Draft Proposed Amendment to Articles of Association

Special Resolution in Annual General Meeting
dated 12 April 2022

The Current Articles of Association	The Amended Articles of Association	Notes
Articles of Association **Of "Insurance House"** **(Public Joint Stock Company)**	**Articles of Association** **Of "Insurance House"** **(Public Joint Stock Company)**	
Article (1)	**Article (1)**	
Definitions:	**Definitions:**	
Companies Law: Federal Law No. (2) of 2015 on Commercial Companies and any amendment thereto.	**Companies Law:** Federal Decree Law No. (32) of 2021 on Commercial Companies and any amendment thereto.	
Article (21)	**Article (21)**	
Board of Directors' Term	**Board of Directors' Term**	
21-3 If the vacant positions reach one-quarter or more of the members of the board, the board of directors must then call the general assembly to hold a meeting within a period not exceeding thirty (30) days from the date on which the last position became vacant, to elect new members to fill the vacant positions, and in all cases, a new member shall complete the term of his predecessor and may be re-elected.	21-3 Board of Directors Vacant Positions a. If the position of a board member becomes vacant the board shall be entitled, subject to the provision of Article (143) of the Companies Law, to appoint a member to fill the vacant position within a period not exceeding thirty (30) days, provided that such appointment be presented to the general assembly at its first meeting, to approve his appointment or appoint another member, such new member shall complete the term of his predecessor, and in the event that no new member is appointed to fill the vacant position within the said period, the board of directors must then announce opening nominations for the election of a member to fill the vacant position at the first meeting of the general assembly, and such new member shall complete the term of his predecessor. b. If the vacant positions reach one-quarter of the members of the board, the rest of the members of the board must then call the general assembly to convene within a period not exceeding thirty (30) days from the date on which the last position became vacant, to elect new members to fill such vacant positions.	The text of Clause 21-3 is to be amended to be in line with Section (1) of Article (145) of Federal Decree Law No. (32) of 2021 on Commercial Companies.
Article (41)	**Article (41)**	
Remuneration of the Board Members	**Remuneration of the Board Members**	

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The remuneration of the Board Members shall be a percentage of the net profits, as stipulated in Article (65) of these Articles. Also, the Company may pay additional expenses or fees or additional remuneration or monthly salary as the board may resolve for any of its members, if such member works as a member of any committee or makes special efforts or does additional work for the service of the Company in addition to his normal duties as a member of the Company's board, provided that such expenses, fees or remuneration or salaries be recorded in the auditor's report for the financial year at the annual general assembly.	The remuneration of the Board Members shall be a percentage of the net profits, as stipulated in Article (65) of these Articles. Also, the Company may pay additional expenses or fees or additional remuneration or monthly salary as the board may resolve for any of its members, if such member works as a member of any committee or makes special efforts or does additional work for the service of the Company in addition to his normal duties as a member of the Company's board, provided that such expenses, fees or remuneration or salaries be recorded in the auditor's report for the financial year at the annual general assembly. Notwithstanding the provisions of Clause 1 of this Article, and subject to the controls issued by the Authority in this regard, a member of the board may be paid fees in the form of a lump sum not exceeding an amount of AED 200,000 (Two Hundred Thousand Emirati Dirhams) by the end of the financial year, after obtaining the general assembly's approval of the payment of such fees, in the following cases: a. The Company did not realize any profits. b. The Company realized profits and the share of each member of the board, of such profits, is less than AED 200,000 (Two Hundred Thousand Emirati Dirhams)	Amendment through adding the following text: *"Notwithstanding the provisions of Clause 1 of this Article, and subject to the controls issued by the Authority in this regard, a member of the board may be paid fees in the form of a lump sum not exceeding an amount of AED 200.000 (Only Two Hundred Thousand Emirati Dirhams) by the end of the financial year, after obtaining the general assembly's approval of the payment of such fees, in the following cases:* *a. The Company did not realize any profits.* *b.* The Company realized profits and the share of each member of the board, of such profits, is less than AED 200.000 (Two Hundred Thousand Emirati Dirhams), pursuant to the provision of the new Article 171.
<u>Article (47)</u>	**<u>Article (47)</u>**	
<u>Annual General Assembly's Competence:</u>	**<u>Annual General Assembly's Competence:</u>**	
The Company's annual general assembly shall be particularly competent to the consideration and determination of the following matters: 1- The board's report on the Company's business and its financial position over the year, and the auditor's report and the approval of the same. 2- The Company's balance sheet and the profit/loss account. 3- The election of the members of the board as required.	The Company's annual general assembly shall be particularly competent to the consideration and determination of the following matters: 1- The board's report on the Company's business and its financial position over the year, and the auditor's report and the approval of the same. 2- The Company's balance sheet and the profit/loss account. 3- The election of the members of the board as required.	A minor amendment through adding the following text: "*or not to discharge them*" is to be made to Clauses (7) and (8) under the new Article 179.

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4- The appointment of the auditors and the determination of their fees. 5- The board's proposals on the distribution of profits, whether cash dividends or bonus shares. 6- The board's proposal on the remuneration of the members of the board and the determination thereof. 7- Whether to discharge the members of the board from liability or to remove them and file a liability lawsuit against them, as the case may be. 8- Whether to discharge the auditors from liability or to remove them and file a liability lawsuit against them, as the case may be.	4- The appointment of the auditors and the determination of their fees. 5- The board's proposals on the distribution of profits, whether cash dividends or bonus shares. 6- The board's proposal on the remuneration of the members of the board and the determination thereof. 7- Whether to discharge the members of the board from liability or not to discharge them and remove them and file a liability lawsuit against them, as the case may be. 8- Whether to discharge the auditors from liability or not to discharge them and remove them and file a liability lawsuit against them, as the case may be.	
<u>Article (54)</u>	**<u>Article (54)</u>**	
<u>Passing a special resolution</u>	**<u>Passing a special resolution</u>**	
The general assembly is to pass a special resolution specific by the majority of the votes of the shareholders holding at least three quarters of the shares represented at the Company's general assembly, in the following cases: 1- Increase or reduction of the capital. 2- Issuance of debenture bonds or Sukuk. 3- Making voluntary contribution for community service purposes. 4- Dissolution of the Company or merger thereof in another company. 5- Sale of the project that the Company has implemented or disposing of the same in any other manner. 6- Prolongation of the Company's term. 7- Amending the Memorandum and Articles of Association. 8- In the cases that the Companies Law requires a special resolution. In all cases, according to the provision of Article (139) of the Companies Law, it is required to obtain the required approvals of the passing of a special resolution amending the Memorandum or Articles of Association from the Authority, the Insurance Authority, and the competent authority.	The general assembly is to pass a special resolution specific by the majority of the votes of the shareholders holding at least three quarters of the shares represented at the Company's general assembly, in the following cases: 1- Increase or reduction of the capital. 2- Issuance of debenture bonds or Sukuk. 3- Making voluntary contribution for community service purposes. 4- Dissolution of the Company or merger thereof in another company. 5- Sale of the project that the Company has implemented or disposing of the same in any other manner. 6- Prolongation of the Company's term. 7- Amending the Memorandum or Articles of Association. 8- In the cases that the Companies Law requires a special resolution. It is required to obtain the necessary approvals from the Authority and the Central Bank of the passing of the special resolution amending the Memorandum and Articles of Association of the Company and to provide the competent authority with a copy of the	The last clause of Article 54 of the Articles of Association is to be amended in accordance with the amendments to the Companies Law and the provisions of Federal Law No. 25 of 2020, which provides that the Central Bank shall replace the Insurance Authority.

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	same. In all cases, it is required to obtain the necessary approval from the Authority and/or the Central Bank of such special resolution whenever such approval is required by the Companies Law and/or any regulations, laws or decisions or circulars related to the Central Bank in this regard.	

: Addition

: Repeal

: Amendment