

In the name of Allah, Most Gracious, Most Merciful

(Allah has permitted trade and forbidden usury)

Jordan Islamic Bank Company

Public Shareholding Limited Co

Memorandum and Articles of Association

In the name of Allah, Most Gracious, Most Merciful

Memorandum of Association

Jordan Islamic Bank Company

Public Shareholding Limited Co

The Company was established in accordance with the provisions of Jordan Islamic Bank temporary law number 13/78, which was superseded by law number 62/85 after debating through the constitutional process. This law was abolished under the banks law number (28) of 2000, where the banks special law was replaced with a separate chapter for Islamic Banks in the mentioned law which obliged banks in article 98 to fix their stance in accordance with the provisions of the law.

First: Company's Name

(Jordan Islamic Bank; Public Shareholding Limited Liability Company).
Referred to hereinafter as The Bank.

Second: Bank's Head Office

The Head Office of the Bank shall be in the city of Amman, and it is permitted to establish branches, agencies, and offices at home and abroad.

Third: The Bank's Objectives and Businesses

1- The Bank aims at meeting the economic and social needs in the field of financial services and the business of finance and investment arranged on basis other than usury (Riba), according to the glorious Islamic sharia. The Bank commitment to avoid usury (Riba), giving and taking, is absolute in all conditions and affairs. Rules, regulations, and instructions adopted by the Bank contrary to the obligation of this commitment are unbinding to the Bank or against it. This avoidance is binding for whoever deals with the Bank in all contracts, businesses, services, claims and any other actions which the Bank is part of. These objectives shall include the following in particular:

- a- Expand dealing with the Banking sector by ways of providing services which are based on methods other than usury (Riba) with attention to introducing services aiming to bring to life the forms of social cooperation regulated in accordance with common interests.
- b- Develop ways to attract Funds and savings and direct them towards contributing to investments in the banking system that is not based on usury (Riba).
- c- Provide the required finance to satisfy the different sectors needs especially the sectors which are farther away from benefiting from banking facilities based on usury (Riba).

2- The Bank – to achieve its objectives – shall carry on actions that enable it to achieve those objectives by working on the following fields:

a- Islamic Banking Practices

The Bank practices, either for its benefit or for others, inside and outside the Kingdom, all aspects of familiar or new banking activities which enable the Bank to carry on its commitments on the basis other than usury (Riba) according to the adopted Islamic jurisprudence (Feqh), which encompasses the following:

1-Accepting deposits, issuing Muqarada bonds, common and special, establishing investment portfolios, investment funds, common speculation (Mudaraba), finance by speculation (Mudaraba), diminishing and constant (Musharaka), Murabaha sale to the purchase orderer, (Istisna'a), installment sales, lease ending in ownership, opening current accounts and different banking accounts, cashing withdrawn checks and clearing them, collecting commercial payments, money transfer to the inside and the outside, opening documentary credits, bank guarantees and letters of guarantee, personal letter of credit, credit cards and other banking services.

Usury (Riba) means:

It is, in the field of banking, two kinds of dealing with loans and sales:

- Usury in loans includes collecting or paying interest in all means of lending and borrowing. This concept encompasses any payments by the borrower which is not directly related to efforts bringing about considered benefit, according to the adopted jurisprudence (Feqh).

- For the sales usury, in the banking domain, it states different currency exchange rates in case of future payments.

Non Usury Banking Practices Mean:

All of possible activities that the bank could perform on basis other than usury (Riba) in the range of banking services or in the range of financing and investment, according to the methods agreeing with Sharia principles.

Adopted Jurisprudence Means:

Jurisprudence provisions, which the Bank is committed to in accordance with a chosen doctrine from the various Islamic doctrines, according to the paramount Sharia interests, without committing itself to any single doctrine.

Deposit Accounts Mean:

The cash delivered by its owners to the Bank by computational calculations and on the basis of clearance between the paid and withdrawn. These deposits include the following types: credit accounts: the cash deposits received by the Bank, authorizing the bank to use it, collect its benefits and guarantee its losses without being subject to any conditions at the time of deposit or withdraw.

Joint investment accounts: include the cash deposits the Bank receives from those willing to participate in it's regulated finance and investment in a diverse and continuous manner, on the basis of these deposits gain a certain percentage of the net profits accrue annually according to the terms of the accounts involved.

Specified investment accounts: the cash deposits the Bank receives from the willing authorizing it to invest their money in a specified project or a certain purpose, on the basis of speculation, the Bank gets a portion of the net profit without bearing any loses, with no misconduct or violation.

Muqarada Bonds Mean:

The one single value papers issued by the Bank carrying the name of the holder for paying the nominal value in order to participate in the

accrued annual profit according to the special terms regarding each separate issuance, and these bonds could be issued for the purpose of specified Muqarada.

Joint Speculation Means:

The Bank receiving the cash from its owners who desire to invest either by depositing in joint investment accounts or prescribing in joint (Muqarada) bonds on the basis of accepting its use in continuous and mixed finances in order to partially participate in the net profit accrue annually without resorting to liquidating finances.

Financing by Speculation(Mudaraba) Means:

The Bank provide the required cash totally or partially to financing a specific operation run by another person, on the basis of partnership, profiting or losing, according to the adopted jurisprudence.

Diminishing Partnership (Musharaka) Means:

The Bank participates as a partner in an enterprise with expected returns, based on agreement with the other partner in which the Bank acquires a relative percentage of the net income and reserve the right to preserve the remaining part or any amount of it as agreeable, in order to buy its principle.

Murabaha Sale to the Purchase Orderer:

The Bank carries out the demand of the contractor on the basis of the first party buying what the second party demanded, in return the second party guarantee buying what he ordered, and according to the agreed upon profit when writing in.

1. Dealing with foreign currencies selling and buying on the basis of current prices not future prices, the permissible dealings include the means of mutual lending of different currencies with no interest and as needed.
2. Providing loans with specified terms as a service to customers with no usury (Riba).
3. Property management and other viable banking management assets, on the basis of authorization for remuneration.

4. Taking the role of the chosen guardian to manage estates and implement wills according to the Sharia laws and the common laws, and with mutual cooperation with related religious entity.
5. Undertaking special studies for the benefits of the Bank customers and provide various information and consultations.
6. Establishing self insurance and mutual insurance funds for the benefit of the Bank or its customers in different fields.

b- Social Services

The Bank acts the role of the trust agent in the field of organizing social services that aim to strengthening the coexistence and gracious bonds among the different groups and individuals, by paying attention to the following aspects:

1. Provide AlQard ALHassan for productive purposes in all different fields to enable the beneficiary to start his independent life or improve his income and welfare.
2. Establish and manage special funds allocated to different recognized social aims.
3. Any other activities included in the general targeted goals.

c- Finance and Investment

The Bank carries out all businesses of finance and investment based on other than usury (Riba) through the following methods:

1. Providing the required financing totally or partially in all different self-liquidating conditions and operations, which include the forms of finance by speculation, diminishing Musharaka, Murabaha sale to the Purchase orderer, and other forms of finance which the board of glorious Sharia approves and not opposed by the Central Bank.
2. Employing the funds whose owners wish to mutually invest with the Bank's available resources by means of mutual speculation, and it is permissible for the Bank, in specific cases, to determine employment according to the special agreement.
3. Investing funds in all different projects.
4. Embarking on any businesses or activities enabling the Bank to achieve its goals especially the following:
 - a- Establish companies in different spheres especially that complement the Bank's activities.

b- Acquiring, selling, investing and leasing movable or immovable assets, including restoration of owned or leased lands, and preparing it for agriculture, industry, tourism, and hosing, without the need to obtain any permissions required by the law regarding managing assets by legal persons.

Forth: Duration of the Bank

Unlimited.

Fifth: Bank's Capital

"The Bank's Capital consists of two hundred million Jordanian Dinars, divided into two hundred million shares; the value of each is one Jordanian Dinar".

Sixth: Shareholders' Liability

The Bank's financial liability is considered independent from each of its shareholders financial liability. The Bank with its assets and equity shall be liable for it's debts and obligations, and the shareholder shall not be liable before the Bank for these debts and their obligations other than the value of the shares he owns at the Bank.

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Articles of Association

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2. Employing the money orderer whose owners wish to mutually invest with the Bank's available resources by means of mutual speculation, and it is permissible for the Bank, in specific cases, to determine employment according to the special agreement.
3. Investing money in all different projects.
4. Embarking on any businesses or activities enabling it to achieve its goals especially the following:
 - a- establish companies in different fields especially that complement the Bank's activities.

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"The Bank's Capital consists of two hundred million Jordanian Dinars, divided into two hundred million shares; the value of each is one Jordanian Dinar".

Sixth: Shareholders' Liability

The Bank's financial liability is considered independent from each of its shareholders contributor's financial liability. The Bank with its assets and equity shall be liable for debts and its obligations, and the shareholder shall not be liable before the Bank for these debts and their obligations other than the value of the shares he owns at the Bank.

Seventh: Bank's Shares

Article (1)

The Bank's Capital is divided by equal value shares, the nominal value of each shall be ONE Jordanian Dinar.

The Bank's shares are nominal.

Article (2)

Any transfer of Bank's shares, whether it happened in one transaction or multiple transactions and directly or indirectly, shall be considered void if this transfer led to a person acquiring influential interest in the Bank's Capital or led to the increase of the percentage of this interest, without a written prior approval from the Central Bank. This provision applies if the shares transfer belongs to a related group of people.

Article (3)

The share of the Bank is not subject to division, but the heirs could share

the ownership of one share, because the rule was for their deceased, and it applies on them if they share more than one share of their deceased estate, in both cases they choose one of them to represent them before and at the Bank, and if they failed to meet the deadline determined by the Bank's boards of directors, the board assign one from amongst them.

Article (4)

The Bank's shares are equal in rights and obligations, and it is impermissible to discriminate against any thereof.

Article (5)

The Bank shall keep a record or more listing the names of shareholders, the number of shares each one owns, their transfers, and any other data related to shareholders. The Bank shall have the right to deposit a copy of these records with any other party, and authorize it to follow up on shareholders affairs, and for safe keeping, organizing, and follow up on those matters.

Article (6)

Any shareholder, for any reason, shall have the right to review the shareholders register concerning his contribution, and for a reasonable cause he could review all data in the register. It is permissible for any person who has an interest as determined by the court to ask the bank to review the shareholders register, and the Bank shall have the right to charge reasonable fees if any person or shareholder requested copies of the register or any part thereof.

Eighth: Increasing and decreasing the Bank's Capital

Increasing and decreasing the Bank's Capital shall be subject to the Central Bank approval and according to the rules and procedures stipulated for in the Companies Law.

Ninth: Muqarada Bonds, Investment Portfolios & Investment Funds

The Bank shall have the right, based on a special decision from the Board of Directors, to issue special Muqarada Bonds or establish Investment Portfolios or Investment Funds.

Tenth: Shares Exchange & Ownership

Article (1)

The Board of Directors issues certificates for every shareholder confirming the shares he owns at the Bank. Said certificates shall be sealed by the Bank's seal and signed by the authorized signatories. Issuance of these certificates shall be considered as a declaration from the Bank that it has interpolated all rights for the listed shares; the certificates must include the following data:

- 1-The name of the Bank and its main Headquarter.
- 2-The name of the shareholder, number of shares he owns, and the type of his contribution.

Article (2)

- 1-The share at the Bank is subject to trading at the Stock Exchange according to the regulations in the Securities Law.
- 2-Rights and obligations arise among the buyer and seller of shares on the date of finalizing the contract at the Market, and the rules of the Securities Law are implemented in this regard for the purpose of transferring shares ownership in the Bank's books.

Article (3)

Trading the Bank's shares at the Market would be void under any of the following conditions:

- 1-If the share has been pledged, pawned or restricted with any condition preventing its disposition.
- 2-If the share's certificate is missing.
- 3-In any other condition under which the law and regulations prohibit trading the Bank's share at the Market.

Article (4)

- 1-Pledging the share at the Bank is permitted; it must be documented at the Bank register and in the share's certificate.
- 2-The pledge contract must list all related terms, especially the party who would collect the profits on the share through the pawning period.

3-It is not permitted to lift the pawn marker off the share at the Bank registry or at the share certificate, only based on a written declaration from the bonded, registered at the Bank; includes fulfilling his rights according to the pawn contract or a final court ruling, unless it has been auctioned by a judicial ruling.

Article (5)

If a judicial ruling or from any other official agencies including the Market is issued to seize any share of the Bank, the seizure shall be recorded in the shareholder's register at the Bank after receiving the decision, and the record shall not be lifted unless the same party requested the same.

Article (6)

It is not permitted to seize the Bank's assets as collateral for any shareholder's debts or for paying his debts, but it is permissible to seize shares owned by any shareholder at the Bank and his share of profit as collateral or payments.

Article (7)

In all cases at which share's ownership is transferred to another person by any means of transfer, the new share holder shall be given a certificate for the shares he acquired.

Article (8)

If the share's certificate is lost or damaged, its registered owner has the right to ask the Bank for a replacement, after going through the related procedures.

Article (9)

The rules, regulations, and the instructions of the Securities Law shall be implemented on the trading of the Bank's shares at the Stock Market, and on its pledging, the obligations on the seller and buyer and all other matters arising and/or related to the fact of trading and pledging and any other issues related to the Bank's shares.

Eleventh: Bank's Management

Article (1)

1-The Bank's Management is controlled by the Board of Directors which consists of eleven members elected by the Bank's General Assembly by way of secret ballot according to the rules of the law, and it carries out its mission and responsibility for a duration of four years starting from the day they were elected, and it assumes the authority and the responsibility for managing the Bank through hiring the needed staff and to carry out all its activities which guarantee the smooth running of the Bank's activities to achieve its goals. The Board of Directors shall practice the following in particular:

- a- Approve the basic principles of business and issue the internal rules and regulations concerning organizing and management of the Bank, human resources, and the employees, including contracting with qualified experts and consultants and others to work at the Bank, assign the rules and regulations that handle hiring, promotions, salary increases, and bonuses and all other financial and managerial matters necessary for the improvement of the Bank's management.
- b- Approve the internal rules and regulations related to organizing the business and the rules of accepting investment deposits and issuing Muqarada bonds, and the way to calculate the percentage of profit sharing, and organizing the management of common funds and the money allocated for specific objectives.
- c- Draw the general policy that should be implemented from time to time, in the field of employing money and the available financial resources, and determined the means of investing them, and sort the distribution of risk and the accepted guarantees from the view point of Sharia.
- d- Approve service fees, percentages, and wages which the Bank could charge for banking services and other management activities.
- e- Approve settlements and arbitrations in cases the Bank agrees to be part of.
- f- Approve the annual plan designed for opening new branches and expansion of investments and adopting new methods to develop the banking business based on other than usury (Riba).

g- Appoint the signatories for the Bank from among its employees and delegate the authorization to the needed employees at the Head Office and other branches according to business requirements.

h- Prepare the annual report, review the budgets and confirm profit and loss accounts before presenting it to the General Assembly.

2-Without prejudice to the provisions of paragraph (3) of this article the Board of Directors shall call the Bank's General Assembly for meeting during the last three months of its duration to elect the new Board of Directors to replace it at the end of its period, while assuming its work until the new Board of Directors gets elected, if for any reason, the elections have been delayed, the delay must not exceed, in any case whatsoever, three months from the date of the term of the existent Board.

3-If the date for convening the meeting to which the Bank's General Assembly would be invited according to the provisions of paragraph (2) of this Article falls six months at the most before the conclusion of the existent Board of Directors, or after the conclusion by the same period of time, this Board continues its work, and the new Board of Directors shall be elected at the nearest ordinary meeting of the General Assembly.

Article (2)

1-The candidate for membership of the Board of Directors must own at least five thousand shares from the Bank's shares to be qualified to run for the Board of Directors membership, and stays as a member in it, these shares must not be seized, pledged or restricted with any conditions preventing its absolute use.

2-The qualifying quorum for the membership of the Board of Directors shall remain seized as long as the shares owner is a member in the Board and for six months after his membership expires. It is not permitted to trade these shares during that period, for that a seizure mark would be placed on them and recorded at the shareholder's registry. Such seizure shall be considered as a pledge in favor of the Bank's benefit and to guarantee the obligations and commitments of that member and the Board of Directors.

3-The membership of any member of the Board of Directors shall be automatically terminated if the number of shares he owns under the terms of paragraph (1) of this Article decreased for any reason what so ever or if a final court ruling seized them or they have been pledged during his membership period, unless the member completed the qualifying shares number during a period not exceeding 30 days, and he is not allowed to attend any meetings for the Board of Directors during his shares decrease.

Article (3)

It is not permitted for anyone to run for the membership of the Board of Directors or to be a member of it if convicted by a specialized court of law of any of the following:

- 1-Any dishonorable crime or misdemeanor as bribery, extortion, theft, forgery, abuse of confidence, lying under oath, or any other indecent and against public morality crimes, or if the member lost civil eligibility, or file for bankruptcy unless he restored his dignity.
- 2-Any of the penalties stipulated for in the Companies Law.

Article (4)

- 1-A legal person who is a shareholder at the bank, other than public legal persons, has the right to nominate whoever sees fit for a number of seats at the Board of Directors according to his percentage of contribution at the Bank's Capital, whom he shall not be permitted to replace during the Board duration.
- 2-The legal person mentioned in paragraph (1) above has to nominate his representative at the Board of Directors within (10) days from the date of his election who meets the membership terms and qualifications under the provisions of the law except owning the qualifying number of shares, and he loses his membership if he does not nominate his representative within a month from the day of his election.

Article (5)

- 1-The Board of Directors of the Bank elects, from its members, by secret ballot a Chairman and a Vice Chairman who assumes the powers of the Chairman in his absence, and it elects, from its members, one or

more who reserve the right to sign on behalf of the Bank separately or jointly as determined by the Board in this regard and under the limits of the Board authorization, the Board of Directors provides the controller with copies of his decisions to elect the Chairman, his Deputy, and the authorized signatories of the Bank, and copies of their signatures, within seven days from making those decisions.

2-The Bank's Board of Directors has the right to authorize any employee at the bank to sign on its behalf, within the boundaries of the powers authorized to him.

Article (6)

1-The Bank's Chairman, members of the Board of Directors, General Manager and all of its senior Managers, have to submit to the Board of Directors at their first meeting since elected a written declaration of what they, their spouses and their minor children own of the Bank's shares, and the names of other companies at which their spouses and minor children own shares or stocks if the Bank is a shareholder at those companies, and to provide the Bank with any changes to those information within fifteen days of the date of change.

2-The Board of Directors shall provide the controller with copies of the data mentioned in paragraph (1) of this Article and the changes occurred to any thereof within seven days of their submission or the submission of changes occurred to them.

Article (7)

The Board of Directors shall prepare within a period not exceeding two months from the end of the fiscal year the following accounts and data to be presented to the General Assembly:

- a- The Bank's balance sheet, profit and loss statment, cash flow statment, and the disclosures about it compared to the previous fiscal year, all endorsed by the Bank's auditors.
- b- The annual report for the Board of Directors about the business of the Bank during last year and the budget for next year.

Article (8)

The Board of Directors is committed to providing its closing accounts, endorsed by the legal auditor of its accounts to the Central Bank within a period not exceeding two months from the end of the fiscal year. And the Board of Directors is committed under legal liability to obtain a written pre-approval from the Central Bank for the following:

- 1-Closing accounts endorsed by its legal auditor before presenting it to the General Assembly of Shareholders.
- 2-Declare or publish these account by any mean whatsoever.
- 34-Provide the Central Bank with a copy of the Board of Directors annual report about the Bank's business included the data required by the terms of the Companies and the Securities Laws and their instructions, and the amount of contributions at the Bank's Capital for the Chairman and the members of the Board and their relatives to the third degree.
- 4-The Board of Directors shall provide a copy of the accounts and data listed above and approved in writing by the Central Bank to the controller in a period not less than twenty one days before the set date for the meeting of the General Assembly of the Bank.

Article (9)

The Board of Directors shall prepare a report every six months showing the Bank's financial position and the results of its business. The report shall be endorsed by the Chairman of the Board of Directors and a copy thereof shall be presented to the controller within 60 days after the end of the period.

Article (10)

1-The Board of Directors shall place at shareholders disposal, at least three days before the set date for the meeting of the Bank's General Assembly, a detailed statement that includes the following and a copy of the statement shall be presented to the controller:

- a- All amounts that the Chairman and the members of the Board get from the Bank during the fiscal year as wages, fees, salaries, promotions, bonuses, and others.
- b- The benefits that Chairman and the members of the Board have at the Bank, like free housing, cars, and other things.
- c- The amounts that have been paid to the Chairman and the

members of the Board during the fiscal year, as travel expenses and transportation inside and outside the Kingdom.

d- The donations the Bank paid during the fiscal year, in detail including the beneficiary who received the donations.

2-The Chairman and the members of the Board at the Bank shall be considered responsible for executing the provisions of this Article, and the accuracy of the information provided to brief shareholders.

Article (11)

1-The Board of Directors shall send invitations to each shareholder to attend the General Assembly meeting, sent by regular mail at least 14 days before the set date for the meeting, and it is permitted to hand invitations to the shareholder against a signature of receipt.

2-The invitation is attached with the agenda of the General Assembly, the report of the Board of Directors, the Bank's balance sheet, its closing accounts, the report of the auditors, and the explanatory statements.

Article (12)

The Board of Directors shall announce the determined date for the meeting of the Bank's General Assembly in two local newspapers for at least one time, before a period not exceeding 14 days from that date, and shall announce the same once, in one of the heard or seen media three days at the most prior to the determined date for the meeting of the General Assembly.

Article (13)

After the approval of its General Assembly on the final accounts of the ending fiscal year, the Bank shall be committed to the following:

1-Publish its final accounts and the report of the auditor in two local newspapers within a period not exceeding six months from the fiscal year's end, and also publish its accumulative final accounts, as previously mentioned, beside its closing accounts in the Kingdom, if it has branches outside it.

2-Display the final accounts prescribed in paragraph (1) of this Article with a list of the names of its Board of Directors in clear view in its

branches for at least three months during the next year for the ending fiscal year.

Article (14)

1. It is permissible for a person to be a member at most in three Boards in public shareholding companies at one time in his personal capacity, and he is permitted to represent a legal person in three Boards at public shareholding companies at most. In all cases, it is not permitted for a person to be a board member in more than five public companies in his personal capacity in some and as a representative for a legal person in others. Any membership obtained at the Board of a public shareholding company contrary to the provisions of this paragraph shall be null and void.
2. Each elected member to the Board of Directors at the Bank shall notify the controller in writing about the names of companies in which he participates as a member of its Board of Directors.
3. It is not permitted for any person to nominate himself for the membership of the Bank's Board of Directors in his personal capacity or as a representative of a legal person if the number of memberships he occupies reaches the number prescribed at paragraph (1) of this Article. However, if he wishes, he shall be given the chance to quit one of these memberships within two weeks of his election date to the new membership, and he shall not be permitted to attend the meetings of the Bank's Board of Directors before correcting his stance in accordance with provisions of this Article.

Article (15)

It is required for those who run for the Bank's Board of Directors:

1. Not be under the age of 25 years.
2. Not be employed by the government or any official institution; public or private, or any public legal persons.
3. Satisfy any other conditions prescribed by the existing Corporate and Banking Laws.

Article (16)

1. It is not permitted for the member at the Bank's Board of Directors or its General Manager to be a board member, a General Manager, a Regional Manager or an employee of another bank, unless the other bank is an affiliate to this Bank.
2. It is not permissible for the Chairman of the Board or any Board member or the General Manager or any employee works at the Bank to have a benefit, direct or indirect, in the contracts, the projects, and the engagements held with or for the Bank.
3. Excluded from the provisions of paragraph (2) of this Article constructions, undertakings, and general tenders which permit all competitors to participate in all offers on equal basis, if the best offer was presented by one of the mentioned at paragraph (2) of this Article, two third of the members of the Board of Directors must approve his offer without him being present at the hearing related to that, and this approval has to be renewed annually from the Board of Directors if those contracts and engagements of periodic and renewable nature.
4. Any one who violates the provisions of this Article among the persons listed at paragraph (2) of this Article shall be dismissed from his position or from his job at the Bank.

Article (17)

If any person gets elected as a member to the Bank's Boards of Directors while absent, he shall announce his acceptance or refusal to this membership within ten days from the date of notification of the election results, and his silence shall be considered as an acceptance to the membership.

Article (18)

1. If a position for a member at the Board of Directors became vacant for any reason, a successor would be elected by the Board of Directors from the shareholders who obtain the membership qualifications, and the legal person shall participate in this election process, this procedure would be followed every time a position becomes vacant at the Board of Directors, the designation of this member stays temporary until presented to the General Assembly of the Bank in the first meeting held to approve it or elect a successor according to the provisions of

the law, in this case the new member completes his predecessor term at the membership of the Board of Directors.

2. It is not permitted for the number of members to be designated at the Board of Directors pursuant to this Article, to be more than half the number of the Board members, and if a position becomes vacant after that then the General Assembly would be called to elect a new Board of Directors.

Article (19)

The Bank's financial, accounting systems, and management matters shall be regulated by special administrative regulations prepared by the Bank's Board of Directors, determining in detail the obligations, the powers, and the responsibilities of the Board regarding those matters; not to state therein what violates the provisions of the law and the regulations prescribed by the existing legislations. A copy of these regulations shall be sent to the controller and the minister, based on the controller recommendations, shall have the right to make any changes he sees necessary to the benefit of the Bank and its shareholders.

Article (20)

1. The Chairman of the Board of Directors shall be considered the Chairman of the Bank, shall represent the Bank before others and before all entities, practice the powers prescribed to him according to the provision of the law and the regulations issued under the law and other existing regulations at the Bank, and shall be in charge of implementing the decisions of the Board of Directors in coordination with the executive body at the bank.
2. It is permissible for the Chairman of the Board to devote himself for the Bank's business with the approval of two thirds of the Board members. In this case, the Board of Directors shall determine clearly the powers and the responsibilities he could perform, as well his remuneration and promotions, provided he is not a full time Chairman of the Board of Directors or a General Manager for any other public shareholding company.
3. It is permitted to appoint the Chairman of the Board of the Bank or any of its members as a General Manager for the Bank, deputy or assistant by a decision approved by a majority of two thirds of the votes of the members of the Board in any of these cases provided that the involved does not participate in the voting.

Article (21)

1. The Board of Directors shall appoint a General Manager for the Bank from the qualified, determine his powers and responsibilities in accordance with instructions issued by the Board for this purpose, and shall authorize him with general management in coordination with and under the supervision of the Board of Directors. The Board shall determine the salary of the General Manager provided he is not a General Manager for another public shareholding company.
2. The Board of Directors of the Bank has the right to terminate the services of the General Manager provided it informs the controller and the Market of any decision taken regarding appointing the General Manager or terminating his services as soon as the decision has been made.
3. It is not permitted for the Chairman of the Board of Directors at the Bank or any of its members to attain any work or a job at the bank for a wage, compensation or a reward except that prescribed above, only in cases required by the business nature of the Bank and approved by the Board of Directors with a majority of two thirds of its members and the person involved does not participate in voting.

Article (22)

The Board of Directors appoints a General Secretary for the Board and determines his salary, who would be in charge of organizing its meetings, prepare its agendas, and record its meetings proceedings and its decisions in a special registry and in continuous numbered pages signed by the Chairman and the members of the Board who attend the meeting and every page is sealed by the Bank's seal.

Article (23)

1. The Board of Directors of the Bank shall convene upon a written invitation from its Chairman or his Deputy in case of his absence or based on a written request presented to the Chairman of the Board by at least one fourth of its members explaining the reasons for holding the meeting. If the Chairman of the Board or his Deputy do not send the invitations to the Board for meeting within seven days of receiving the request, the members who submit the request shall have the right to call for the meeting.

2. The Board of Directors of the Bank shall hold its meetings with half the number of its members at the Bank's Head Office or at any other place inside the Kingdom if unable to hold it at its Head Office. Though, the Bank shall have the right, when it has branches outside the Kingdom or if the nature of its business requires, to hold maximum of two meetings a year outside the Kingdom for its Board of Directors. The Board shall pass its decision by the absolute majority of the members who attend the meeting, and if the votes are equal in favor or against, the Chairman shall have the casting vote.
3. Voting on the decisions of the Board of Directors of the Bank shall be personal and shall be conducted by the member himself. Authorization or proxy shall not be allowed. Also, it shall not be permitted to vote by mail or any other indirect way.
4. The number of meetings of the Board of Directors of the Bank throughout the Bank's fiscal year shall not be less than six meetings, and two month period shall not pass without holding a meeting for the Board. The controller shall be provided with a copy of the invitation for the meeting.
5. The invitation for the meeting of the Board of Directors shall be sent by a signed letter from the Chairman or his Deputy via registered mail to the member's address listed with the Bank or delivered by hand. The invitation shall state the time and place of the meeting as well as its agenda.

Article (24)

1. The Board of Directors of the Bank or its General Manager must have the complete powers to manage the Bank under the limits of its specialty, the actions and the behaviors practiced by the Board or the Bank's Manager on its behalf shall be binding to the Bank before others dealing with the Bank in good will. and he could ask for compensation for the harm sustained, regardless of any condition or restriction listed at the Articles of Association or the Bank's regulations.
2. Third parties dealing with the Bank shall be considered of a good intention unless proving otherwise. However, it is not necessary for such a third party to investigate the existence of restriction on the powers of the Board of Directors of the Bank or the Bank's Manager or their powers to make the Bank comply with its contract or regulations.

Article (25)

1. The Chairman and the members of the Board of Directors of the Bank shall be liable before the Bank, the shareholders and third parties for every violation to the existing rules and regulations and to the Bank's regulations, committed by any of them or by all, and for any mistake in managing the Bank. Approving clearance by the General Assembly shall not annul legal pursuit against the Chairman or the members of the Board.
2. The liability prescribed in paragraph (1) of this Article shall be either personal for one member or more of the Bank's Board of Directors or joint liability among the Chairman and the members of the Board. In this latter case, they shall be jointly and severally liable for compensating the damage that has been sustained due to the violation or the mistake. Such liability shall not include any member proved to have been objecting in writing to the decision related to the violation at the minutes of meeting. In all cases, it is not permitted to file a lawsuit regarding such liability after the lapse of five years from the date of the meeting of the General Assembly during which the annual balance sheet and the final accounts of the Bank were approved.

Article (26)

It is prohibited for the Chairman and the members of the Board of Directors of the Bank, its General Manager or any employee working in the Bank to disclose to any of the Bank's shareholders or others any information or data related to the Bank which are considered of a confidential nature which he has obtained because of his position at the Bank or during handling any work at or in the Bank under the penalty of termination and claiming compensation for the damages occurred to the Bank, excluding from that the information which the existing rules and regulations allow publishing thereof. Approving clearance by the General Assembly shall not annul legal pursuit against the Chairman or the members of the Board.

Article (27)

The Chairman and the members of the Board of Directors for the Bank shall be jointly and severally liable before the shareholders for their shortcomings or negligence in managing the Bank, however, in case of

liquidating the Bank and the existence of deficit in its assets so it could not fulfill its obligations, and if the reason for this deficit, shortcomings or negligence was caused by the Chairman and the members of the Board of Directors , the General Manager of the Bank or the account auditors, it is for the court to decide who shall be held liable for all the Bank's debts or part thereof, as the case may be, and to determine the amounts that have to be paid and whether the liability for the loss is a joint one or not.

Article (28)

1. Clearance by the General Assembly shall not constitute a sound ground unless it is preceded by the Bank annual account statements and the auditors report.
2. Said clearance shall only include the matters that the General Assembly came aware of.

Article (29)

1. The remuneration for the Chairman and the members of the Board of Directors of the Bank shall be determined at (10%) of the net distributable profit after deducting all taxes and reserves not exceeding (5000) Jordanian Dinar annually for each. Said remuneration shall be distributed according to the percentage of the meetings attended by each of them. Meetings unattended due to reasons acceptable to the Board shall be considered as attended by the respective member.
2. Transportation and travel allowances for the Chairman and the members of the Board shall be determined in accordance with a special policy issued by the Bank for this purpose.

Article (30)

The member of the Board of Directors other than the representative of a legal parson may resign from the Board in writing. The resignation shall take effect from the date of its submission to the Board and it may not to be revoked.

Article (31)

The Chairman and any member of the Board of the Bank lose membership from the Board:

1. If fails to attend four consecutive meetings of the Board without an excuse accepted by the Board or if fails to attend the Board's meetings for six consecutive months even if this absent was for an acceptable reason. The Controller shall be informed of the decisions issued by the Board according to the provisions of this paragraph.
2. The legal person shall not lose membership at the Bank's Board of Directors due to the absence of his representative in both cases stated in paragraph (1) of this Article, but he shall, after receiving the Board decision, appoint a replacement.
3. If separately or with others undertakes any actions that harm the Bank or contrary to its interests, whether such actions have caused damage or hindered the Bank's interests or not.
4. If he files for bankruptcy or became mentally retarded.

Article (32)

1. The Bank's General Assembly in an extraordinary meeting held upon a request of shareholders owning not less than (30%) of the Bank's shares, shall have the right to dismiss the Chairman or any of the Board's members except the members representing the government shares or any public legal person. The dismissal request shall be presented to the Board of Directors and a copy of which shall be sent to the Controller. The Board of Directors shall invite the General Assembly to convene an extraordinary meeting within ten days from the date of receiving the request for the General Assembly to look into the request and issue a suitable decision. If the Board of Directors does not invite the General Assembly for the meeting, the Controller shall take charge of inviting it at the Bank's expense.
2. The General Assembly shall discuss the dismissal request of any member and shall listen to his testimony orally or in writing. Voting shall take place after that by means of secret ballot.

Article (33)

It is prohibited for the Chairman, Board members, the General Manager or any of the Bank's employees to trade in the Bank's shares directly or indirectly based on information acquired due to his position or work at the Bank. He shall not convey such information to any person with the

purpose of influencing the prices of the Bank's shares, any subsidiary, holding or affiliate company or if conveying the information could cause such influence. All trades or transactions that fall under the provisions of this Article shall be null and void, and the person conducting such an action shall be deemed responsible for the damages caused to the Bank, its shareholders or any third party if legal proceedings were lodged.

Article (34)

If the Bank is exposed to bad financial or administrative situations or suffers material losses that affect the rights of shareholders or the rights of its debtors, the Chairman of the Board of Directors, any of the Board members, the General Manager or the Auditor shall notify the Controller and shall be under tort liability in case of non-notification.

Article (35)

The Chairman, members of the Board of Directors, the General Manager or any other administrative staff at the Bank shall carry out all obligations stipulated for in the provisions of the existing Companies and Banking Laws and any other regulations subject to legal liability.

Twelfth: Sharia Supervisory Board (SSB)

Article (1)

The Bank shall appoint upon a decision taken by the General Assembly the Sharia Supervisory Board which shall comprise not less the three members. The opinion of the Sharia Supervisory Board shall be binding to the Bank and shall be in charge of the following:

1. Supervising the Bank's businesses and activities regarding its compliance with the Sharia provisions.
2. Providing its opinion on drafting the contracts needed for the Bank's businesses and activities.
3. Looking into issues assigned to it according to the Central Bank instructions issued for this purpose.

Article (2)

The (SSB) shall appoint one of its members as Chairman. The SSB shall meet at the request of its Chairman, a decision by the Board of Directors or at the request of two of SSB members. The meeting of the SSB shall be considered valid by the attendance of at least two of its members if their number is three or with the attendance of the majority of its members if their number is more than three people. The decisions of the SSB shall be taken in any case unanimously or by the majority of its members.

Article (3)

It is not permitted to dismiss the SSB or any of its members unless a justified decision is issued by the Board of Directors with the majority of two thirds of its members and accompanied by the Bank's General Assembly approval.

Article (4)

The Bank shall notify the Central Bank of its decision to appoint or dismiss the SSB.

Thirteenth: The Ordinary Meeting of the General Assembly

Article (1)

The General Assembly convenes in an ordinary meeting for the Bank inside the Kingdom at least once a year upon the request of the Bank's Board of Directors at the date determined by the Board in coordination with the Controller. The meeting shall be held during the next four months after the end of the Bank's fiscal year.

Article (2)

The ordinary meeting of the Bank's General Assembly shall be considered valid if attended by shareholders representing more than half the subscribed Bank's shares. If the required quorum is not met by the lapse of an hour from the determined time for the meeting, the Chairman of the Board of Directors shall extend an invitation to the General Assembly to hold a second meeting within ten days from the date of the first meeting and shall publish an announcement for the invitation in two local newspapers at least three days before the date of the meeting. The second meeting

shall be considered valid regardless of the number of shares represented at the meeting.

Article (3)

1. The powers of the Bank's General Assembly at its ordinary meeting shall include looking into all matters related to the Bank, discussing them and taking the appropriate decisions especially the following:
 - a- The minutes of the General Assembly last ordinary meeting.
 - b- The report of the Board of Directors about the Bank's businesses through the year and its future plans.
 - c- Hearing the report of the Sharia Supervisory Board.
 - d- The report of the Bank's Auditor about its balance sheet, other final accounts, and its financial position.
 - e- The annual balance sheet, profit and loss accounts, and determining the profits which the Board of Directors suggest distributing including the reserves and allocations stipulated for in the law and the Bank's regulations.
 - f- Electing the Board of Directors members.
 - g- Appointing the Bank's Auditors for the next fiscal year.
 - h- Any other subject listed by the Board of Directors in the Bank's agenda.
 - i- Any other issues the General Assembly suggests listing in the agenda and falls within the jurisdiction of the ordinary meeting of the General Assembly provided obtaining the approval of a number of shareholders representing not less than (10%) of the shares represented at the meeting.
2. The General Assembly invitation for the meeting shall include the agenda of the matters to be presented and discussed and any copies of the documents or data related to those matters.

Fourteenth: The Extraordinary Meeting of the General Assembly

Article (1)

1. The General Assembly shall convene in an extraordinary meeting inside the Kingdom upon the invitation of the Board of Directors, a written request presented to the Board by shareholders who own not less than one fourth of the Bank's subscribed shares, a written request from the Bank's Auditor or the Controller if requested by shareholders owning not less than (15%) of the Bank's subscribed shares.
2. The Board of Directors shall invite the General Assembly for an extraordinary meeting which was requested by the shareholders, Auditor or the Controller pursuant to the provisions of paragraph (1) of this Article during a period not exceeding fifteen days from the day of submitting the request for the meeting. If the Board failed or refused to respond to the request, the Controller shall invite the General Assembly to hold the meeting at the Bank's expense.

Article (2)

1. Without prejudice to the provisions of paragraph (2) of this Article the extraordinary meeting of the General Assembly of the Bank shall be valid with the presence of shareholders representing more than half the subscribed Bank's shares, and if the quorum was not satisfied after the lapse of one hour from the determined time of the meeting, the meeting shall be postponed to a future date to be held within ten days from the date of the first meeting, and shall be announced at least in two local newspapers by the Board of Directors at least three days before the date of meeting. The second meeting shall be considered valid upon the attendance of shareholders representing at least (40%) of the subscribed Bank's shares. If this quorum was not met at the second meeting, the meeting shall be canceled regardless the reasons for the invitation.
2. The legal quorum for the extraordinary meeting of the Bank's General Assembly, in cases of liquidation or merger shall be not be less than two thirds of the subscribed Bank's shares.

Article (3)

The invitation for the extraordinary meeting of the General Assembly shall include the subjects which shall be presented and discussed at the meeting. If the agenda includes amending the Bank's Memorandum and Articles of Association, the changes must be attached to the invitation for the meeting.

Article (4)

- 1-The General Assembly of the Bank at its ordinary meeting shall be authorized to look into and discuss the following:
 - a- Amending the Bank's Memorandum and Articles of Association.
 - b- Merging the Bank with another.
 - c- Liquidating and dissolving the Bank.
 - d- Dismissing the Chairman of the Board of Directors or any of its members.
 - e- Selling the Bank or completely acquiring another Bank.
 - f- Increasing the authorized Capital or decreasing the Capital.

2-The decisions are passed in the extraordinary meeting of the General Assembly with a majority of (75%) of the total shares represented at the meeting.

3-The decisions of the General Assembly in the extraordinary meeting shall be subject to the approval, registration, and publishing procedures stipulated under the provisions of the law except dismissing the Chairman of the Board of Directors or any of its members.

Article (5)

It is permissible for the General assembly in its extraordinary meeting to discuss all affairs within its powers in the ordinary meeting and pass its decision in this case with the absolute majority of shares represented at the meeting.

Fifteenth: The General Rules for the General Assembly Meetings

Article (1)

1. The Chairman of the Board of Directors, his Deputy upon his absence or a representative commissioned by the Board in the absence of both shall preside over the Bank's General Assembly meeting.

2. The Board of Directors shall attend the General assembly meeting with at least the number necessary to be available for the meeting of the Board of Directors to be valid and it is not permitted to miss the meeting for an unacceptable reason.

Article (2)

Every shareholder at the Bank, registered in the Bank register three days prior to the determined date for any meeting of the General Assembly shall have the right to discuss the issues presented at the meeting and vote for its decisions with number of votes equal to the number of shares he originally owns or by proxy.

Article (3)

1. The shareholder at the Bank shall have the right to authorize another shareholder to attend any meeting held by the Bank's General Assembly on his behalf under a written authorization on a proxy form prepared specifically for this purpose by the Board of Directors with the approval of the Controller. Proxy forms must be submitted to the Bank's Head Office at least three days prior to the determined date for the General Assembly meeting and the Controller or his representative shall check the same. It is also permissible for the shareholder to authorize any other person under a legal power of attorney to attend the meeting on his behalf.
2. The authorization shall be valid for the representative to attend any other meeting of the General Assembly if postponed.
3. The attendance of the custodian, guardian or the shareholder representative or the representative of legal person shall be legally considered as the attendance of the original shareholder, even if the custodian, guardian or the shareholder representative or the representative of the legal person is not a shareholder at the Bank.

Article (4)

1. The Chairman of the Bank's General Assembly meeting shall appoint a Secretary from among the shareholders or the Bank's staff to write down the minutes of the General Assembly meeting and the decisions that have been taken, and shall also appoint a number of observers

- not less than two to collect and sort votes. The observer or his representative shall announce the results of voting.
2. The legal quorum, all matters presented, the decisions that have been taken and the number of votes in favor of every decision and all the votes against it, as well as the abstained votes and the General Assembly deliberations which the shareholders asked for shall be included in the minutes of the General Assembly meeting. The minutes of the meeting shall be signed by the Chairman of the meeting, the observer, and the Secretary, and the minutes shall be documented at a special register kept at the Bank for this purpose. The Board of Directors shall send a signed copy of the minutes of meeting to the Controller within ten days from the date of the General Assembly meeting.
 3. The Controller shall have the right to provide any shareholder, for a fee according to the rules of the law, a certified copy of the minutes of General Assembly meeting.

Article (5)

The Board of Directors shall extend an invitation for the General Assembly meeting to each of the Controller and the Bank's auditors at least fifteen days prior to the meeting date and the auditor shall attend or send a representative subject to liability. The invitation shall be accompanied by the meeting agenda and all data and appendices required to be sent to the shareholder. Any meeting held by the General Assembly in the absence of the Controller shall be considered void.

Article (6)

The decisions issued by the Bank's General Assembly at any meeting held with a legal quorum shall be binding to the Board of Directors and all shareholders whether attended the meeting or not, provided such decisions have been taken under the provisions of the law and the regulations issued there under.

Sixteenth: The Bank Accounts

Article (1)

The Bank shall impose accounts, records and books according to the recognized accounting principles and to the accounting, auditing standards and controls for Islamic financial institutions and international accounting standards.

Article (2)

The fiscal year of the Bank shall commence on the first day of January and end on the thirty first of December the same year.

Article (3)

- 1-The Board of Directors shall decide, by ways of public announcement, the general percentage of profit of the total money utilized for mutual investment at the beginning of the same fiscal year and no later than the end of the first month of every year.
- 2-The Bank shall keep a fund to cover the risks of investments at the joint investment funds or to cover losses over the total investment profit during a specific year. Such fund shall be fed by the following:
 - a- Withholding not less than 10% of the net recognized investment profit of all transactions during the year.
 - b- Increasing the percentage determined above according to an order by the Central Bank, so the amended percentage goes in effect after its increase in the fiscal year following the year where the increase has been decided.
 - c- Withholding shall be suspended when the amount accumulated at the fund becomes twice the paid Capital of the Bank or any amount determined by the Central Bank.
- 3-The Bank as a Mudaraba shall charge the percentage declared as the share of the speculator, and the bank shall have the right to participate in the profits of the joint investment according to the percentage of its contribution from its private resources or from the money of which the bank authorized to dispose gaining or losing.
- 4-The Bank as a Mudareb shall bear the losses caused by any reason which are guaranteed by Sharia including cases of abuse or negligence by any

member of the Board of Directors, the Managers, staff or the employees of the Bank. The cases of manipulation, partying trust or complicity with others and the like shall form cases of negligence for which the Bank shall be accountable. This is in addition to crossing the boundaries of trustful management of the mutual speculations undertaken by the Bank.

5-The Sharia Supervisory Board appointed according to the provisions of the law shall verify the existence of jurisprudence reference (sanad fiqhi) to hold the bank responsible for any losses under the limits of the mutual investments.

Article (4)

The Bank may not distribute any revenues to its shareholders except from its profits, and it shall deduct (10%) of its net annual profit for statutory reserve fund. It may not distribute any profit to the shareholders before such deduction, which may neither be suspended before the aggregate statutory reserve account is equal to the authorized Capital of the Bank in accordance with the statutory deduction stipulated by the Companies Law.

Article (5)

1. The Bank's General Assembly, upon proposal by its Board of Directors, may decide each year to cut not more than (20%) of its net profit for the respective year for the voluntary reserve fund.
2. The Bank's voluntary reserve shall be used for the purposes decided by its Board of Directors and the General Assembly may distribute all or part of it as profit to the shareholders if it has not been used for those purposes.
3. The Bank's General Assembly, upon proposals by its Board of Directors, may decide each year to cut not more than (20%) from its net profits of the respective year for a special reserve to be used in events of emergency or for the purposes of expanding or strengthening the financial position of the Bank to avoid any foreseeable dangers.

Article (6)

The Bank shall assign not less than (1%) of its net annual profits to be spent on support of scientific research and professional training at its

facilities and shall disburse this provision or part of it on scientific research and professional training. In the event that such disbursement is not made within the first three years of its cut, the remaining amount shall be deposited in a special fund established by an order issued especially for this purpose. Said order shall define ways and principles of disbursement.

Article (7)

Net profits of the Bank shall mean the difference between total accrued revenues, in any fiscal year and total consumption expenditures in that same year before deducting allocations for income and social service taxes.

Article (8)

The Bank may establish a saving fund for its employees as a legal person with administrative and financial independence by a special order from the Bank's Board of Directors for this purpose. The manner of investing the said fund shall be subject to the provisions of Sharia Law, particularly those prohibiting the use of usury.

Article (9)

1. The right of the shareholder to the Bank's annual profits is established by a decision from the General Assembly to distribute such profits.
2. The right for shareholders to attain their respective profits from the Bank is established at the date of the General Assembly meeting in which the distribution has been decided, for which the Board of Directors shall make an announcement published in at least two local newspapers and other mass media within a maximum period of one week from the date of Assembly's decision. The Bank shall notify the Controller and the Market with such a decision.
3. The Bank shall pay out the profits which were decided to be distributed within a period of sixty days of the General Assembly's meeting.

Seventeenth: Account Auditors

Article (1)

The General Assembly shall elect one Auditor or more from the registered Auditors with the highest degree according to the applicable valid legislation

for one year and decide their fees, or alternatively it may authorize the Board of Directors to determine their fees.

Article (2)

The Auditors individually or collectively shall undertake the following tasks:

1. Help the Bank in keeping its records and correct accounts in accordance with the provisions of the Companies and the Banks Laws.
2. Review and monitor the adequacy of internal audits and internal auditing procedures and make necessary recommendations.
3. Present an annual report about the results of his/their audits to the Bank's accounts showing the real financial position of the Bank, and attaching to it his/their opinion of these accounts. A copy of such an opinion shall be submitted to the Bank.
4. Provide the Central Bank with a statement explaining his/their opinion about the provisions of doubtful debts or any shortage of such provisions as required by the Banks assets, in accordance with orders issued by the Central Bank for such purpose.
5. Provide the Central Bank with any additional information or data about the Bank's situations.
6. Notify the Central Bank in writing as soon as he/they are informed of any matter that may have a negative effect on the Bank's financial or administrative position.
7. Notify the Central Bank as soon as he/they become aware of any violations of the law that may be committed by the Bank's Board of Directors or any board of directors of any subsidiary company or any of its managers or when he/they become aware of any illegal practices in any of these two or any practices he/they expect to incur loss for the Bank or that company.
8. Undertake all the duties assigned to accounts' auditors as stipulated in the Companies and the Banks Laws and perform the account auditors' profession and other regulations related to recognized standards in account auditing.

Article (3)

- 1-Without prejudice to the provisions of the valid law of the profession of account audits and any other law or order related to this profession, the

report of the Accounts' Auditor shall include the following:

- a- That he has obtained the information, data, and explanations which he deemed necessary for to perform his work;
 - b- That the Bank is keeping accounts and books organized in accordance with the internationally recognized principles of accounting and those adopted in the Kingdom by competent professional authorities, could show the financial position of the Bank and the result of its business, and that the balance sheet, and the profit and loss statement conform to the regulations, records and books.
 - c- That the auditing procedures he performed on the Bank's accounts are sufficient in his opinion to form a reasonable basis for him to form an opinion about the Bank's financial position and the result of its business and the cash flow for the Bank according to the recognized international accounting principles.
 - d- That the financial statements reported in the Board of Directors and directed to the General Assembly conform to the Bank's records and books.
 - e- Any violations of the provisions of the law or the Bank's regulations that may have occurred during the year subject to auditing with a significant impact on the result of the Bank's business and its financial position and whether such violations still exist, within the limits of information he had access to.
- 2-The Accounts' Auditor shall present his final opinion about the balance sheet and the profit and loss accounts for the Bank with one of the following recommendations:
- a- Approve the Bank's balance sheet, its profit and loss accounts and its cash flow in absolute terms.
 - b- Approve the Bank's balance sheet, its profit and loss accounts and its cash flow with reservations and explanation for the reasons of the reservations and its financial effect on the Bank.
 - c- Issue a disclaimer on the Bank's balance sheet, its profit and loss accounts and its cash flow and send it back to the Board of Directors explaining the reasons for such an opinion.

Article (4)

The Bank's General Assembly, in the case of the auditor issuing a disclaimer on the financial statements and returning it to the Board, may decide the following:

1. Request the Board to remove irregularities from the balance sheet and profit and loss accounts in light of the observations of the auditor, after which it may consider it as approved; or,
2. Refer the matter to the Controller to assign a committee of experts from chartered accountants classified with the highest degree to pass a judgment on the subject dispute between the Bank's management and its auditors. In such a case, the committee's decision shall be binding after presenting it once more before the General Assembly for approval, and the balance sheet and profit and loss accounts shall be amended accordingly.

Article (5)

The auditor may neither be a member to the Bank's Board of Directors nor engaged permanently with any professional, administrative or advisory task for the said board. He may not be a partner to or an employee for any member of the Board of Directors on the pain of nullifying of any procedure or action that may occur in a manner contrary to the provision of this Article.

Article (6)

The Bank's Board of Directors shall provide the Accounts' Auditor with a copy of the reports and the statements which the Board sends to the shareholders including the invitation to attend the meeting of the Bank's General Assembly and the Auditor or his representative shall attend such a meeting.

Article (7)

1. The Bank's Accounts Auditor shall be deemed as a representative of the shareholders within the limits of the mission assigned to him.
2. Each and every shareholder, upon convening of the General Assembly meeting shall be entitled to ask for explanations from the Accounts Auditor about any particulars mentioned in his report.

Article (8)

In the event that the Accounts Auditor has detected any violation to the law or the Bank's regulations committed by the Bank or any financial matters that may have a negative impact on the Bank's financial or managerial position, he shall report such violations in writing to the Board of Directors, the Controller, and the Market as soon as he becomes aware of such violations. Such information shall be dealt with complete confidentiality until the matter is resolved.

Article (9)

The Accounts' Auditor shall be liable before the Bank for any damages generated because of the errors he commits while performing his work. Should the Bank have more than one accounts' auditor and jointly cause such errors to happen, they shall be severally liable before the Bank. Civil liability claims in any such cases shall be dropped after the lapse of three years as of the date of the meeting of the Bank's General Assembly in which the auditor's report was read. Should the act attributed to the accounts' auditor amount to an offence, the civil liability claim may not drop except after the public right claim drops. The auditor shall also be required to indemnify the shareholder or third parties for any damages that may have inflicted them.

Article (10)

Subject to his basic commitments, the Accounts Auditor shall not disclose to the shareholders at the place of the Bank's General Assembly meeting or at any other place or time or to the non shareholders any of the Bank's secrets that may have come to his knowledge by means of performing his tasks. If the auditor fails to comply with this provision, he shall be released from his job and requested to compensate the Bank.

Article (11)

The Accounts' Auditor and his employees shall not speculate in the Bank's shares directly or indirectly on pain of releasing him from his job as an auditor of the Bank's accounts and charging him with compensating for any damage afflicting the Bank by violating the provisions of this Article.

Eighteenth: Bank Liquidation

The Bank is liquidated according to the provisions and procedures prescribed by the Banks' Law.

Nineteenth: General Provisions

Article (1)

The members of the General Assembly, the Sharia Supervisory Board, Accounts' Auditors, and employees shall keep the Bank's secrets and its transactions with its clients. They shall not disclose any information they may come to their knowledge except in the cases approved by the Board of Directors or decided at a meeting of the Bank's General Assembly or upon a competent court's request but just to the extent required by necessity.

Article (2)

The provisions of this Articles of Association shall be implemented without prejudice to the provisions of the Banks' Law, the Companies Law and Securities Law and any instructions issued there under.

