

## **REGULATION ABOUT SHAREHOLDER MEETING**

### **ISSUANCE AND TRANSFER OF SHARES**

**Article 18** During the period of twenty-one (21) days prior to each shareholder meeting, the Company may cease to effect registration of the share transfers by announcing to the shareholder at the head and branch offices of the Company not less than fourteen (14) days prior to the commencement date of cessation of the registration of share transfer.

### **SHAREHOLDERS MEETING**

**Article 34** The Board of Directors shall summon a shareholder meeting as an annual general meeting of shareholders within four (4) months as from the last day of the fiscal year of the Company. The shareholder meetings other than the said meeting shall be called extraordinary meetings.

The Board of Directors may summon an extraordinary meeting of shareholders any time as it deems appropriate. The shareholders holding shares amounting to not less than one-fifth (1/5) of the total number of shares sold or not less than twenty-five (25) shareholders holding shares amounting to not less than one-tenth (1/10) of the total number of shares sold may subscribe their names in a written request directing the Board of Directors to summon an extraordinary meeting at any time but the reasons for summoning such meeting must be clearly stated in such a request. In this event, the Board of Directors must summon a shareholder meeting within one (1) month as from the date of receipt of the request from the shareholders.

**Article 35** In summoning a shareholder meeting, the Board of Directors shall prepare a written notice summoning the meeting stating the place, date, time, agenda of the meeting with reasonable details by indicating clearly whether such matters are proposed for information, for approval or for consideration as the case may be including opinions of the Board of Directors with respect to the said matters and the said notice shall be served on the shareholders for their information not less than seven (7) days prior to the date of the meeting and shall also be published in a newspaper for three (3) consecutive days and not less than three (3) days prior to the date of the meeting.

A place of the meeting under paragraph one shall be in the locality in which the head or branch office of the Company is located or any other place as the Board of Directors may designate.

**Article 36** The Board of Directors shall send the documents required by law to the shareholders together with a notice summoning an annual general meeting.

**Article 37** At a shareholder meeting, there must be not less than twenty-five (25) shareholders and proxies (if any) present or not less than half (1/2) of the total number of shareholders holding shares amounting to not less than one-third (1/3) of the total number of shares sold in order to form a quorum unless otherwise provided by law in any specific case.

**Article 38** At any shareholder meeting, when one (1) hour has passed since the time specified for the meeting, the number of shareholders present at the meeting remains inadequate to form a quorum as specified in Article 37 and if such shareholders meeting was called at the request of the shareholders, such meeting shall be canceled. If such meeting was not called at the request of the shareholders, the meeting shall be summoned once again and the notice summoning such meeting shall be served on the shareholders not less than seven (7) days prior to the date of the meeting. In the subsequent meeting, a quorum is not required.

**Article 40** The Chairman of a shareholder meeting shall have the duty to conduct the meeting in compliance with the Articles of Association of the Company relating to the meeting. In this regard, the meeting shall be conducted in accordance with the sequence of the agenda specified in the notice summoning the meeting unless a resolution allowing a change in the sequence of the agenda is passed by the meeting with the votes of not less than two-third (2/3) of the number of shareholders present at the meeting.

Upon completion of consideration under paragraph one, the shareholders holding shares amounting to not less than one-third (1/3) of the total number of shares sold may request the meeting to consider the matters other than those specified in the notice summoning the meeting. In case where the meeting has not finished the consideration of the matters according to the sequence as specified in the agenda under paragraph one or of the matters proposed by the shareholders under paragraph two as the case may be and the meeting is required to be adjourned, the meeting shall designate the place, date and time for the next meeting and the Board of Directors shall serve a notice summoning a meeting specifying the place, date, time and agenda to the shareholders not less than seven (7) days prior to the date of the meeting provided that such notice summoning the meeting shall also be published in a newspaper for three (3) days prior to the date of the meeting.

**Article 41** Every shareholder is entitled to attend a shareholder meeting held any time whatsoever.

### **PROXY TO ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**Article 42** The shareholders may authorize other persons as proxies to attend and vote at a meeting on their behalf and the proxies must submit the instrument appointing the proxy to the Chairman or a person designed by the Chairman of the Board at the place of the meeting before attending such meeting. The instrument appointment the proxy shall be executed in accordance with the form specified by the Registrar under the law on public limited companies.

**Article 44** In casting a vote, one share is equal to one vote.

A resolution of the shareholder meeting shall consist of the following votes.

1. In an ordinary event, the majority vote of the shareholders present at the meeting and entitled to vote is required. If there is a tie vote, the Chairman of the meeting shall have a casting vote.
2. In the following events, a vote of not less than three-fourth (3/4) of the total number of votes of the shareholders present at the meeting and entitled to vote is required.
  - a. the sale or transfer of the whole or material parts of the business of the Company to other persons;
  - b. the purchase or acceptance of transfer of the business of other companies or private companies by the Company;
  - c. the conclusion, amendment or termination of contracts with respect to the lease of the whole or material parts of the business of the Company, the assignment of the management of the business of the Company to other persons or the amalgamation of the business with other persons with the purpose of profit and loss sharing;
  - d. the amendment of the Memorandum or Articles of Association of the Company;
  - e. the increase and reduction of a capital or issuance of debentures of the Company
  - f. the amalgamation or dissolution of the Company.

### **BOARD OF DIRECTORS**

**Article 19** The company shall have a board of directors to operate business of the company, comprising at least five directors of which not less than one half shall reside in the Kingdom.

The Board of Directors shall elect one of the directors to be the chairman of the board .The board of directors, upon contemplate thought, may elect one or several directors to be a vice chairman. The vice chairman shall have duties to follow the articles of association in the business entrusted by the chairman of the board.

Signature in behalf of the company prescribed that two directors had signed together and seal of the company

The Directors shall determine the name of director authorized to affix signature in behalf of the company and seal of the company.

**Article 20** The directors shall be natural persons and

- (1) be sui juris (full age);
- (2) be not bankrupt, incompetent, or quasi-incompetent;

- (3) not have been sentenced by a final judgment to imprisonment for dishonesty;
- (4) not have been dismissed from a government service or state organization or agency for dishonesty on duty.

**Article 21** The directors shall be elected at the shareholder meeting in accordance with the following rules and procedures:

- 1. A shareholder shall have one vote for one share
- 2. Each shareholder must exercise all of the votes he or she has under paragraph one to elect one or several persons to be a director or directors and must not allot his or her vote to any person in any number.
- 3. The persons having the highest number of votes to the lower number of votes in order shall be elected as the directors equal to the number of directors to be elected by the shareholder meeting in such election. In case where the number of votes for the candidates in descending order are equal which would otherwise cause the number of directors to be elected by the shareholder meeting to be exceeded in such election, the Chairman shall have a casting vote.

**Article 22** At every annual general meeting, one-third (1/3) of the directors shall retire from office. If the number of directors cannot be divided into three (3) parts, the nearest to such one-third (1/3) of the directors shall retire from office.

The retirement of directors in the first and second years after registration of the Company shall be effected by drawing lots. In the subsequent years, the directors who have held office the longest shall retire.

A director who retires from office may be re-elected.

**Article 23** In addition to vacating office on expiration of term of office, directors shall vacate office upon

- (1) death;
- (2) resignation;
- (3) Disqualified or prohibited by these laws or regulations
- (4) the meeting of shareholders resolving to remove
- (5) the court issuing an order to remove.

**Article 26** The meeting of shareholders may pass a resolution to remove any Director prior to the expiration of his term of office with votes not less than three-fourths of number of shareholder attending the meeting and having the right to vote and the total number of shares being of not less than one half of number of shares held by shareholders attending the meeting and having the right to vote.

**RECOMPENSE OF DIRECTORS**

**Article 33** No payment or other property shall be made or given by the Company to a director except a remuneration as usually paid to him or her as a director of the Company such as salary, meeting allowance, per diem, premium, pension, subsidy, reward, medical expenses, fuel and transportation expenses.

The preceding paragraph shall not include such compensation or welfare given to the directors as a staff or employee of the Company.

**ACCOUNT FINANCE AND AUDIT**

**Article 51** An auditor shall be elected annually by the general shareholder meeting. A retiring auditor may be re-elected.

**Article 52** A remuneration of an auditor shall be determined by a shareholder meeting.

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