its termination, the Company shall undergo liquidation and shall keep its legal personality to the extent necessary for liquidation. The Extraordinary General Assembly shall issue the voluntary liquidation resolution after obtaining the written non-objection of the Saudi Central Bank. The liquidation resolution shall include the appointment of the Liquidator, the determination of his powers and fees, the restrictions imposed on his powers and the time required for liquidation. The voluntary liquidation period shall not exceed five years and shall only be extended further by a judicial order, and the Board's authority shall cease to exist upon the dissolution of the Company. However, the Board members shall continue to manage the Company and are deemed as liquidators by third parties until the Liquidator is appointed, and the assemblies of the shareholders shall continue to enjoy their competences during the liquidation period, and its role shall be limited to the activities that do not contradict with the Liquidator's competences.

Chapter 10

Final Provisions

Article 51

The Companies Law, its regulations, the Banking Control Law, along with Capital Market Law and its Implementing Regulations shall be applied to all the matters not stipulated in these Bylaws. Furthermore, the instructions issued by the Saudi Central Bank and the relevant regulations.

Article 52

These Bylaws shall be registered and published in accordance with the provisions of the Companies Law and its Regulations.