



**CHAIRPERSON DECISION NO. (R/32) OF THE YEAR 2007
ON CORPORATE GOVERNANCE CODE
FOR JOINT-STOCK COMPANIES
AND INSTITUTIONAL DISCIPLINE CRITERIA**

THE CHAIRPERSON of the Securities and Commodities Authority

AFTER perusal of

Federal Law No. 4 of the year 2000 on Emirates Securities and Commodities Authority and Market;

Law No. 8 of the year 1984 on Commercial Companies, as amended;

Federal Decree No. 10 of the year 2006 issued on Feb 11, 2006 on the Cabinet Composition;

Cabinet Decision No 194/15 of the year 2006 on the Re-composition of the Securities and Commodities Authority Board of Directors;

Cabinet Decision No 12 of the year 2000 on the Listing of Securities and Commodities, as amended;

Cabinet Decision No 13 of the year 2000 on the Securities and Commodities Authority Internal Regulations, as amended;

Decision No. 3 of the year 2000 of the Authority's Board of Directors on Disclosure and Transparency Regulations, as amended;

Decision No. 7 of the year 2002 of the Authority's Board of Directors on Listing of Foreign Companies;

AFTER consulting and coordinating with the competent state authorities; and

AFTER perusal of Authority's approval in its meeting held on March 21, 2007;
and

RESOLVED to approve the Corporate Governance Regulations for Joint-Stock Companies and Institutional Discipline Criteria.



CORPORATE GOVERNANCE REGULATIONS FOR JOINT-STOCK COMPANIES AND CRITERIA FOR INSTITUTIONAL DISCIPLINE

Article 1 - Definitions

On application of this Decision the following words and expressions shall have the meanings assigned thereto, unless the context otherwise require;

Law means	Federal Law No. 4 of the year 2000 on Emirates Securities and Commodities Authority and Market, as amended.
Authority means	the Securities and Commodities Authority
Board means	the Authority's Board of Directors.
Market means	the Securities and Commodities Markets licensed in the UAE by the Authority.
Company means	any joint-stock company established in the UAE or any company listed in the Market.
Board of Directors means	the Company's Board of Directors.
Management means	executive management of the Company, including the General Manager / Executive Manager and CEO, such Managing Director as authorized by the Board Members to manage the Company and their deputies.
Company's Manager means	the general manager, executive manager or chief executive officer of a Company appointed by the Company's Board of Directors.
Independent Director means	a director who either himself or his spouse or relative, during the last two years, neither was a member of the executive management of the Company nor had any relationship that resulted in any significant financial transactions with the Company or its parent, affiliated or related company.



The independence becomes null and void if the Director, for example without limitation:

- was an employee of any of the Associated Company during the last two years;
- is attached to a consultancy company providing consultancy services to the Company or any of its Associated Companies;
- is related to any of the Company's major stakeholders;
- has any personal service contracts with the Company or any of its stakeholders or executive management members;
- is associated with any non commercial organization obtaining large finances from the Company or any of its Associated Companies;
- is working as an executive in any other company, where executives are members of the board of directors; or
- is associated with, or an employee with any of the current or the past External Auditors of the Company or any of its Associated Companies.

Executive Director means

a director who dedicates his activity on a full-time basis to the management of or receives a monthly or yearly salary from the Company.

Non Executive Director means

a director who neither dedicates his activity on a full-time basis to the management of nor receives a monthly or yearly salary from, the Company.

Compliance Officer means

a person or entity appointed by the Company to verify the compliance by the Company



and its staff with the Law and the regulations and decisions issued there-under, internal policies, by-laws and review financial audits issued to the Company's core management for use in preparing the financial statements.

Corporate Governance means the set of regulations, criteria and procedures that ensure institutional discipline in managing companies in accordance with international criteria and practices by determining responsibilities and obligations of the directors and executive management of a company, taking into consideration the protection of Shareholders' rights and other stakeholders' interests.

Listing Rules mean those listing rules and requirements as contained in the Law and the regulations and decisions issued there-under and the Market by-laws.

Disclosure Rules mean those disclosure rules and requirements as contained in the Law and the regulations and decisions issued there-under.

Internal Control means those operations and procedures as undertaken by the Company to verify the compliance by the Company with the Law and the regulations, decisions and by-laws organizing its activity.

Substantial Information means any event, occurrence, decision or piece of information that may directly or indirectly influence a security's price or trading volume or a person's decision to buy, keep, sell or dispose of such security.

Relatives mean the father, mother, spouse, sons, daughters, brothers and sisters.

Stakeholders mean every person who has an interest in the Company, e.g. shareholders, staff, creditors, clients, suppliers and potential investors.



Parent Company means	a company that establishes and controls another company.
Affiliated Company means	a company owned at least by half of its capital by another company.
Associated Company means	a member company of the same group of companies as another company.
Related Company means	a company related to another company by a cooperation and coordination agreement.
Cumulative Voting means	that every shareholder has a number of votes equal to the number of shares held by such shareholder and that such shareholder may give such number of votes to a single Board candidate or distribute them amongst such number of candidates as chosen by the shareholder, provided that the number of distributed votes may in no way exceed the number effectively held by the shareholder.

Article 2- Scope of Application

This Decision is applicable to all the joint-stock Companies established in the UAE, the companies listed in the Market and the Board of Directors of such companies.

Article 3 – Board of Directors

1. The Company's management shall be undertaken by a Board of Directors. The composition of the Board of Directors and the number and term of office of Directors shall be determined by the Company's Articles of Association.
2. Directors of the first Board of Directors shall be elected by the founders. Subsequent Directors shall be elected for determined terms by Shareholders. In forming the Board of Directors, suitable balance between the numbers of Executive, Non Executive and Independent Directors shall be maintained. At least one third of Directors shall be Independent Directors, while the majority of

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Directors shall be Non Executive Directors, who shall have experience and technical skills to the best interest of the Company. In all cases, elected Non Executive Directors shall be able to dedicate enough time and attention to the board, their directorship of the Board of Directors must not conflict with any of their other interests.

3. The position of Chairman of the Board of Directors and Company's Manager and/or Managing Director may not be held by the same person.
4. A Director shall stay in office until he is succeeded, he deceases, resigns or is dismissed vide a Board of Directors' decision.
5. Unless otherwise provided by the Company's Articles of Association, if there is a vacancy in the Board of Directors, the latter may appoint a Director to fill such a vacancy after submission to the first General Meeting for approval of such or other appointment.
6. Meetings of the Board of Directors shall be held at least once every two months upon a written convocation of the Chairman of the Board of Directors, or upon a written request submitted by at least two thirds of the Directors. The Convocation of the meeting shall be given, together with the agenda, at least one week before the meeting is held. A Director has the right to add any matter that he may deem necessary, for discussion in the meeting.
7. A meeting of the Board of Directors shall be valid only in the presence of the majority of Directors. Decisions of the Board of Directors shall be taken on the majority of those present and represented votes. In case of equal votes, the Chairman shall have the casting vote.
8. Without prejudice to the above clause, the Board of Directors may exceptionally take some decisions based on resolutions by circulation, provided that:
 - a. the resolutions by circulation do not exceed four cases a year;
 - b. Directors unanimously agree that the case necessitates a resolution by circulation is urgent;

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- c. the resolutions is delivered to the Directors in writing and accompanied by all the supporting documents and papers as necessary for revising it; and
 - d. Any resolution by circulation must be unanimously agreed upon by the Directors and must be submitted to the succeeding meeting of the Board of Directors to be included in the minutes of such meeting.
9. Matters considered and decisions taken by the Board of Directors, including such qualifications or controversial opinions as expressed by any Directors, shall be recorded in minutes of meetings held by the Board of Directors and its committees. Drafts of such minutes, before being approved, shall be agreed upon by all Directors, who shall receive and keep copies thereof after approval. Minutes of meetings of the Board of Directors and its committees shall be kept by the Rapporteur of the Board of Directors.
10. If a major Shareholder or a Director has any conflict of interests with any matter to be considered by the Board of Directors and the Board of Directors determines that such a matter is significant, the decision thereon by the Board of Directors shall be made in the presence of all Directors and in the absence of the interested Director's vote. In exceptional cases, such matters may be dealt with by ad-hoc committees formed by the Board of Directors for that purpose by a decision of the Board of Directors.
11. The Board of Directors shall be responsible for applying Corporate Governance Regulations and Criteria in accordance with this Decision.

Article 4 – Chairman of the Board of Directors

The tasks and responsibilities of the Chairman of the Board of Directors shall include without limitation:

1. to ensure the efficiency and timely performance and discussion of any and all main issues by the Board of Directors;
2. to be mainly responsible for drafting and approving the agenda of every meeting of the Board of Directors taking into consideration any matter proposed by the other Directors, this responsibility can



be conferred by the Chairman to a Director or the Rapporteur of the Board of Directors;

3. to encourage all Directors to fully and efficiently participate in handling the affairs of the Board of Directors for ensuring that the Board of Directors is working in the best interests of the Company;
4. to take the proper actions for ensuring efficient communication with Shareholders and communicating their opinions to the Board of Directors; and
5. to allow efficient participation of the Non Executive Directors in particular and to promote constructive relations between Executive and Non Executive Directors.

Article 5 – Board of Directors

1. A newly appointed Director shall be given, by the management, a comprehensive induction tour of the Company's departments and divisions and shall be provided with all the necessary information for ensuring his right understanding of the Company's activities and affairs and full awareness of his responsibilities and all that enables him to do his job well under the applicable laws and legislations, other regulatory requirements and Company's policies applied in its field of business.
2. The management shall provide the Board of Directors, as well as its ad-hoc committees with sufficient documented information in due time to enable it to make informed decisions on a correct basis and efficiently perform its tasks and responsibilities. To that effect, the Board of Directors may carry out additional investigations, when necessary.
3. The majority of Directors shall have the right to request the opinion of an independent consultant, at the Company's expense, in relation to any of the Company's affairs, subject to the non conflict of interests principle.
4. A Director shall, during the exercise of his powers and performance of his tasks, adhere to loyal behavior taking into consideration the Company's and Shareholders' interests, take such due care, diligence and skill as taken by a normal person in similar

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circumstances, comply with the applicable laws, regulations and decisions as well as the Company's Articles of Association and by-laws.

5. Tasks of the Non Executive Directors shall include without limitation:
 - a. to participate in the meetings of the Board of Directors and to provide independent opinion on strategic matters, policy, performance, accountability, resources, basic appointments and activity criteria;
 - b. to ensure that the priority shall be given to the Company's and Shareholders' interests in case of conflict of interests;
 - c. to participate in the Company's Audit Committees;
 - d. to control the Company's performance in realizing its agreed objectives and goals and to monitor its performance reports; and
 - e. to develop procedural rules for the Company's Governance and supervise and monitor their implementation in compliance therewith; and
 - f. to avail the Board of Directors and its different Committees of their skills, experience, diversified specialties and qualifications through regular presence and efficient participation in the General Assemblies Meetings and the acquisition of a balanced understanding of Shareholders' opinions.
6. The Board of Directors shall set forth written rules in relation to the dealings of the Company's Directors and employees in securities issued by the Company or its parent, affiliated or associated companies.
7. The Management shall implement development schemes as necessary for all Directors to enhance their knowledge and skills in order to ensure their efficient participation in the Board of Directors.



8. Once appointed, every Director shall disclose to the Company the nature and dedicated times for, his positions in public companies, his other significant obligations and any variation therein once it takes place.

Article 6 – Board of Directors’ Committees

1. The Board of Directors shall form the following permanent committees:
 - a. Audit Committee to have the tasks set out in Article 9;
 - b. Follow Up and Remuneration Committee to have the following tasks:
 - (i) to ensure that Independent Directors remain independent in a continuous basis;
 - (ii) to develop and annually review the remuneration, benefits, bonus and salary policy;
 - (iii) to determine the required core executive management and employees and the basis for choosing them; and
 - (iv) to develop, control, apply and annually revise the human resources and training policy.
2. Committees shall be formed of not less than three Non Executive Directors, at least two of which shall be Independent Directors, including one as head. The Chairman of the Board of Directors may not be a member of those committees. The Board of Directors must elect Non Executive Directors for membership of the committees with tasks that may reveal any conflict of interests, such as verifying the integrity of financial and non financial reports and the transactions entered into with the Stakeholders, appointing Executive Directors and determining remunerations.
3. Procedures for forming such committees shall be laid down by the Board of Directors, including mission, term of office, powers and method used by the Board of Directors to monitor such committees.



A committee shall submit a written report to the Board of Directors specifying with absolute transparency its actions, findings and recommendations. A regular follow-up of the committees shall be ensured by the Board of Directors to verify their adherence to their assignments.

Article 7 – Remuneration of Directors

A Company's Articles of Association shall have a system to determine the Board of Directors' remuneration, which may be in the form of fixed salaries, director's fees, in-kind benefits or director's percentage of profits. Two or more kinds of remuneration can be granted. However, if the remuneration is a percentage of the Company's profits, it may not exceed 10% of the net profit after deduction of expenses, depreciations and reserves as decided by the General Assembly and after distribution of dividends to shareholders of not less than 5% of the Company's capital.

Article 8 – Internal Control

1. A strict Internal Control system shall be established to evaluate the means and procedures for risk management and the implementation of Corporate Governance Code.
2. Internal Control shall be established by the Board of Directors after consulting the executive management and implemented by a specialized Internal Control department.
3. The purpose, tasks and powers of the Internal Control system shall be determined by the Board of Directors.
4. A yearly review of the Company's and its Affiliated Companies' Internal Control system efficiency shall be undertaken and reported to Shareholders by the Board of Directors in its Governance Report.

The annual review shall particularly include:

- a. all the basic control elements, including the monitoring of financial affairs, transactions and risk management.
- b. the changes that occurred since the last annual review, to the nature and extent of the major risks and the Company's



- capability to respond to changes happening in its field of business and the external environment;
- c. the scope and quality of continuous control exercised by the Board of Directors over risks, Internal Control system and Internal Auditors' performance;
 - d. the number of times the Board of Directors or its committees were notified of control findings that enable the Board of Directors to evaluate the status of Internal Control and efficiency of the risk management;
 - e. Internal Control failures, or substantial weaknesses or unforeseen contingencies that materially affected or may in the future affect the performance or financial position of the Company; and
 - f. the efficiency of such Company's operations in preparing the financial reports and complying with the Listing Rules and Disclosure Rules.
5. In its Governance Report, the Board of Directors shall disclose to what extent the Company was committed to the Internal Control regulations during the reporting period. Such disclosure shall include:
- a. the procedure followed by the Company in determining, evaluating and managing the encountered significant risks;
 - b. any complementary information that helps the understanding of risk management operations and Internal Control procedures;
 - c. undertaking by the Board of Directors of its responsibility for the regulations, review and efficiency of Internal Control;
 - d. the procedure followed by the Company in reviewing the efficiency of the Internal Control regulations; and
 - e. the procedure followed by the Company in dealing with the material aspects of any Internal Control major problems disclosed in the annual reports and financial statements.



6. The Board of Directors shall ensure that the disclosures made by the Company provide useful, high level, non-misleading information to investors and full adherence to the Disclosure Rules.

Article 9 – Audit Committee

1. An Audit Committee composed of not less than three Non Executive Directors, the majority of which are Independent Directors and including a financial and accounting expert shall be formed by the Board of Directors. One or more non Company members may be appointed in case no sufficient number of Non Executive Directors shall be available.
2. Any previous partner of the current External Auditor of the Company's accounts may not be a member of the Audit Committee for one year commencing on the expiry date of his capacity as partner or any of his financial interests in the independent audit firm, whichever comes later.
3. The Audit Committee shall meet at least once in every three months and as much as necessary. Minutes of meetings of the Audit Committee shall be kept by the Committee's Rapporteur. Drafts of the minutes of meetings shall be revised and final copies kept by all the Committee's members.
4. The Audit Committee shall be provided with sufficient resources as necessary for accomplishing its tasks, including the authorization to consult experts as and when necessary.
5. The Audit Committee shall have the following tasks and duties:
 - a. to adopt a policy for contracting the External Auditor; to report to the Board of Directors any matters that, in the Committee's opinion, necessitate an action and to provide recommendations on the necessary steps;
 - b. to follow up and monitor the independence and objectivity of the External Auditor and to discuss with the External Auditor the nature, scope and efficiency of the audit in accordance with generally accepted accounting standards;



- c. to monitor, and as part of its normal course of activity and after closure of accounts in any quarter, revise the integrity of the financial statements and the yearly, half-yearly and quarterly reports and in this regard particularly to lay an emphasis on:
 - (i) any changes to the accounting policies and practices;
 - (ii) the aspects subjected to the Management's judgment;
 - (iii) the substantial amendments resulting from the audit;
 - (iv) ongoing concerns
 - (v) compliance with the accounting standards where are they set forth by the Authority; and
 - (vi) compliance with the Listing Rules, Disclosure Rules and such other legal requirements as relevant to the preparation of financial reports;
- d. to coordinate with the Board of Directors, Executive Management and the Financial Manager or the Manager taking up the latter's tasks and to meet with the External Auditors at least once a year;
- e. to consider any significant and unusual matters contained or to be contained in such financial reports and accounts and to give due consideration of any issues raised by the Financial Manager or the person taking up his tasks, Compliance Officer or External Auditors;
- f. to revise the financial and Internal Control systems and risk management;
- g. to discuss the Internal Control system with the Management and to ensure the latter's performance of its duties towards the development of efficient Internal Control system;

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- h. to consider the findings of principal investigations in Internal Control matters assigned thereto by the Board of Directors or carried out by the Committee's initiative with the Management's approval;
- i. to ensure coordination between the Internal Auditors and the External Auditor, the availability of necessary resources and verification and monitoring of the efficiency of, the Internal Control body;
- j. to revise the Company's financial and accounting policies and procedures;
- k. to revise the External Auditor's letter, business plan and any significant explanations requested thereby from the Executive Management as regards the accounting records, the financial accounts or control systems as well as the Executive Management's reply and approval;
- l. to ensure the timely reply by Board of Directors on the explanations and matters contained in the External Auditor's letters;
- m. to develop rules, through which employees of the Company can confidentially notify any of their doubts on potential abnormalities in the financial reports or Internal Control or any other matters and to ensure proper arrangements are available to allow independent and fair investigation of such abnormalities;
- n. to monitor the Company's adherence to professional conduct rules;
- o. to ensure the activity rules related to such tasks and powers as assigned thereto by the Board of Directors are properly applied;
- p. to submit a report to the Board of Directors on the matters contained in this clause;
- q. to consider other issues as determined by the Board of Directors;



6. In cases of non approval by the Board of Directors of the Committee's recommendations on the election, appointment, resignation or dismissal of the External Auditor, the Board shall include in the Company's Governance Report, a statement articulating such recommendations and the reason(s) behind the Board of Directors' disapproval thereof.

Article 10 – The External Auditor

1. Upon recommendation of the Audit Committee, the Board of Directors shall nominate an External Auditor, while the appointment and remuneration shall be according to a decision of the General Assembly.
2. Selection of the External Auditor shall be based on competence, reputation and expertise.
3. The External Auditor shall be independent from the Company and its Board of Directors and may not have, directly or indirectly, any relation whatsoever with the Company or any of its Directors.
4. The External Auditor may not, during the assigned revision/audit period, undertake any additional or consultancy works related to his activity that may affect his decision or independence.
5. The External Auditor shall attend the General Assemblies Meetings and read his report to the shareholders citing any arising obstacles or intervention from the Board of Directors during the term of his tenure. The External Auditor's report shall be characterized by independence and neutrality.
6. In case the Board of Directors fails to take the proper decision, the External Auditor shall notify the supervisory entities of any material anomalies or obstacles and their details.

Article 11 – Management Authorization

The Board of Directors may delegate some of its authority in managerial matters to the Management, in which case, clear instructions shall be given as regards the Management's authorities and particularly in relation to the circumstances in which the Management shall obtain the Board of Directors' approval before



taking any decisions or entering into any obligations on behalf of the Company. A written list of tasks and authorities maintained by the Board of Directors and those delegated thereby upon the Management shall be compiled and regularly revised.

Article 12 – Shareholders Rights

1. Shareholders shall have their share-related rights established, including – in particular– the right to obtain their share of dividends allocated for distribution and of assets on liquidation, the right to attend, take part in the deliberations of, vote on the decisions of, the General Assemblies Meetings, the right to dispose of their shares, access to the Company’s financial reports and statements, request access to the Company’s records and documents under authorization from the Board of Directors or the General Assembly, as stated in the Company's Articles of Association.
2. Necessary procedures and provisions shall be incorporated in the Company’s Articles of Association and by-laws to ensure the Shareholders’ practice of their statutory rights, including:
 - a. all such necessary full and accurate information to enable them to fully and equally enjoy their rights without any discrimination; provided that such information, including any information relating to the Company’s plans before voting thereon or any other information, are exhaustive, accurate and regularly and timely submitted and updated;
 - b. the opportunity to efficiently participate and vote at General Assembly Meetings and the right to discuss the matters listed on the agenda and to ask questions thereupon to the Directors and External Auditor, who shall answer them to the extent that shall not be in any prejudice of the Company’s interests;
 - c. An overview of the Board of Directors’ candidates before voting to give the shareholders a clear idea about their professional experiences and qualifications. Votes shall be cast for candidates by cumulative voting.
3. The Board of Directors shall develop a clear policy on dividend distribution in the best interests of the Company and Shareholders.



Such a policy shall be made available to Shareholders in the General Assembly Meeting and referred to in the Report of the Board of Directors.

4. Directors may not be granted any proxies by the Shareholders to represent them in the General Assemblies Meetings.

Article 13 – Professional Conduct Rules

Professional Conduct Rules and other internal policies and principles shall be adopted by the Company as to fit its objectives and purpose and comply with the applicable laws and regulations. In performing their tasks, the Directors, Managers, Employees and Internal Auditors comply with such Rules.

Article 14 – Governance Report

The Governance Report is an annual report of Corporate Governance practices signed by the Chairman of the Board of Directors and submitted to the Authority on annual basis or on request during the accounting period covered by the Report or such subsequent period up to the date of the annual report was published. The Governance Report shall be inclusive of all such information as set out in the attached Authority-approved form, including in particular:

1. requirements, principles and application method as necessary for Corporate Governance;
2. violations as committed during the financial year together with their reasons and the method to remedy and avoid the same in future;
3. composition of the Board of Directors according to the categories and terms of office of its members determining the remunerations of General Manager, Executive Manager or Chief Executive Officer as appointed by the Board of Directors.

Article 15 – Penalties

Under Federal Law No. 4 of the year 2000, as amended and the regulations and decisions issued there-under, those who commit any violation of this Decision shall be liable to penalties.



Article 16 – Implementation of This Decision

1. This Decision is to be published in the Official Gazette and acted upon as of the date of its publication.
2. Any and all companies, whether under constitution or to be constituted after the publication date in the Official Gazette, shall be governed by the Corporate Governance Code for joint-stock Companies and Institutional Discipline Criteria.
3. All the companies listed on the Market are to reconcile their position to provisions of this Code and Criteria within a maximum of three years from the publication date in the Official Gazette.

Lubna Bint Khalid Al Qasimi,

Chairperson of the Board

Issued in Abu Dhabi on 9/4/2007



GOVERNANCE REPORT FORM

1. Governance Practices:

- a. to describe how the Company applies the principles contained in this Decision and to provide an explanation that enables Shareholders to evaluate such application;
- b. to describe whether or not the Company implements the provisions of this Decision and to describe in detail the procedural Governance rules as laid by the Board of Directors; and
- c. to submit the details of and reasons for any violation of this Code that was committed during the financial year.

2. Transactions of Directors in Securities:

- a. to describe whether or not the Company approved the activity rules in relation to the dealings of Directors in securities;
- b. to describe to what extent the Directors are committed to the Disclosure requirements under the Law and the regulations and decisions issued there-under in connection with their dealings in securities; and
- c. to state the transactions of the Directors and their Relatives in the Company's securities during the period covered by the Report.

3. Composition of the Board of Directors:

- a. to describe the composition of the Board of Directors in terms of Directors categories, details, experiences, qualifications and the term of their office in the Board of Directors;
- b. to describe the directorship of the Directors in any other joint stock companies as well as their significant supervisory or governmental or business positions;



- c. to describe the Directors' remunerations determination method;
- d. to state the number of the Board of Directors' meetings held during the financial year;
- e. to state the Directors' attendance in person in the meetings of the Board of Directors;
- f. to describe the tasks and competencies of the Board of Directors and those delegated to the Management;
- g. to describe the tasks of the Chairman of the Board of Directors and their independence from those of the Company's Manager;
- h. to describe the reasons for selecting a Non Executive Director to be an Independent Director, although one of the independence evaluation principles described herein is not applicable to him;
- i. to describe the relationships amongst Directors, especially between the Chairman of the Board of Directors and the Company's Manager, including any financial, family, business or other important/ relevant relationships; and
- j. to state the details pertaining to dealing with the Stakeholders.

4. External Auditor's Fees:

To specify the audit-related fees and costs of the services provided by the External Auditor including the relevant details and nature of such services and due fees.

5. Audit Committee:

- a. to describe the composition, competencies and tasks of the Audit Committee;
- b. to state the number and attendance sheet (together with the names) of the meetings held by the Audit Committee during the year for discussing the matters related to the fees;



- c. to report on the activities carried out by the Audit Committee during the year in fulfillment of its obligation to provide its findings on the revised yearly, half-yearly and quarterly financial statements and on the Internal Control systems as well as other obligations; and
- d. to state the details of non compliances with the provisions or requirements of the Law or the regulations or decisions issued there-under and such rectifying steps as taken by the Company to remedy such violations.

6. General information:

- a. to notify any Company-related general information, in which Shareholders are interested, including shares movements during the year and the information related to the dividend distribution, names and ownership of the major Shareholders;
- b. to notify any violation cases, where the Company breached the laws and supervisory authorities' regulations, including any investigations or imposed penalties or court orders; and
- c. to notify any other information, of interest to the Shareholders.