

KUWAIT FINANCIAL CENTRE

Kuwaiti Closed Shareholding Company

ARTICLES OF ASSOCIATION

CHAPTER ONE

INCORPORATION OF THE COMPANY

A - INSTITUTIONAL ELEMENTS OF THE COMPANY

Article 1

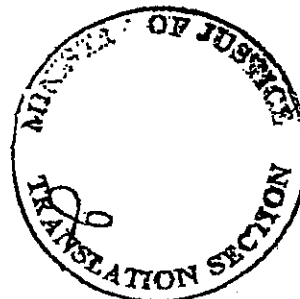
A Kuwaiti Closed Shareholding Company called "Kuwait Financial Centre" has been incorporated by the shareholders and is governed by the provisions of the Law of Commercial Companies and the following Articles.


Article 2

The head office and the legal seat of the Company is in Kuwait City in the State of Kuwait. The Board of Directors may establish branches and agencies for the Company within the State of Kuwait and abroad.

Article 3

The duration of this Company is unlimited, starting from the date of registration of its incorporation deed at the Commercial Register and its publication in the Official Gazette.



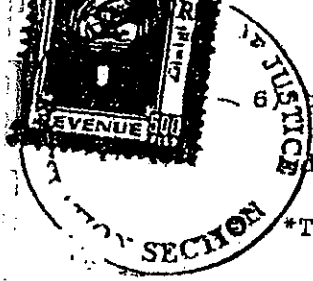


Article 4

The objects of the Company shall be as follows:

- 1) to finance import and export operations, whether by direct lending or by the acceptance of bills of exchange drawn on the Company for short terms, and to act as an intermediary for the provision of banking facilities to customers in Kuwait and abroad.
- 2) to act as intermediary between the body of lenders and borrowers, to act as paying agent in respect of the issue of medium and long-term financial papers, in addition to the safe custody of financial papers on behalf of customers.
- 3) to deal and trade in the foreign exchange and precious metals market in Kuwait and abroad.
- 4) to conduct consultancy work and to assess projects on behalf of customers, to provide financial and technical advice to customers prior to the taking of decisions relating to financing of projects.
- 5) to provide all services that will help to develop and promote the capabilities of the financial and money market in Kuwait and satisfy its requirements, all in accordance with the provisions of the law and the procedures and instruction issued by the Central Bank of Kuwait.





6) the issue of securities to others, provided that the amount and duration of such security be limited.

*This paragraph 6 was added to the objects of the Centre on 5.5.1975 (see the "Amendments" section).

7)**to conduct financial papers trading operations by the sale and purchase of the shares and securities of companies and government bodies, in accordance with conservative investment principles and the diversification of its investment portfolios.

8)**to carry out the functions of investment trustees and to manage investment portfolios for the account of others, including the borrowing and lending operations connected with such functions and activities.

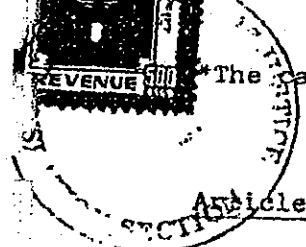
**Paragraph 7 and paragraph 8 were added to the objects of the Centre on 4.4.1983 (see the "Amendments" section).

The Company may further have interests in making arrangements with or entering into partnership with bodies that carry on activities of like nature or that may be of assistance to it in achieving its objects. The Company may furthermore purchase, participate in, amalgamate with such bodies in Kuwait or abroad.

Article 5*

The capital of the Company has been fixed at KD 3,500,0000 (Kuwaiti Dinars three million five hundred thousand) divided into 350,000 shares of ten Kuwaiti Dinar each.





ARTON 3

*The capital amounted to KD 9,660,000 as at December 31, 1983.

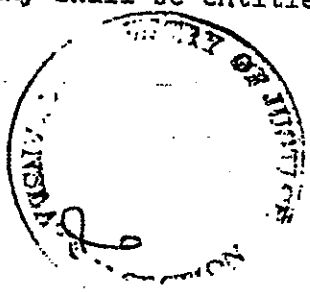
Article 6*

The shares of the Company shall be nominative, and it shall not be permissible for non-Kuwaitis to own such shares save the 75,000 (seventy five thousand) shares which have been designated for non-Kuwaitis, the Intenational Bank, Washington (in accordance with the permit issued in this respect.)

* On 16.1.1978 the share of the foreign partner were purchased and the Kuwait Financial Centre became a 100% Kuwaiti company.

Article 7

Forty percent of the value of the shares has been paid upon subscription and the balance shall be paid on the dates and in the manner to be specified by the Board of Directors within a period not exceeding five years from the date of the incorporation, provided that the payment dates shall be notified at least fifteen days prior to the date on which they fall due. And every delayed payment shall be subject to interest at the rate of seven percent per annum from the due date. The Board of Directors shall be entitled, on behalf and at the risk of the defaulting holder, to sell his shares by auction, without the need to serve him with an official notice, and shall have priority over all other creditors in recovering all due instalments, interest and expenses, and the balance shall be refunded to the holder. In the event where the sale proceeds shall be insufficient, the Company shall be entitled to recover against his private property.





Article 8*

CONFIDENTIAL

The founders who have signed the Memorandum of Association have subscribed to the full capital of the Company, represented by 350,000 shares, with a nominal value of KD 3,500,000 (Kuwaiti Dinars three million five hundred thousand) distributed among them in the proportions of their subscriptions as specified in the Memorandum of Association. They have deposited forty percent, (KD1,400,000), Kuwaiti Dinars one million four hundred thousand, of the nominal value of their subscriptions, at the Kuwait Real Estate Bank and Al-Ahli Bank of Kuwait as per the certificates issued by the said banks, attached to the original of this Contract.

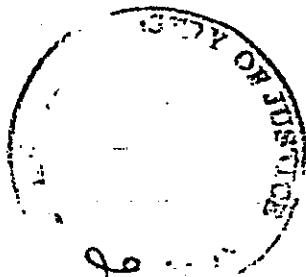
* The shares of the Kuwait Financial Centre started trading at the Kuwait Stock Exchange on 25.4.1981.

Article 9

The Board of Directors shall, within three months from the date of the Company's incorporation, issue each shareholder with a provisional share certificate, and shall also, within three months from the payment date of the last instalment, issue a share certificate in lieu of the provisional one.

Article 10

The title to a share entails acceptance of the Company's Articles of Association, and of the resolutions of the General Assembly.





TRANSLATION

Article 11

Every share shall give its owner an equal share in the Company's assets and profits which shall be divided in the manner determined hereinafter.

Article 12

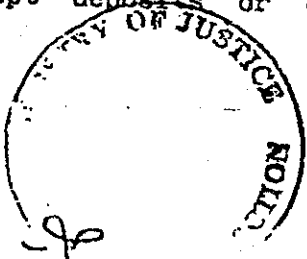
The Company's shares are nominal, the last owner thereof whose name has been entered in the books of the Company shall alone be entitled to the amounts due in respect of the shares, whether in the form of dividends or as part of the assets.

Article 13

The capital of the Company may not be increased unless all the instalments in respect of the original shares have been fully paid, and no issue of new shares may be made at a price lower than the par value of the shares. Should, however, a new issue be floated at a premium, the difference shall be added to the statutory reserve after deduction of the issue expenses. Every original shareholder shall have a preference right to subscribe to a number of new shares proportionate with his holdings, and the period allowed for the exercise of such right shall be fifteen days from the date of the issue of the invitation to the shareholders.

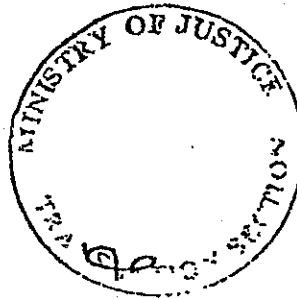
Article 14

The Company shall not open any current accounts saving accounts, accept deposits or establish documentary credits. It further





undertakes that it shall not be the agent of International Bank,
Washington, or any other bank, and that it shall not carry out, in the
State of Kuwait, any operations for the account of the said bank or
any other foreign bank.



CHAPTER TWO
MANAGEMENT OF THE COMPANY

A - THE BOARD OF DIRECTORS

Article 15*

The Company shall be managed by a Board of Directors made up of 8 members, provided that the foreign funding partner (International Bank, Washington) shall appoint one member to represent it at the Board of Directors, and provided that the remaining members shall be elected by the General Assembly by secret ballot.

*This Article 15 has been amended as shown in the Amendments section.

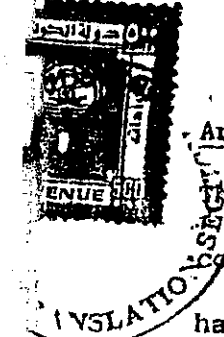
Article 16

The term of membership for each director shall be three years and such director may be re-elected.

Article 17

Every member of the Board of Directors, except the representatives of International Bank, Washington, shall, in his personal capacity, hold not less than one thousand of the Company's shares. Should such director not be the holder of this number of shares, he shall be required to hold this requisite number of shares within one month from the date of his election, otherwise his directorship shall become void.



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Article 18

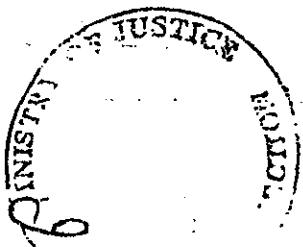
The Chairman or any director may not be a merchant in a business of a competitive or similar nature to that of the Company, neither may he have an interest, direct or otherwise, in the contracts and dealings concluded with the Company or for its account. Furthermore, he may not have any interests in conflict with those of the Company unless he has been permitted to have such interests by the General Assembly. The Chairman and any director may not participate in the management of any similar or competing company.

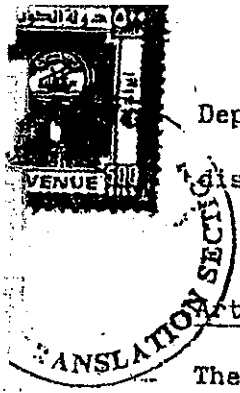
Article 19

Should the seat of an elected director become vacant, it shall be occupied by the unsuccessful candidate shareholder who has obtained the highest number of votes polled at the last election. Should one fourth of the seats become vacant, and no qualified candidates be found to fill such seats, the Board of Directors shall call a meeting of the General Assembly to be held within two months from the date of the last vacancy, for electing new directors, and in all cases the new director shall fill the vacancy only for the balance of his predecessor's term of office.

Article 20

The Board of Directors shall, by secret ballot, elect the Chairman and his deputy for a term of three years not exceeding their membership period. The Chairman shall be the Company's representative before the courts and shall carry out the resolutions passed by the Board. The





Deputy Chairman shall act for the Chairman in the latter's absence or disability.

Article 21

The Board of Directors may appoint one or more managing directors from among themselves and determine his or their powers.

Article 22

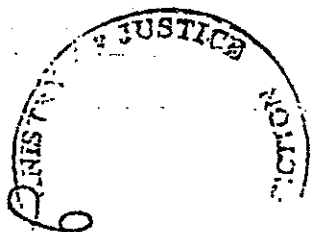
Duly authorised to sign solely on behalf of the Company shall be the Chairman, his deputy, the Managing Directors and any members of the Board duly authorised to do so by the Board. The Board of Directors may appoint a General Manager of the Company and determine his powers.

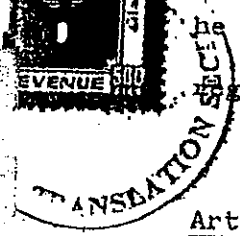
Article 23

The Board of Directors shall meet at least four times every year, upon the invitation of the Chairman or upon the request of at least three Board members. The quorum shall be formed with the attendance of the majority of the directors, and no attendance by proxy is permissible at Board meetings.

Article 24

The Board's resolutions shall be passed by the majority of the directors present, and in the event of the votes, the Chairman shall have the casting vote. A special record shall be kept for recording the minutes of the Board meetings, and shall be signed by the Chairman. Should there be an objection on the part of any director,





he shall have the right to ask that his objection be entered in such register.

Article 25

Should a director absent himself for three successive meetings he may be deemed to have resigned, upon a resolution to this effect by the Board of Directors.

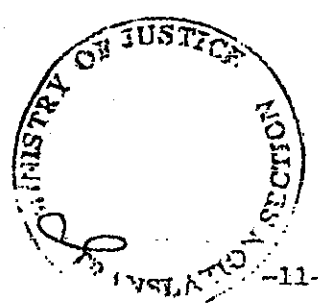
Article 26

Without prejudice to the provisions of the Commercial Companies Law, the General Assembly shall, at an ordinary meeting, determine the remuneration of the directors, who shall subsequently determine the remuneration of the managing director and the salary of the general manager.

Article 27*

The Board shall have full powers to manage the Company and to exercise any such functions as may be required for running the Company in line with the objects thereof, and such powers shall not be limited except to the extent provided for in the law or in these Articles or in the resolutions of the General Assembly.

*This Article 27 was amended as shown in the Amendemnts section.





Article 28

The members of the Board of Directors shall not assume any personal liability for any of the Company's undertakings insofar as they have not exceeded their powers.

TRANSLATION

Article 29

The Chairman and members of the Board of Directors shall be responsible to the Company, its shareholders and others for all fraudulent acts, abuse of powers, violation of the law or these Articles, and mismanagement. An action in liability shall lie even if the General Assembly shall vote for exoneration of such directors from liability.

B - THE GENERAL ASSEMBLY

Article 30

The shareholders shall, by registered mail, be invited to attend whatever meetings are to be held by the General Assembly, and such invitation shall contain the agenda. The founders shall prepare the agenda of the first meeting of the constituent assembly. The Board of Directors shall prepare the agenda of the ordinary and extra-ordinary meetings of the General Assembly.

Article 31

In the events where the General Assembly meeting may be held at the request of the shareholders or auditors, the agenda shall be prepared





by whomsoever makes such request, and in such case, no matters other than those mentioned on the agenda may be discussed.



Article 32

Every shareholder shall have a number of votes equal to the number of his shares, and he may be represented by proxy at all meetings, whereas minors and those interdicted shall be represented by their legal guardians and representatives.

No member shall be allowed to vote for his own self or for the person he represents on matters connected with his personal interest or with a dispute between him and the Company.

Article 33

The shareholders shall, at least twenty four hours before the meeting of the General Assembly, have their names entered in a special register to be kept at the head office of the Company. Entry shall also be made of the number of shares held, and in case of proxy, the number of shares represented and the names of the principals following presentation of the proxy deed. Every shareholder shall subsequently be furnished with a card stating the number of votes to be cast either by himself as principal or by his proxy.

Article 34

In respect of all meetings of the General Assembly and also of the majority required for the passage of resolutions, and the quorum to be





present shall be subject to the provisions of the Commercial Companies Law.

Article 35

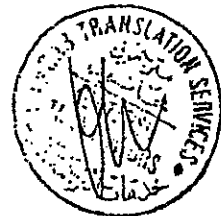
At the meetings of the General Assembly, votes shall be cast in the manner specified by the Chairman, unless the General Assembly shall decide otherwise. Voting in respect of the election of directors or their removal from office shall be by secret ballot.

Article 36

Within 30 days from the date of registering the Company in the Commercial Register and the official announcement in the Official Gazette, the founders shall hold a meeting of the Constituent General Assembly to discuss and verify all the procedures of incorporation and the supporting documents. The General Assembly shall subsequently verify all such information and ascertain whether it is consistent with the law and in agreement with the Memorandum and Articles of Association. The Assembly shall elect the Board of Directors, appoint the auditors and announce the establishment of the Company.

Article 37

Upon the request of the Board of Directors, the ordinary General Assembly shall, within three months from the end of the fiscal year of the Company, convene at least once a year. The Board may also call a meeting of the General Assembly whenever it shall deem it necessary to do so, and the Board shall call a meeting of the General Assembly





whenever requested by holders of shares representing at least one tenth of the capital.

Article 38

The ordinary General Assembly shall discuss all matters relating to the affairs of the Company, except matters and questions required by law and these Articles to be discussed at an extra-ordinary meeting of the General Assembly or the Constituent Assembly.

Article 39

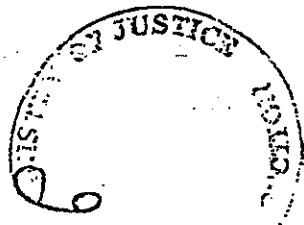
At an ordinary meeting of the General Assembly, the Board of Directors shall submit to the Assembly a full report on the Company's progress and its financial and economic position, the balance sheet and the profit and loss account, together with a statement on the Directors' remuneration and the auditors' fees, as well as a proposal for the distribution of profits.

Article 40

At an ordinary meeting, the General Assembly shall discuss the Directors' Report, pass resolutions in respect thereof, examine the auditors' report, elect the Directors, appoint the auditors for the following year and fix their remuneration and fees.

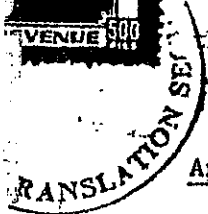
Article 41

The General Assembly shall hold an extra-ordinary meeting upon the invitation of the Board of Directors or at the request of holders of





not less than one fourth of the shares of the Company, and in such case the meeting shall be called by the Board within one month from the date of receipt of the said request.



Article 42

The following questions shall only be considered at an extra-ordinary meeting by the General Assembly.

- 1 - Amendment of the Memorandum or Articles of Association.
- 2 - Sale of the entire enterprise of the Company or otherwise disposing thereof.
- 3 - Dissolution of the Company or its amalgamation with another firm or corporation.
- 4 - Reduction of the Company's capital.



C - ACCOUNTS

Article 43

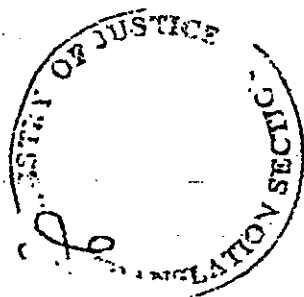
The Company shall have one or more auditors who shall be a chartered accountant appointed by the General Assembly which shall determine his fees. The Auditor shall audit the accounts of the Company for the year for which he shall be appointed.

Article 44

The fiscal year of the Company shall commence on the first day of January and end on the thirty-first day of December in every year, with the exception of the first fiscal year which shall commence on the date of the Company's final incorporation and end on the 31st day of December of the following year.

Article 45

The Auditor shall have the powers and obligations provided for in the Commercial Companies Law. In particular, he shall have the powers to inspect the Company's books, records and documents at any time, to obtain whatever information, he may deem necessary, and to verify the assets and liabilities of the Company. Should he, however, be obstructed from the proper exercise of the said powers, he shall submit a report on this fact to the Board of Directors for presentation to the General Assembly, and he shall also have the right to call a meeting of the General Assembly for the said purpose.

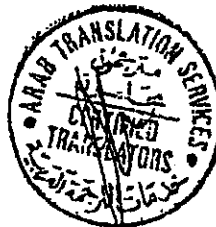
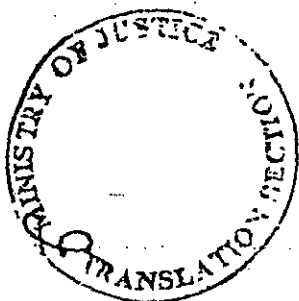


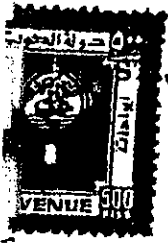
Article 46

The Auditor shall submit to the General Assembly a report showing whether or not the balance sheet and the profit and loss account are true and in order and reflect fairly the true financial position of the Company; whether or not the Company's accounts are kept regularly and the stock taking has been carried out according to usual practice; whether or not the statements contained in the Directors' Report are in agreement with the Company's books and records; whether there were any violations of the Law or of the Company's Articles which affected the Company's activities or its financial position during the fiscal year in question, and whether, to the best of his knowledge, such violations are still existing or not. In his capacity as representative of all the shareholders, the Auditor shall be responsible for all the statements contained in his report, and at any General Assembly meeting, every shareholder shall have the right to discuss such statements and ask for any explanations thereof.

Article 47

Out of the gross profits, a percentage to be fixed by the Board of Directors, shall be provided for the depreciation of the Company's assets, and such provision shall be applied in the purchase of materials, machines and installations, or in the repair thereof, and shall not be distributed to the shareholders.





Article 48

The net profits shall be divided as follows:

- 1 - 10% shall be transferred to the Statutory Reserve.
- 2 - 10% shall be transferred to the Optional Reserve, and such transfer may be suspended by the General Assembly upon the proposal of the Board of Directors.
- 3 - A percentage to be fixed by the General Assembly shall be provided for meeting the Company's commitments under the Labour Law.
- 4 - A portion of the profits should be set aside for the distribution of a dividend to the shareholders equal to to 5% of the paid up portion of the share capital.
- 5 - A portion of the remaining profit, not exceeding 10% of such remaining profit, shall be set aside for the payment of the Directors' remuneration.
- 6 - The balance of the net profit shall then be distributed as additional dividend or carried forward to the next year upon proposals from the Board of Directors or used to establish a special reserve or sinking fund.

Article 49

Dividends shall be paid to the shareholders at the place and on the dates to be fixed by the Board of Directors.

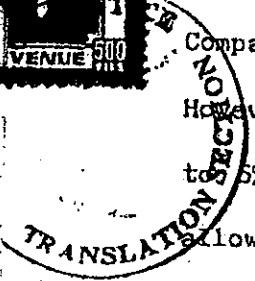
Article 50

The Reserve Fund shall, upon the resolution of the Board of Directors,





be applied in such enterprises as may best serve the interests of the Company, and therefore, shall not be distributed as dividends. However, it may be used to ensure the distribution of dividends of up to 5% in the years during which the profits are not sufficient to allow the distribution of such percentage of dividends.



Article 51

The Company's cash balances shall be deposited with one or more banks to be designated by the Board of Directors, who shall also fix the maximum amount of cash to be kept in hand by the cashier.



CHAPTER THREE

TERMINATION AND LIQUIDATION.

Article 52

If the Commercial Companies Law shall so require, the Company shall be liquidated.

Article 53

Upon the winding up of the Company, its properties shall be liquidated in accordance with the provisions of the Commercial Companies Law.

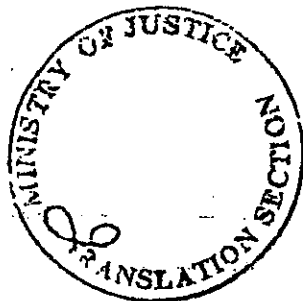
Article 54

The Founders hereby declare:

First: that the provisions of the Memorandum and Articles of Association are consistent with the specimen provided for in Section 69 of the Commercial Companies Law.

Second: that they have subscribed to all the shares and deposited the paid-up portion of their subscription in the name and for the account of the Company at the accredited banks in Kuwait.

Third: that they have appointed the administrative body required for the Company. The first management body will be elected at the





first meeting of the shareholders convening as a Constituent General Assembly.

FIRST PARTY

SECOND PARTY

THIRD PARTY

FOURTH PARTY

FIFTH PARTY

SIXTH PARTY

SEVENTH PARTY

EIGHTH PARTY

NINTH PARTY

FIRST WITNESS

SECOND WITNESS

This Articles of Association were made as mentioned in the presence of the said nine parties and the two witnesses, who signed these Articles after the contents hereof were read to them.

STATE OF KUWAIT
 MINISTRY OF JUSTICE
 TRANSLATION SECTION

CERTIFIED TRUE TRANSLATION OF
 THE ATTACHED TEXT IN ARABIC

Date: 4/1/1986 Translator: _____

