

**Decision of the Board of Directors of the Abu Dhabi Water and
Electricity Authority**

No. (35) of 2014

**Regarding the Establishment of Al Mirfa Power Holding
Company**

A Public Joint Stock Company

- The Chairman of the Authority.
- After reviewing Law No. (2) of 1998 concerning the regulation of the water and electricity sector in the Emirate of Abu Dhabi and its amending laws.
- And Federal Law No. (8) of 1984 concerning Commercial Companies and its amending laws.
- And Executive Council Resolution No. 11 C 2014/1 regarding the project for the development of a power generation and water desalination plant in Al Mirfa.
- It is decided as follows:

Article One

A public joint stock company named "Al Mirfa Power Holding Company" shall be established under the provisions of this decision. It shall have an independent legal personality and full legal capacity to achieve its objectives after completing the necessary legal procedures, hereinafter referred to as "the Company".

Article Two

The Company's main headquarters shall be in the city of Abu Dhabi. The Company's Board of Directors may establish branches or offices for it inside or outside the United Arab Emirates.

Article Three

The Company's capital is set at eight hundred million dirhams (AED 800,000,000) only, divided into eighty million (80,000,000) shares with a nominal value of ten (10) dirhams per share, all of which are cash shares of equal value. The Abu Dhabi Water and Electricity Authority has deposited an amount of ten million (10,000,000) dirhams into the Company's bank account, which represents part of the nominal value of the shares, and will deposit the unpaid portion of the Company's capital value into the Company's bank account at the times and in the manner determined by the Company's Board of Directors, after obtaining the approval of the Abu Dhabi Water and Electricity Authority and according to the project's needs.

Article Four

The Company's primary purpose is to own, manage, and finance companies and projects operating in the field of power generation and water desalination, either alone or in partnership with any other entities or companies. The Company may have an interest in or participate in any way with other companies that engage in activities similar to its own or that may assist it in achieving its objectives inside or outside the country, and it may own or annex such companies. The Company shall not be subject to the provisions of Articles (4) and (68), Articles (70) to (143), and Articles (173), (179), (200), (209), and (211) of Federal Law No. (8) of 1984 concerning Commercial Companies and its amendments.

Article Five

All shares of the Company shall be registered and fully owned by the Abu Dhabi Water and Electricity Authority, which has subscribed to the entire capital.

Article Six

1. The Company's liability towards third parties is limited to its capital and assets. The shareholder's liability is limited to the nominal value of the shares they own. The shareholder is also responsible for paying the unpaid portion of the shares' nominal value.

2. The Chairman and members of the Company's Board of Directors shall be appointed by a decision from the Chairman of the Abu Dhabi Water and Electricity Authority.
3. The Company shall operate in accordance with the provisions of this decision and its attached Articles of Association.

Article Seven

The Abu Dhabi Water and Electricity Authority has the right - after the approval of the Executive Council - to sell all or part of its shares in the Company through a public or private offering or through auction. The decision issued in this regard shall specify the method of the public or private offering, the conditions for participating in the auction, and the percentage of the Company's shares to be offered for sale. The Authority may also assign all or part of its shares in the Company to any company in which the Authority holds shares, whether wholly or partially owned. This sale or assignment may take place at any time after the Company is registered in the Commercial Register.

Article Eight

The duration of the Company is (50) Gregorian years, commencing from the date of its registration in the Commercial Register. This period may be extended or shortened by a decision of the Company's Extraordinary General Assembly if the Company's purpose so requires.

Article Nine

The Company shall be subject to the provisions of Federal Law No. (8) of 1984 concerning Commercial Companies and its amendments, and the provisions of Law No. (15) of 1998, in matters not stipulated in this decision and the Articles of Association, and the provisions of Law No. (2) of 1998 concerning the regulation of the water and electricity sector in the Emirate of Abu Dhabi, and the provisions of any special agreement concluded by the Company.

Article Ten

This decision shall be implemented and shall take effect from the date of its issuance.

Dr. Ahmed Mubarak Al Mazrouei
Chairman of the Authority

Issued in Abu Dhabi:

On: July 8, 2014 AD

Corresponding to: Ramadan 10, 1435 AH

Articles of Association of Al Mirfa Power Holding Company A Public Joint Stock Company

Chapter One Establishment

A public joint stock company has been established in accordance with the provisions of Law No. (2) of 1998 concerning the regulation of the water and electricity sector in the Emirate of Abu Dhabi and its amendments, and in accordance with the decision of the Chairman of the Authority No. (35) of 2014, and according to these Articles of Association, under the conditions set forth below, hereinafter referred to as "the Company". The Abu Dhabi Water and Electricity Authority is also referred to as "the Authority".

Article (1)

The name of the Company is "Al Mirfa Power Holding Company," a Public Joint Stock Company.

Article (2)

The Company's main headquarters is the city of Abu Dhabi. The Company's Board of Directors may establish branches, offices, or agencies for it within the United Arab Emirates or abroad.

Article (3)

The duration of the Company is (50) fifty Gregorian years, commencing from the date of its registration in the Commercial Register. This period may be extended by a decision from the Chairman of the Authority, as long as it owns all the shares in the Company, or by a decision of the Extraordinary General Assembly.

Article (4)

The primary purposes for which the Company was established are to own, manage, and finance companies and projects operating in the field of power generation and water desalination, either alone or in partnership with any other entities or companies. The Company may have an interest in or participate in any way with other companies that engage in activities similar to its own or that may assist it in achieving its objectives inside or outside the country, and it may own or annex such companies. The Company shall not be subject to the provisions of Articles (4) and (68), Articles (70) to (143), and Articles (173), (179), (209), and (211) of Federal Law No. (8) of 1984 concerning Commercial Companies and its amendments.

Chapter Two Capital

Article (5)

The Company's capital is set at eight hundred million (800,000,000) dirhams only, divided into eighty million (80,000,000) shares with a nominal value of 10 dirhams per share, all of which are owned by the Authority. The Authority has the right to assign or transfer any of its shares in the Company in accordance with the conditions it determines and after the approval of the Executive Council. The Authority has deposited an amount of ten (10) million dirhams into the Company's bank account, which represents part of the nominal value of the shares, and will deposit the unpaid portion of the Company's capital value into the Company's bank account at the times and in the manner determined by the Company's Board of Directors, after obtaining the Authority's approval and according to the project's needs.

Article (6)

All shares of the Company shall be registered and fully owned by the Authority, which has subscribed to the entire capital.

Article (7)

The Company shall issue the share certificate, and the Company's Board of Directors shall deliver that certificate to the Authority within three months from the date of the Company's public declaration through its registration in the Commercial Register.

Article (8)

The Authority is not bound by any obligations of the Company except to the extent of the shares it owns, and its obligations may not be increased without its consent.

Article (9)

The Authority, after obtaining the approval of the Executive Council, has the right to sell all or part of its shares in the Company through a public or private offering or through auction. The decision issued in this regard shall specify the method of the public or private offering, the conditions for participating in the auction, and the percentage of the Company's shares to be offered for sale. The Authority may also assign all or part of its shares in the Company to any company in which the Authority holds shares, whether wholly or partially owned. This sale or assignment may take place at any time after the Company is registered in the Commercial Register. The Company shall not be subject to the provisions of Articles (4) and (68), Articles from (70) to (143), and Articles (173), (179), (200), (209), and (211) of Federal Law No. (8) of 1984 concerning Commercial Companies and its amendments.

Article (10)

A share is indivisible.

Article (11)

The Company's capital may be increased by issuing new shares with the same nominal value as the original shares. The Company's capital may also be reduced in accordance with applicable legislation.

New shares may not be issued for less than their nominal value. If they are issued with a premium, the premium shall be added to the legal reserve, even if it thereby exceeds half of the capital.

The increase or reduction of capital shall be by a decision from the Authority, as long as it owns all the shares, based on a proposal from the Company's Board of Directors in both cases, and after hearing the auditor's report in the latter case. In the case of an increase, the amount, the issue price of the shares, and the right of the Authority or other shareholders (1), if any, upon the submission of the Board of Directors' proposal, to subscribe to this increase must be specified. In the case of a reduction, the amount of this reduction and its method must be specified.

Chapter Three

Loan Bonds

Article (12)

The Company's Ordinary General Assembly may decide to issue bonds. The decision shall state the value of the bonds and the conditions for their issuance. The General Assembly has the right to delegate to the Company's Board of Directors the authority to determine the method of offering the bonds and the category or categories that can subscribe to these bonds.

Article (13)

Subject to Article (12) of these Articles, the Company may issue loan bonds whose value exceeds the Company's capital at the time of their issuance, without the need to obtain any license or permission or take any other action.

Article (14)

The Company shall not be subject to the provisions of Articles from (177) to (186) of Federal Law No. (8) of 1984 concerning Commercial Companies and its amending laws.

Chapter Four

The Board of Directors

Article (15)

The Company shall be managed by a Board of Directors consisting of no less than three and no more than nine members, including the Chairman, whose appointment shall be issued by a decision from the Chairman of the Authority's Board of Directors.

The majority of the members of the Company's Board of Directors shall be UAE nationals.

Article (16)

The Chairman and members of the Company's Board of Directors shall be appointed for a term of three years. At the end of this term, the Board shall be reconstituted, and members whose term has expired may be reappointed. The Chairman of the Board represents the Company before the judiciary and is responsible for implementing the decisions issued by the Board. The Vice-Chairman shall act in place of the Chairman in his absence or in the event of any impediment.

The Authority shall appoint one or more members to fill vacancies that occur during the Board's term of membership. In all cases, the new member shall complete the term of their predecessor and may be reappointed for a new term.

Membership of the Board of Directors shall be forfeited for the Chairman or any member in the following cases:

1. Mental or physical incapacity that affects the member's ability to perform their duties.
2. Inability to pay debts or declaration of bankruptcy.
3. Resignation.

4. Issuance of a decision by the Authority to forfeit their membership or remove them for any reason.

Article (17)

Any member of the Company's Board of Directors who has a direct or indirect personal interest or benefit in any matter before the Board must notify the Board of the nature of that interest or benefit and have it recorded in the minutes of the meeting. They may not participate in the deliberations or voting on it.

In the event that a member fails to comply with the provisions of this Article, this shall be a reason for removing the member from the Board of Directors, and the Board of Directors must take a decision to submit a recommendation for removal to the Authority upon proof of the member's breach of this obligation.

Article (18)

The Authority may, by its decision, appoint one or more managing directors from among the members of the Company's Board of Directors. The appointment decision shall specify the powers and remuneration of that member.

Article (19)

The Company's Board of Directors has all the powers to manage the Company and carry out all actions required by its purposes. This authority is limited only by what is stipulated in these Articles or by the Authority's decisions.

The Company's Board of Directors shall establish regulations concerning administrative, financial, and employee affairs and their financial transactions. The Board shall also establish special regulations for organizing its work and meetings and distributing powers and responsibilities, in accordance with what the Authority decides.

Article (20)

The right to sign on behalf of the Company is held by its Chairman of the Board of Directors and any person designated by a decision from the

Authority. Those who have the right to sign on behalf of the Company may delegate some or all of their powers to others.

Article (21)

The Company's Board of Directors shall hold its meetings at the Company's headquarters whenever the need arises, upon the invitation of the Chairman, or at the request of two Board members, or at the request of the Authority.

The Board of Directors must meet at least once every three months.

Article (22)

A meeting of the Company's Board of Directors is not valid unless a majority of its members are present. A member of the Board of Directors may delegate another Board member to vote on their behalf.

Decisions of the Board of Directors are issued by a majority vote of the members present. If the votes are tied, the side of the Chairman or the person acting in his place shall prevail.

A written resolution of the Board of Directors shall be valid and effective as if it had been passed by a resolution during a duly called and held Board of Directors meeting. A written resolution may consist of several identical original copies, each signed by a member of the Board of Directors, or it may also consist of several identical documents (including documents sent by fax), each signed by a member of the Board of Directors.

A special register shall be kept to record the minutes of the Board's meetings. The minutes shall be signed by the members who attended the meeting and the secretary of the Board. A dissenting member may have their opinion recorded in the minutes.

Article (23)

If a member of the Company's Board of Directors is absent from more than five consecutive meetings without an excuse, they shall be considered to have resigned.

Article (24)

The members of the Company's Board of Directors are not personally liable for the Company's undertakings by reason of performing their duties within the limits of their powers.

Article (25)

The Chairman of the Company's Board of Directors and its members are liable to the Company, the Authority, and third parties for all acts of fraud, abuse of power, any violation of the law and these Articles, and for mismanagement.

Article (26)

The remuneration of the members of the Company's Board of Directors shall be in accordance with what the Authority determines.

Chapter Five **The General Assembly**

Article (27)

For the purposes of these Articles, the Authority shall constitute both types of the Company's General Assembly. The Authority shall be represented by its Chairman or his appointee in the meetings of the Company's General Assembly.

The Company's General Assembly may only be convened if it is held in the Emirate of Abu Dhabi.

Article (28)

The Authority shall set the agenda for the Constituent General Assembly, and the Company's Board of Directors shall set the agenda for the Ordinary and Extraordinary General Assemblies. In cases where the General Assembly may be convened at the request of the Authority, the auditors, or other competent authorities, the agenda shall be set by the party requesting the General Assembly meeting. In all cases, the invitation to the meeting shall be sent by mail or fax. Decisions of the Ordinary and Extraordinary General Assemblies shall be issued by a majority of the votes

of those present from the Authority. As an exception, a resolution of both the Ordinary and Extraordinary General Assemblies of the Company signed by the Chairman of the Authority shall be valid and effective as if it had been passed at a duly called and held General Assembly meeting.

Article (29)

The General Assembly shall be chaired by the Chairman of the Company's Board of Directors. In his absence, it shall be chaired by whomever the Chairman of the Authority appoints for this purpose.

Article (30)

The General Assembly may not deliberate on matters other than those listed in the agenda attached to the meeting invitation letter.

Chapter Six The Auditor

Article (31)

The Company shall have one or more auditors appointed by the General Assembly for a renewable term of one year, and their fees shall be determined. They shall be responsible for auditing the accounts of the fiscal year for which they were appointed.

Article (32)

The auditor has the powers and is subject to the obligations stipulated in Federal Law No. (8) of 1984 concerning Commercial Companies and its amending laws, in particular the right to access at all times all the Company's books, records, documents, and other papers, and to request the clarifications they deem necessary to perform their duties. They may also verify the Company's assets and liabilities. If they are unable to exercise these powers, they shall record this in writing in a report submitted to the Board of Directors. If the Board does not enable the auditor to perform their duties, they must present the report to the General Assembly.

Article (33)

The auditor shall submit a report to the Ordinary General Assembly that includes the information stipulated in Article (150) of Federal Law No. (8) of 1984 concerning Commercial Companies and its amending laws. They must attend the General Assembly meeting and express their opinion at the meeting on all matters related to their work, particularly on the Company's budget.

The auditor shall be responsible for the accuracy of the information contained in their report. The General Assembly may discuss the auditor's report and seek clarification on its contents.

Chapter Seven Company Finances

Article (34)

The Company's fiscal year begins on the first of January and ends on the 31st of December of each Gregorian year, with the exception of the Company's first fiscal year, which shall begin on the date of its registration in the Commercial Register and end on the 31st of December of the year following its establishment.

Article (35)

For each fiscal year, the Board of Directors must prepare the Company's balance sheet and profit and loss account at least one month before the annual Ordinary General Assembly meeting. The Board must also prepare a report on the Company's activities during the fiscal year, its financial position at the end of that year, and the proposed method for distributing the net profits. A copy of the balance sheet, profit and loss account, and the Board of Directors' report shall be sent to the Authority in accordance with the agenda of the annual Ordinary General Assembly.

Article (36)

A percentage recommended by the Board of Directors shall be deducted from the gross annual profits for the depreciation of the Company's assets

or to compensate for their decline in value. These funds shall be disposed of based on a decision from the General Assembly.

Article (37)

The Company's net annual profits shall be distributed after deducting all general expenses and other costs as follows:

1. 10% shall be deducted and allocated to the statutory reserve account. This deduction shall cease when the total reserve reaches an amount equivalent to 50% (fifty percent) of the Company's paid-up capital. If the reserve decreases, the deduction must be resumed.
2. Another 10% shall be deducted and allocated to the voluntary reserve account. This deduction shall cease by a decision of the Ordinary General Assembly based on a proposal from the Company's Board of Directors, or if it reaches 50% (fifty percent) of the Company's paid-up capital.
This reserve shall be used for the purposes decided by the Ordinary General Assembly based on a proposal from the Company's Board of Directors.
The remainder of the net profits shall be transferred to the Authority, as long as the Authority owns all the Company's shares, or to the shareholders, if any, at that time, or shall be disposed of as decided by the Ordinary General Assembly.

Article (38)

The reserve fund shall be disposed of by a decision of the Company's General Assembly in ways that serve the Company's interests. The voluntary reserve may not be used for purposes other than those for which it is allocated except by a decision of the Ordinary General Assembly.

Article (39)

Without prejudice to the provisions of Article (194) of Federal Law No. (8) of 1984 concerning Commercial Companies and its amending laws, dividends shall be paid to the Company's shareholders at the place and times determined by the General Assembly based on the recommendation of the Company's Board of Directors.

Chapter Eight Disputes

Article (40)

No resolution issued by the General Assembly discharging the members of the Board of Directors from liability shall result in the waiver of a civil liability claim against them for errors committed in the exercise of their powers. If the act giving rise to liability was presented to the General Assembly in a report from the Board of Directors or the auditor and was approved, the liability claim shall be time-barred after one year from the date of that Assembly's meeting.

However, if the act attributed to the members of the Board of Directors constitutes a criminal offense, the civil liability claim shall not be time-barred except with the lapsing of the public prosecution.

Chapter Nine Dissolution and Liquidation of the Company

Article (41)

The Company shall be dissolved by a resolution of the Company's Extraordinary General Assembly after obtaining the necessary approvals, for any reason the Authority deems appropriate.

Article (42)

Upon the expiration of the Company's term or in the event of its dissolution before the specified time, the General Assembly, at the request of the Board of Directors, shall determine the method of liquidation, appoint one or more liquidators, and define their authority. The mandate of the Board of Directors shall end with the appointment of the liquidators, but the authority of the General Assembly shall remain in effect throughout the liquidation period until the liquidators are discharged.

Chapter Ten
Final Provisions

Article (43)

These Articles shall be filed and published in accordance with the law.

(1) Appeared as such in the original text; the intended meaning is (the others).