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Legal Translation

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(UAE EMBLEM)
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OFFICIAL GAZETTE



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Subject: Certificate to publish the Amendment of the Articles of Association of Al Ain Ahlia Insurance Company (Public Joint Stock Company)

After perusal of Federal Decree Law No. 32 of 2021 regarding Commercial Companies; and the Amendment of the Articles of Association of Al Ain Ahlia Insurance Company (Public Joint Stock Company), which was approved by the legally convened General Assembly of shareholders on 23/04/2024, including the approval of amending some articles of the Articles of Association of the Company; and

Based on the request submitted by Al Ain Ahlia Insurance Company (Public Joint Stock Company) to issue a Certificate to publish the amendment of the Articles of Association of the Company pursuant to the provisions of the law.

The following is decided:

Article (1)

The provisions of the Articles of Association of Al Ain Ahlia Insurance Company (Public Joint Stock Company) shall be amended in accordance with the form attached to this Certificate.

Article (2)

This Certificate shall be published in the Official Gazette and shall be effective as of the date of issuance, and the concerned financial market shall be notified thereof.

Dr. MARYAM BUTTI AL SUWAIDI

CEO

Date: 10/05/2024



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Form of the Articles after Amendment, Approved by the Special Resolution Issued by the General Assembly of the Company Held on 23/04/2024

Article (1)

Pursuant to the provisions of the Company's Incorporation Law No. 18 of 1975, a national joint stock company called "Al Ain Ahlia Insurance Company" was incorporated with a legal personality.

In compliance with the provisions of Federal Decree-Law No. (32) of 2021 concerning Commercial Companies, issued on September 20, 2021, which repealed Federal Law No. (2) of 2015 regarding Commercial Companies and required existing public joint stock companies to amend their Articles of Association in accordance with its provisions, the Articles of Association of Al Ain Ahlia Insurance Company have been amended as stipulated herein. This amendment was approved by a special resolution of the General Assembly of Shareholders on 23/04/2024.

Article (16)

- 1) The capital of the Company may be increased by issuing new shares with the same nominal value as the original shares. The capital may also be reduced after obtaining the approval of the Securities and Commodities Authority and the Central Bank of the United Arab Emirates.
- 2) New shares shall not be issued for less than their nominal value, and if they are issued for more than that, the difference shall be added to the legal reserve, even if it exceeds half of the capital of the Company.
- 3) The capital increase or reduction shall be decided by a special resolution of the General Assembly based on a proposal from the Board of Directors in both cases, and after hearing the report of the auditor in the case of any reduction. In the case of an increase, the amount and the issuance price of the shares shall be indicated, as well as the right of the existing shareholders to subscribe to this increase. In the case of a reduction, the amount of the reduction and the method of its execution shall be specified.

Article (22)

- 1) The Board of Directors consisting of Seven Members elected by the General Assembly, which also determines their number, shall manage the Company. The term of membership in the Board shall be three renewable years. The Board shall elect from among its members the Chairman and Deputy Chairman by secret ballot.
- 2) **Secretary of the Board of Directors:** The Board of Directors shall appoint an independent Secretary who is not part of the Company's management and reports directly to the Board. The Secretary shall not be a Board member and may seek external assistance. The Secretary's qualifications, duties, compensation, and responsibilities shall be determined by a resolution of the Board of Directors.

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Article (25)

The following conditions are required for an elected board member:

- 1) Not have been convicted of a crime involving moral turpitude or breach of trust.
- 2) Own shares with a nominal value of no less than AED 1,000,000 (one million dirhams). These shares shall be allocated to guarantee against errors made by the board member in managing the Company.

These shares, as mentioned in paragraph (2), shall be restricted from trading through the automated control system of the financial market from the date of election, and the restriction on these shares shall continue, making them untradeable, throughout the membership period.

The restriction on the disposal of these shares may only be lifted after the General Assembly approves the balance sheet of the last fiscal year during which the member performed their duties and discharges them of their responsibilities.

- 3) At least twenty percent (20%) of the candidates for board membership shall be female.

For the purpose of ensuring the minimum female representation on the board (one seat), the share ownership requirement mentioned in paragraph (2) of this article does not apply to female candidates for board membership. A female UAE national with experience in the business and insurance sectors may run for board membership regardless of their share ownership in the Company.

Article (26)

If the position of an elected member of the Company's Board of Directors becomes vacant, the Board, taking into account the provisions of the Companies Law, may appoint a member to the vacant position within a maximum period of thirty (30) days and notify the Central Bank of the UAE and the Securities and Commodities Authority accordingly. The appointment shall be presented to the General Assembly at its next meeting for approval or for the appointment of another member. If a new member is not appointed to the vacant position within that period, the Board shall open nominations for the election of a member to the vacant position at the next meeting of the General Assembly, and the new member shall complete the term of their predecessor.

However, if the vacant positions reach a quarter of the total number of Board members, the remaining Board members shall call a General Assembly meeting within a maximum of thirty (30) days from the date the last position became vacant to elect members to fill those vacant positions.





Article (34)

The Board of Directors shall hold its meetings at the Company's headquarters or any other place deemed appropriate by the board whenever necessary, based on an invitation from the Chairman or at the request of two board members. The Board of Directors shall meet at least six times a year. Participation in board meetings and committee meetings, voting, and deliberation may take place through modern technological means in accordance with the regulations set by the Securities and Commodities Authority.

Article (45)

- 1) Profits are derived from the Company's revenues after deducting general and administrative expenses, investment costs, taxes, fees, charges and expenses of all kinds, and after deducting the amounts allocated for depreciation, service compensation and other special reserve funds.
- 2) **Compensation of the Chairman and Board Members:**
Board members shall receive compensation in the form of fixed amounts only, including an annual fixed payment and reimbursement for costs directly related to the performance of their responsibilities. Any performance-based incentives tied to the Company's success shall be excluded, in accordance with the Commercial Companies Law and amendments thereof, in addition to the UAE Central Bank's Governance Guidance for Insurance Companies.

Article (49)

- 1) The General Assembly of shareholders shall be convened at the invitation of the Board of Directors at least once during the four months following the end of the Fiscal Year, at the time and place determined by the Board of Directors. The Board may call the assembly to convene whenever it sees fit.
- 2) With the exception of the postponed General Assembly meeting due to lack of quorum, the invitation to convene the General Assembly after the approval of the Securities and Commodities Authority shall be sent to all shareholders no less than (21) twenty-one days prior to the date set for the meeting, or through modern technology (such as text messages and e-mails). The Company shall also notify the Securities and Commodities Authority and the competent authority with a copy of the announcement on the date of the invitation announcement.
- 3) If the invitation to the General Assembly meeting is announced less than 21 days before the date of the meeting, the invitation to convene the General Assembly shall be considered valid if approved by shareholders representing 95% of the capital of the Company.
- 4) The invitation to the meeting shall include the agenda, location, date and time of the first meeting, and the second meeting in case the quorum is not complete for the validity of the first meeting, and a statement of the holder of the right to attend the meeting of the General Assembly and his right to delegate whoever he chooses from among the





members of the Board of Directors under a special written power of attorney as determined by the Securities and Commodities Authority in this regard, and a statement on the eligibility of the shareholder to discuss the topics listed on the agenda of the association and to direct questions to the Board of Directors and the auditor, and the legal quorum required for the validity of each of the meetings of the General Assembly and the resolutions issued therein, and a statement of the holder of the right to distributions if found.

- 5) General meetings may be held and the shareholder may participate in its deliberations and vote on its resolutions by means of modern technology to attend remotely, in accordance with the regulations issued by the Securities and Commodities Authority in this regard.
- 6) The Securities and Commodities Authority, the auditor, or one or more shareholders who own at least (10%) ten percent of the capital of the Company as a minimum, and for serious reasons, may submit a request to the Board of Directors of the Company to hold a General Assembly. In this case, the Board of Directors shall call the General Assembly within (5) Five days from the date of submitting the request, and the aforementioned request shall be deposited at the Company's Head Office, stating the purpose of the meeting and the issues to be discussed. The meeting requester submits a certificate from the financial market stating that it is prohibited to dispose of the shares granted to him based on his request until the meeting of the General Assembly is convened.

Article (57)

The General Assembly may not discuss matters other than those mentioned in the agenda, and it may consider all matters related to the interests of the Company, in particular the following:

- 1) Hearing the report of the Board of Directors of the Company on its activities and financial position during the year, and this report shall include a detailed statement in the manner proposed by the Company's Board of Directors for distributing its annual net profits and approving it.
- 2) Hearing and approving the report of the auditor on the Balance Sheet of the Company and the accounts submitted by the Board of Directors.
- 3) Discussing and approving or rejecting the Company's Balance Sheet and accounts, approving the profits to be distributed, and reviewing the actions of the management.
- 4) Electing members of the Board of Directors, when necessary.
- 5) Appointing auditors and determining their fees.
- 6) Considering the proposals of the Board of Directors regarding the distribution of profits, whether cash dividends or bonus shares.
- 7) Considering the proposals of the Board of Directors for determining the compensation of the members of the Board of





Directors.

- 8) Discharging, not discharging, or dismissing members of the Board of Directors, and, when appropriate, filing liability claims against them.
- 9) Discharging, not discharging, or dismissing auditors, and, when appropriate, filing liability claims against them.
- 10) The General Assembly shall have the right to deliberate on serious facts discovered during the meeting, and if the Securities and Commodities Authority, or a shareholder or a number of shareholders owning at least (5%) of the Company's capital shares, requests that before starting the discussion of the General Assembly's agenda, listing additional item or items on the assembly's agenda, the chairperson of the meeting shall include the item or items on the agenda, taking into account the regulations issued by the Securities and Commodities Authority in this regard.

Article (66)

If the Company is dissolved for one of the reasons referred to in the Commercial Companies law, its funds shall be liquidated, taking into account the provisions set forth in the following articles.

New Article

Article (73)

Voluntary Contributions

- 1) The Company, after the approval of the Securities and Commodities Authority, may decide by a special resolution to allocate a percentage of its annual profits or accumulated profits to social responsibility.
- 2) The Company is obligated to disclose on its website after the end of the fiscal year whether or not it has carried out its social responsibility.
- 3) The report of the auditor and the annual financial statements of the Company shall include the entity or entities benefiting from this community contribution.

Article (74)

- 1) Unless otherwise stipulated in these Articles, the provisions of the applicable Federal Commercial Companies Law and its definitions and any resolutions issued to amend or replace it shall apply to the Company. The Federal Commercial Companies Law is an integral part of the Company's Articles of Association law.
- 2) The provisions of the Commercial Companies Law do not apply to the insurance business as long as they do not conflict with the Law on Regulating Insurance Business and the regulations, instructions and resolutions issued pursuant thereto.

Article (75)

These Articles shall be published in the Official Gazette and shall come into force from the date of publication.

