

**Al-Manar Finance & Leasing Company  
A Kuwaiti Shareholding Company (Closed)**

**Articles of Association**

**Chapter One**

**1- Elements of the Company Incorporation**

**Article (1)**

In accordance with the provisions of the Commercial Companies Law and these Articles of Association, a Kuwaiti Shareholding Closed Company named Al-Manar Finance and Leasing Company, a Kuwaiti Shareholding Company (Closed) was incorporated between the holders of the shares whose provisions are stated hereinbelow.

**Article (2)**

The Head office and legal domicile of the Company is located in the State of Kuwait and the Board of Directors may establish branches, agencies, offices, operation centers or appoint representatives for it in the State of Kuwait or abroad.

**Article (3)**

The term of this Company is indefinite, commencing from the date of its entry in the Commercial Register and publishing the official instrument of its incorporation in the Official Gazette.

## Article (4)

### The objectives for which the Company is established:

The objectives for which the Company is established are the following:

The company shall practice several investment activities in order to achieve its objectives. The company may use the various investment instruments which are consistent with the the provisions of Islamic Sharia'a, and undertake all the investment, financing and management operations of funds, moveable and immovable properties, as well as practice all relevant activities, provided the operations and activities do not contradict with the provisions of the Islamic Sharia and applicable rules in the State of Kuwait. Further, the company may practice all the other activities and operations required to fulfill its objectives, whether it carried such activities and operations for its account or for the account of third parties inside or outside the State of Kuwait. In doing so, the company may undertake the following operations:

1. Undertake all operations of offering credit facilities to the consumers.
2. Offering all rental products such as operational or finance leasing.
3. Mobilize resources for finance by leasing and arrange group leasing finance operations.
4. Finance consumer goods according to Murabha or negotiation contracts or other contracts.
5. Real estate investment, development of residential lands, building commercial and residential units and warehouses for the purpose or selling or leasing them.
6. Undertaking all operations related to securities.
7. Incorporate investment funds for the account of the company or third parties, offer their units for subscripton and undertake the function of investment trustee or investment manager of investment and leasing funds locally or abroad, as per the applicazble laws and decrees in the country.

8. Investment in real estate, industrial, agricultural and other economic sectors, through contribution in the incorporation of specialized companies or purchasing the shares of these companies.
9. Undertake economic and technical studies for employment of funds or other studies required for the activity of the company, its customers or third parties.
10. Management of all kinds of portfolios, investment and development of the funds of its customers by employing them in all aspects of investment locally or abroad.
11. Representing or acquiring national and foreign companies which are similar to the company's objectives, for the purpose of dealing in their financial products and services locally and internationally, in a manner which does not contradict with the Islamic Sharia and relevant Kuwaiti laws and regulations.

In general, the company may undertake all the works and services which fall within the specialization of investment companies that are compliant with the provisions of Islamic Sharia.

The company may have an interest or contribute in any manner with authorities practicing business similar to its own business or which may assist it to achieve its objectives in Kuwait or abroad. It may create, contribute or purchase such authorities or attach them to itself.

### **Article (5)**

The objectives for which the company was incorporated shall be practiced according to the provisions of the Islamic Laws. In no condition may any of the said objectives be interpreted as permitting the company to undertake, whether directly or indirectly, any usury activities or which contradict with the provisions of the Islamic Sharia.

### **Article (6)**

The Company shall establish Sharia'a Advise & Control Board comprised of at least three specialists of Islamic jurisprudence. The task of such Board is to give the legal opinion about the Company's activities and transactions and to verify the Company compliance with the principles of Islamic Sharia'a.

The members of Sharia'a Advise & Control Board shall be appointed upon nomination by the Board of Directors and approval of ordinary General Assembly of such nomination. The founders shall nominate the first Sharia'a Advise & Control Board and present their names to the constituent General Assembly for appointment thereof. The Sharia'a Advice & Control Board shall ascertain the compliance by the Company management with the provisions of Islamic Sharia'a in practicing its objectives and the Company works are not contradicting with the said provisions. Indicate its remarks thereon provided the Board report shall be listed with the annual report of the Company.

## **B- The Capital**

### **Article (7)**

The Company's Capital has been fixed to the amount of K.D. 30,000,000 (Kuwaiti Dinars thirty million) divided into 300,000,000 (three hundred million) shares, the value of each share is 100 (one hundred fils) and all shares are in cash and fully paid.

### **Article (8)**

The Company shares are nominal and non-Kuwaitis may acquire them according to the provisions of law and Ministerial orders governing the same.

### **Article (9)**

The founders signing the Memorandum of Association have subscribed to in the entire capital of the Company with a number of shares amounting to 300,000,000 (three hundred million) shares, the nominal value thereof is KD 30,000,000 (Kuwaiti Dinars thirty million) divided between them, each prorata his subscription percentage stated in the Memorandum of Association. KD 30,000,000 (Kuwaiti Dinars thirty million) is paid, representing the full nominal value of shares they have subscribed to and the full capital was deposited with Kuwait Finance House by virtue of the attached bank's certificate dated 14/7/2003.

### **Article (10)**

The Board of Directors shall deliver to each shareholder within three months from the date of declaring the final incorporation of the Company, shares certificates showing the amount of shares subscribed to and the paid amounts.

### **Article (11)**

Ownership of the share inevitably entails the acceptance of the Memorandum of Association and the provisions of Articles of Association of the Company and the resolutions of its constituent General Assembly and ordinary General Assemblies.

## Article (12)

Each share entitles its holder to a share equal to the share of any other shareholder without discrimination as regards the ownership of the Company's assets and the shared profits divided as mentioned hereinafter.

## Article (13)

As all the shares of the Company are nominal, so the last holder thereof whose name is entered in the register of the Company will alone have the right to receive the amounts due on the share whether dividends or share in the ownership of the Company's assets. The company may purchase not more than 10% of the number of its shares against the the market value. Such purchase shall not be funded by the company's capital and these shares shall not be included in the group of the company's shares in the conditions which require the shareholders' ownership of a specific percentage eof the coapital and in all matters related to the general assembly, provided this is done following approval of the official authorities.

## Article (14)

The capital may not be increased unless the installments of the original shares are fully paid. The new shares may not be issued at less than their nominal value. If they are issued at higher value, the increase shall be allocated first to pay the expenses of issue then to the reserve fund or redemption of shares.

Every shareholder shall have the priority to subscribe to an amount of the new shares proportionate with the number of his shares. Fifteen days period from the date of publishing the invitation to the shareholders to this effect shall be given to exercise the right of priority. The shareholder may assign in advance their right of priority or restrict this right with any restriction.