

Suggested Amendments to the Article of Association of Alliance Insurance PSC

The General Assembly of Alliance Insurance approved in its meeting dated 25/04/2024 to issue a special resolution to amend the Articles of Association as follows:

Article (1)

Definitions

Related Parties:

1. Chairman and members of the company's board and their relatives.
2. Executive management members and their relatives.
3. Employees of the company.
4. Companies in which any of the aforementioned hold at least 30% of its capital.
5. Parent, subsidiary, sister, or affiliated companies of the company.
6. Major shareholders in the company (anyone owning 5% or more of the company's shares or voting rights).
7. Chairman and members of the boards of parent, subsidiary, sister, or affiliated companies of the company.
8. In companies where any member of the board or executive management of the company serves as a Board Member or senior executive.

Insurance Law: Federal Law No. 48 of 2023, on regulating Insurance operation and its amendments.

Rapporteur: The secretary of the board of directors.

Relatives: Father, mother, brother, sister, children, spouse, father-in-law, mother-in-law and children of the spouse.

Article (5)

Objectives

The company shall exercise its activity under provisions of Federal Law No. 48 2023 on regulating Insurance operation, together with the regulations, instructions and resolutions issued hereunder and executing the same. The objectives of the company shall be consistent with provisions of laws and applicable resolutions in the country.



Article 19

Management

- C. At least twenty percent (20%) of the candidates for Board membership are female.
D. At least Third of the members of the Board of Directors must be independent and all members are non-executive.”

Article (22)

Requirements and conditions of nomination to membership of the board

A Board membership candidate shall meet the following requirements:

1. Possessing experience and competence in areas that serve the company’s interests (including, but not limited to, financial, legal, administrative, or executive expertise).
2. The candidate shall not have been previously sentenced to a criminal penalty or for an offense that involves a breach of honor or integrity unless he/she is rehabilitated.
3. The candidate shall not have been subject to a judgment of discharge or dismissal from the Board of any joint stock companies listed in the financial market during the year preceding nomination.
4. The candidate professional record issued by the Authority shall be clear of administrative penalties.
5. The candidate shall not be subject to any lawsuits, reports, or prosecution investigations concerning any offense that involves a breach of honesty and integrity.
6. The candidate shall fulfill any other terms stipulated in the Companies Law or the Company Articles of Association.
7. The following documents shall be submitted to the Company:
 - A. The candidate CV, indicating work experience, qualifications, and the Board seat applied for (Executive, Non-Executive, Independent);
 - B. A written declaration of acceptance of the nomination, commitment to the Companies Law, and the company’s bylaws and resolutions, pledging diligent performance of duties.
 - C. A statement of the names of companies and corporations which the candidate works for or serves as a Board member therein, as well as any other works the candidate performs directly or indirectly that constitutes competition to the Company; and
 - D. In case of the legal person representatives, an official letter from such legal person shall be submitted, containing names of his/her Board membership candidates.
 - E. A criminal status certificate issued or authenticated by an official Authority in the United Arab Emirates or abroad if the candidate has a residence abroad, depending on the applicable legal procedures in the country.
8. If all the mentioned documents in the previous item are not submitted during the members of the Board of Directorship nomination period, the nomination request shall be considered null and void.



Article (27)

Legal quorum for board's meetings and voting

e. Members may participate and vote in minutes of the board of directors through modern technologies provided that they must respect the procedures and conditions issued by the authority, in this regard.

Article 28

Board meetings and call for meeting

1. The board of directors shall be held (6) times, at least, within the fiscal year.
2. The meeting shall be based on a written or electronic invitation by the Chairman of the Board of Directors or based on a written OR electronic request submitted by at least two members of the Board. The invitation shall be sent at least a week before the specified date, accompanied by the agenda.

Article (29)

Resolutions by circulation

b. All of members of the board of directors shall approve those resolutions despite the fact that such resolutions are passed in emergent cases.

Article 31

Conflict of interests

Employees, including senior management, may not represent any shareholders on the Board.

Article 37

Liabilities of the Board of Directors and the Executive Management

- D. Member of the Board and the member of the senior management must obtain permission from the Company's Board before accepting nomination to serve on another board of a Public Joint Stock Company (PJSC) and no conflict of interest must be present.
- E. The board is responsible for concealing any material information or making inaccurate disclosures, even if it does not result in harm to third parties



Article 39

Rewards of Chairman and Members of the Board of Directors

Board compensation shall be in the form of fixed amounts that include the payment of a fixed annual amount and the repayment of costs directly related to the performance of their responsibilities ensuring it does not exceed 10% of the net profit after deducting depreciations, reserves and fines for the fiscal year, unless it becomes clear to General Assembly that the fine is not due to negligence or error on the part of the Board of Directors. It is excluded Any grants or incentive payments based on the company's performance

the company may pay additional expenses, fees, compensation or monthly salary as decided by the board of directors, for any of its members, if such member works in any committee or exerts special efforts or additional works as a service to the company beyond scope of its normal duties as a member of the board of directors after the approval of the general assembly no more AED 200,000 per fiscal year in the following cases:

1. Company does not make a profit.
2. or if the company has made profits and the share of the Board member in the profits is less than AED 200,000, provided that the bonus and remuneration shall not be combined.

Article 42

Declaration of the call for meeting of the general assembly

Article 61

Distribution of annual profits

Delete Point 4.

