

## **Shareholders Affairs**

- The Shareholders affairs are managed by the Corporate Secretary in coordination with the Share registrar of the Bank.

### **Shareholders Meetings:**

- The invitations for the meeting of the General Assembly shall be sent out by registered mail not less than twenty-one (21) days prior to the date of the meeting and shall include the Agenda of the meeting along with the shareholders' pack which contains all relevant documents. The Agenda and the minutes of the meetings are provided to shareholders as part of the shareholders pack and always available upon request.
- Each shareholder may attend the General Assembly and shall be entitled to a number of votes equivalent to the number of shares he holds, the resolutions of the General Assembly shall be valid, if passed by absolute majority of the shares represented at the Meeting, Minors and detainees shall be represented by their legal representatives.
- Proxy may be given to attend meetings of the General Assembly provided that the said proxy is specially evidenced in writing designated for this purpose by the Company, provided that the proxy shall not be given to the Chairman or members of the Board of Directors or to any of the Company's employees. No member shall participate in voting whether on his behalf or on behalf of those whom he represents on issues in which he has a personal interest or where his interest is in conflict with the Company.
- Voting at the General Assembly shall be by show of hands or in accordance with any manner approved by the General Assembly. Voting shall be by secret ballot if the resolution concerns the election or dismissal of the members of the Board or for filing actions against them or when the Chairman of the Board or a number of shareholders representing at least  $\frac{1}{10}$  of the number of votes present at the meeting requests such secret ballot.
- There shall be two types of general assemblies where each is constituted of all the shareholders:

#### **1. Ordinary General Assembly:**

- The Ordinary General Meeting shall be competent to consider all matters relating to the Company except those who have been set apart by the Law to the

constitutional of the Ordinary General Meeting shall be competent, in particular, with regard to the appointment of the members of the Board of Directors and the Auditor and fixing their remuneration every year and the approval of the Company's Balance Sheet, Profit or Loss Account and the Report of the Board of Directors, and determining the manner of distribution of the Company net profit and the distribution of the profits per share and absolving or refusal to absolve the Directors from liability.

- The Ordinary General Assembly shall be convened by invitations sent out by the Chairman. The Ordinary General Assembly shall meet at least once in every year within three months following the end of the financial year of the Company. The Board of Directors may call for a General Assembly whenever it deems it necessary to do so.
- The Board of Directors shall conduct an ordinary meeting of the General Assembly at any time of the request of the Auditors or a number of shareholders representing not less than 10% of the issued paid capital provided the said requisition is issued share on a legitimate reason.
- The Meeting shall not be valid unless attended by a number of shareholders representing more than half of the shares. If such quorum is not available, the meeting shall be valid with those present after half an hour from the time fixed for the first meeting.

## **2. Extraordinary General Assembly**

- The following shall be within the competence of the Extraordinary General Meeting:
  - a) To amend the Articles and Memorandum of Association or to extend the period of the Company.
  - b) to dispose of all, or a substantial proportion, being more than one half, of the Company's asset, except for the mortgage and the cases in which the disposition is for a subsidiary company;
  - c) to dissolve the Company, to convert it or to merge it with another Company or entity.
  - d) to decide to increase or reduce the capital of the Company; and
  - e) Any other matters that are stated the Law.
  - f) To resolve on any matter within the competence of the Ordinary General Meeting provided the necessary quorum and majority for an Ordinary General Meeting are available and the topics are included in the Agenda.

- An Extraordinary General Meeting of the general Assembly shall be held on an invitation from the Board of Directors on a written requisition addressed to the Board of Directors by shareholders representing no less than 10% of the capital of the Company.
- The quorum for the Extraordinary General Meeting shall not be valid unless attended by shareholders representing at least two thirds of the shares of the Company. If the said quorum could not be obtained, invitations should go out for the next meeting which shall be held within the next ten (10) days following the date of the first meeting. The quorum for the second meeting shall be valid if it was attended by the member's representing more than one third of the shares.
- If quorum could not be obtained for the second meeting, a notice shall be sent out for the third meeting which shall be held within ten (10) days of the date of the second meeting. The third meeting shall be valid if attended by the member's representing one quarter of the shares.
- The resolutions at all meetings shall be passed by 2/3 majority of the shares represented at the meeting unless relating to increase or reduction of capital, extending the company's duration, its winding up, conversion or merger with another company. In all cases the required majority is three quarters of the shares represented at the meeting.
- The Extraordinary General Assembly having adopted resolutions required by law and these Amended and Restated Articles may delegate to and empower the Board of Directors to take any and all steps necessary for implementation of its resolution.

**Note:**

The above are general rights of the shareholders as detailed in the Articles of Association (AoA) and Memorandum of Association (MoA) of the Bank. In case of any conflict, between the above stated shareholders' rights and Bank's MoA & AoA, the MoA & AoA shall prevail.

Also, the above should be read in conjunction with Bahrain Commercial Company Law (BCCL) and its related amendments, and are subject to change based on changes in the BCCL.