

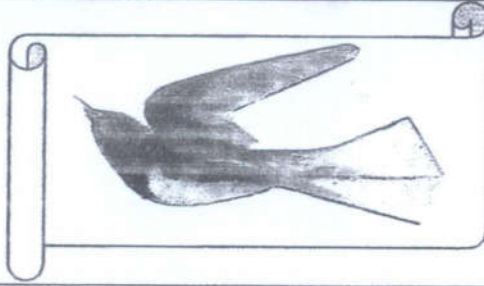
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Republic of Yemen
Ministry of Legal Affairs

Article of Association of the National Bank of Yemen Chapter One Appellation and Definitions

Article 1- This statute is called "Article of Association of the National Bank of Yemen".

Article 2- for the purpose of application of this statute the following words and terms wherever exist in this statute should have the following meaning stated in front of each of it unless the context imply otherwise.

- Republic** Republic of Yemen
- Minister** Minister of Finance
- Central Bank** Central Bank of Yemen
- Regulations** Article of Association of the National Bank of Yemen
- Banks** Licensed Bank for practicing Banking activities in the Republic according to the legislations in force
- Bank** National Bank of Yemen
- Board** Board of Directors of the Bank
- Chairman** Chairman of the Board of Directors of the Bank
- G.M** Executive General Manager of the Bank

Bank's Executive Dept. The General Manager of the Bank, his Deputy / Deputies, Directors of the Departments and Branches.

Senior Staffs of the Banks Chairman of the Board of Directors, General Manager and his Deputies.

Financial Data Information about the financial position, inclusive income, property rights, cash inflow and its supplementary clarifications according to international standards accredited and the instructions of the Central Bank in this regards.



Rules, Regulations & works guideline Rules, regulations, working guidelines, implemented procedures at the Bank required by the nature of its activity.

Auditor/Auditors Auditor / independent external Auditors for the Bank contracted with them annually and accredited / accredited at the Central Bank.

Chapter Two Bank's Re-organization

Article 3 a- Re-organizing National Bank of Yemen which was found according to the law no.(37) for the Year 1969, modified with the law no.(36) for the Year 1972 (nullified) according to the rules of the Banks law in force, the Islamic Banks Law and Commercial Companies Law in force and according to this regulation as a Bank owned completed by the State.

b- The Bank has a legal personality with financial and administrative independence subjected to Minister's supervision.

c- No person or authority is allowed to interfere into Bank's operations or banking operations activities or have influence on its decisions except within the limit allowed by the legislations in force with regard to banking operations or the rules of this regulation.

Article 4 The Head Office of the Bank and legal address is in the City of Aden, it is allowed to established branches or agencies or office inside or outside of the Republic of Yemen by the permission from the Central Bank after the consent of the Board.

Article 5 The terms specified for the Bank's activities is Fifty Years commencing from the date of the issuance of Chairman of the Council of Ministers resolution for re-organizing the Bank and renewable for another similar period(s) by the resolution of the Chairman of the Council of Ministers after the consent of the Council of Ministers based on Minister of Finance presentation.

Chapter Three Banks objectives

Article 6 The Bank practices all business and banking services comprehensive to banks whether for its account of the account of others, inside or outside the Republic of Yemen included as follow:-



- 1- Accept cash deposits payable upon demand or as per other arrangements can be draw by cheque or transfer or Pay Order or computerized paying Card.
- 2- Sale and deduct bills, transfers, coupons, bonds and securities for commercial purposes.
- 3- Conduct banking operation with correspondents and obtain banking facilities from correspondent and provide them banking facilities according to prior banking arrangements
- 4- Purchase and sale foreign currencies, alloys, gold and silver coins, shares and bonds.
- 5- Issue drafts, cheques, guarantee letters, Standby Letters of Credit.
- 6- Open L/C and collect cargo documents.
- 7- Collect cheques, bonds, transfers and bills.
- 8- Manage correspondent operations or agent for Banking & Financial Foreign Establishments.
- 9- Grant loans, direct or indirect credit facilities to individuals, establishments, institutions, local & foreign companies, private and public, conduct operations -----with discounted price and interest price according to the nature of operations and their period as per the Credit Policy of the Bank the accredited by the Council and Central Bank's instructions which do not violates the rules of the law of the Bank.
- 10- Practice real estate financing operations, finance hiring operations which includes hiring equipments or machineries or production tools or vehicles or real estate specialized for limited purposes and for a limited time against charges with the promise to sell upon the end of the period with the conditions agreed upon by the financier and tenant to transfer the rent into sale or waiving the ownership of the Asset hired to the tenant directly or by establishing a company with full ownership or partnership with special individuals.
- 11- Conduct saving development and financial investment operation.
- 12- Conduct the role of subscriber for public joint stock companies under establishment.
- 13- Receive subscriptions related to establishing joint stock companies, purchase and sale shares for the account of the bank or the account of others.
- 14- Maintain all type of cash, precious metals, bonds, parcels and hiring private treasuries (safe).
- 15- Conduct all type of banking operations for the government or the establishments, institutions, joint and public companies.



- 16- Issued term deposits certificates, different investment certificates in Yemeni Riyals and foreign currencies.
- 17 Practice all operation with regard to financial administration in the financial markets, Local, Arab and International.
- 18 issued bonds inside and outside the Republic of Yemen for obtaining necessary funds for financing Banks operations, based on Bank's management proposal, Board's approval and Minister's authentications.
- 19 Invest into private and public companies shares including banks, financial institutions; participate into establishing it and contributing into its local and international capital according to the Central Bank's instruction in this regard.
- 20 Form investment portfolio, set up, administrate and market investment funds in Yemeni Riyals and Foreign Currencies.
- 21 Provide all products and electronic banking trade services.
- 22 Participate with others in providing funding and investing banking operations, products and services for the purpose of achieving its purpose inside and outside the Republic of Yemen.
- 23 Any other purposes required by the nature of its operation and which do not contradicts with the laws in force regulating Banking operation.
- Article 7 Bank is entitled to act in accordance with the formulas which the Islamic Banks are dealing with as a part of its activity, through independent branches, according to the Islamic Sharia rules, conditions, standards and controls set by the Central Bank.

Chapter Four

Bank's Capital, Net Profit and Reserves

- Article 8 1- Bank's capital permitted with is an amount of (50million) riyals; the paid capital is an amount of (20million) riyals.
2- It is allowed by the Chairman of Council of Ministers based on Minister's presentation and Council's recommendation to increase the permitted capital of the Bank or the paid to face the future requirements of the banks activity or according to the instruction of the Central Bank.
- Article 9 Net Profit of the Bank is calculated before Zakat (alms) and Tax on profit after deducting running expenditures of the Year and after preserving all provisions from it.



- a- Loans portfolio, credit facilities the direct and indirect and other classified assets allocations according to instructions issued by the Central Bank in this respect.
- b- Asset depreciation's allocation according to consumption ratio issued by the Council of Ministers or the rules of the laws in force in this respect.
- c- Banks contribution's allocation to the fund of end of service compensation with (5%) percent of the Total Balance from the clause of salaries and wages of constant employment at the end of the financial year.
- d- Any other necessary allocations required by the Bank's nature of work proposed by the Bank's management and approved by the Council of Ministers.

Article 10 a- Net profit is distributed after paying the Zakat and Tax as follow:-

- 1- 15% partial reserve.
 - 2- 15% general reserve.
 - 3- 60% governments share from excess profit.
 - 4- 10% motives for workers according to their activities, reports of performance, based on Bank management's proposal and council's consent.
- b- The Bank's maintains the legal reserve or the general reserve or both of them together until the balance reaches to the double of the licensed Capital for the Bank and the Bank stops deducting and calculating reserves when reached that limit, it is allowed to increase that percentage based on Bank management's proposal, Council resolution and Minister's consent.
- c- The Bank is allowed to use the general reserve for increasing Capital or developing Bank's activities and raising its competence based on Bank's management proposal---- the Minister.

Chapter Five
Bank's Management
Chapter One
Board of Directors

Article 11

- 1- The Board is formed of a Chairman and six members among of which should be the representative of the Minister of Finance.
- 2- Membership term to the Council is for Five Years.
- 3- Chairman of the Board is appointed by a Republican Decree based on Minister's nomination, rest of the members of the Council are appointed by



a resolution from the Chairman of the Council of Minister on the basis of Chairman of the Council's nomination and Ministers presentation.

- 4- Required in the appointed Chairman of the Council or a member to be possessing qualification and experience in Banking & Economical affairs and testified with their honesty and uprightness, to be over 25 Years Old and there shouldn't be two members having family relations.
- 5- It is prohibited to join between the job of Chairman of the Council and the Director General.

Article 12

- 1- The Board meets regularly once every two months at least, based on written invitation from the Chairman of the Council, he may also hold extraordinary meetings or whenever necessary by an invitation from its Chairman or by 1/3 of its members to the Council.
- 2- Boards' meeting deems being correct if presented by 5 members at least, Chairman of the Council is not counted or the empowered to Chair the Council and each member has one vote only.
- 3- In the absence of the Chairman of the Council one of its member is allowed to preside the meeting of the Council by an authorization from the Chairman of the Council and in emergency cases or if becomes impossible to get in touch with him the oldest member in age may presides the meeting.
- 4- Council's decision are taken by the majority votes of the present members of the Council and in case of vote equality predomination is given to the side of the Chairman of the Council.
- 5- Without violating the context of paragraph (4) of this article votes are not permitted on behalf and in cases of extraordinary and emergency Council's decision are allowed to be taken by proceeding.
- 6- Taking into consideration the quorum of Council's meeting mentioned in paragraph (2) of this article, any decision is taken by the Council deems to be correct and nor marred nullity because of a member or two absence at the council in maximum.
- 7- The Minister has the right to present the meetings and deliberations of the Council without having the right for voting.
- 8- Council's meeting minute and its confidential deliberations; the Council can decided to publish all or some of its deliberation.
- 9- Council's meeting deliberations minutes should be issued and signed upon by the Chairman of the Council or the Chairman and the Secretary of the Council.
- 10- The Council appoints a secretary for it, non member, provided to be possessing appropriate qualifications, sufficient experience and witness for his integrity, honesty and uprightness.



- 11- Council's resolutions are issued by the signature of the Chairman or who he authorizes in his absence.
- 12- The council may seek help of expertise or technicians and defines their reward and may call to his meetings for consultation who may see necessary to listen to his opinion in the particular issue without having the right for voting.

Article 13

Council's resolutions are final without the need for being authenticated by a supreme authority according to this regulation except the resolution related to the modification of this regulation or the increase of the capital which are not final except after the authentication of the Minister and the Chairman of the Council of Ministers and Central Banks approval.

Article 14

If the Council and the Minister disagreed upon any issue --- the Minister and the Chairman of the Council presents differ in opinion to the Chairman of the Council of Minister whose decision should be the final.

Article 15

The Council is the Supreme Authority concerned with steering Bank's issues, propose the general policies that runs it, and having the right to decide what see necessary such as the resolutions and procedure for achieving the purposes which the Bank was established for and in particularly practices the following duties:-

- 1- Sanction vision and Bank's mission, objectives and strategies.
- 2- Sanction Bank's credit policy, investment, financing, strategy, marketing policy, production, manage informative and operational risks, related work plan, control and follow up the well execution of those plans.
- 3- Set the general policy of the Bank, supervise upon its implementation, issue resolutions, instructions and necessary recommendation deemed capable of achieving the purposes for which the Bank was established.
- 4- Set the policies, procedures and appropriate written internal controls for safe implementation for this regulation and the instructions issued by the Central bank especially that concerns with anti-crime money laundry, hold modifications to it according to the Central Bank's instruction.
- 5- Sanctions executive department's recommendation to the Bank connected with the following:
 - a- Rule and regulations, works guidance and its modification
 - b- Organizational structure of the Bank and its modification and define employees service conditions.



- c- Salaries, wages structure and its modification.
 - d- Policies, plans, developing, qualifying human resources program in the Bank.
 - e- ----- and estimated annual budgets of the bank.
- 6- Looking into the financial data of the Bank which includes statement of the financial position, entire income statement, bank's rights statement, statement of cash flow, supplementary clarification and ratifying it.
 - 7- Appoint or re-appoint a legitimacy control authority with not less than 3 members possessing experience, specialization, define the method of selecting them and their rewards based on the proposal of the Chairman of the Council and according to the criterion set by the Central Bank
 - 8- Recommendation to the Minister for modifying this regulation.
 - 9- Recommendation to the Minister for increasing Bank's capital.
 - 10- Approval upon executive department's recommendation of the Bank on transfer between the annual budget clauses within the frame of one section for the annual budgets of the Bank.
 - 11- Sanction deleting debts which the bank conducted with its customers and does not exceeds the amount of (50,000,000) fifty million Yemeni riyals annually and whatever exceeds this amount should be submitted to the Minister for ratification.
 - 12- Approval upon bank's executive department's proposal for establishing branches, agencies, units, offices and closing or merging them after obtaining the approval from the Central Bank.
 - 13- Sanction Bank's executive department recommendations related with participating into establishing public and private companies or joints stock companies in companies established according to the conditions deems appropriate to subscribe, purchase and assignment of all shares, bond, all rights whatsoever, taking into consideration the laws in forces and instruction of the Central Bank in this regard.
 - 14- Recommendation to the Minister in the name of the external Auditor/Auditors nominated to take charge for auditing Bank's accounts according to the criterion set by the Central Bank.
 - 15- Conduct contracts with local and external experts specify their wages or rewards finish the contract with them base on the recommendation of the Chairman of the Council.
 - 16- Sanction the recommendations of the Chairman of the Council regarding nominees to take the charge of the General Manager Job, his Deputy(s) and submit them to the Minister for completing the procedures of appointing.
 - 17- Approve upon appointing and canceling Deputies and correspondents Banks inside and outside of the Republic sanction nature and kind of



- banking operations, exchange credit facilities with them, taking into consideration the instructions of the Central Bank in this regard.
- 18- Constitute Council's committee's and specify their responsibilities --- on its operations among of which is the auditing committee, allocations committee and etc for the purpose of achieving Bank's objectives or according to the instruction of the Central Bank.
 - 19- Sanction Bank's Executive Department recommendations related to constituting Management's committees according to Bank's organizational structure.
 - 20- Being acquainted with the reports, periodical recommendations submitted by the auditing committee and etc., and take the appropriate decision toward it.
 - 21- Sanction commercial credit committee's recommendation related to granting loans and facilities exceeding the limit of authority.
 - 22- Recommendation to the Minister to finish the memberships of the absence members and appoint new members in their place.
 - 23- Make sure of assurance of the Bank's accounting, financial reports credibility including independent external auditing procedures and the existence of appropriate controlling system especially risk controlling and financial observation and etc..
 - 24- Monitor the effectiveness of the institution control procedures which the Bank works according to and enter the necessary changes upon it as per need.
 - 25- Sanction Chairman of the Council's recommendation related to rewards, allowance and bonuses granted to the members of the Council, provided should not exceeds the texted in the laws in force.
 - 26- Approving upon Bank's Senior Staffs travelling, travel allowances and other expenditure.
 - 27- Conduct necessary studies and inquiries for performing his duties perfectly; handle all the tasks and main issues which affect bank's objectives.
 - 28- Chairman of the Council looks into all he deems necessary subject matter of interventions in nature within the objectives and activities of the Bank.

Article 16

The Council is allowed to authorize its Chairman to practice some of his authorities also allowed to commission to some of his committee members some of his specialization and/or authorize one of his members to carry out a duty or specified duties.



Article 17

Chairman of the Council or any member of the Council is not allowed to disclose any information related to the Bank which he obtains as a part of his duties performance except for practicing the authorities and responsibilities entrusted to him or when requested from legally by any court or public prosecution or according to the laws in force.

Section Two Chairman of the Council's authority

Article 18 Chairman of the Council's duties and authorities are specified as follow:-

- 1- Supervise upon implementation of the policy sanctioned by the Council.
- 2- Guide and control work process and Bank's activities.
- 3- Guide, supervise and follow up committee's works affiliating to the Council and auditing department and the compliance unit for anti-laundry and financing terrorism.
- 4- Represents the bank in front of others and sign upon the contracts and agreements on Bank's behalf, he has the right to authorized one of the members of the Council or the Director General or one of the Deputies of the General Manager or the Directors according to the rules and regulations in force in the Bank.
- 5- Represents the Bank in front of the Courts in person or who he authorizes for so such as lawyers or etc, in any legal procedures in which the Bank being a part of and that does not contradict with the laws of State's litigation.
- 6- Call for Council's session on the specified time or extraordinary and propose the schedule of works.
- 7- Issue Council resolutions and submit the reports to the Minister and the Council in this regards.
- 8- Inform the Minister with Council's resolutions during 15 days from the date of confirmation.
- 9- Submit the level of Council's resolutions and recommendation execution, Bank's plan, drawn programs, periodical reports or the seasonal or the annual about the activities and performance achieved in bank's operations to the Minister or the Council.
- 10- Follow up Council's resolutions implementation, and may issue base on General Manager's proposal the necessary instructions for implementing the rules and regulations issued by the Council.
- 11- Recommending to the Minister with the nominees names for taking the post of the General Manager and his Deputy(s) after Council's approval.



- 12- Propose to the Council for appointing or re-appointing legitimacy control authority formed of 3 members at least possessing experience and specialization and the method of selecting them and their rewards.
- 13- Propose to the Council to define the rewards and allowance and bonuses granted to its members which should not exceeds the texted in the laws in force.
- 14- Recommend to the Council to conduct contracts with local and external experts, define their wages and rewards and ends the contract with them.
- 15- Participate with senior staffs of the Bank to sign on Bank's financial data.
- 16- Commission the General Manager or his Deputy(s) with some of the authorities.
- 17- Issue resolutions for establishing supporting institution for him and specifies their duties, specialization, appoint its staffs and describe their job functions.
- 18- Grant rewards, allowance, encouraging motivations, financial assistance to the General Manager his deputies and entertain them within the limit of the balanced appropriation in the budget according to the rules and regulations sanctioned by the C
- 19- Grant rewards, encouraging motivations, financial assistance to prominent staffs in their work base on General Manager's proposal and within the limit of the balanced appropriation in the budget according to the rules and regulations sanctioned by the Council in this regard.
- 20- Issuance of rules and regulations, manuals or works, procedures and special policies for steering Bank's operation after Council's approval upon it.
- 21- Submit special resolutions project with the subjects required to resolutions to be issued by the Minister or the Council of Ministers.
- 22- Implement the duties and operations which are commissioned by the Council or the Minister.

Section Three

Dismissing Chairman and the Members of the Council

Article 19

- 1- Chairman of the Council or any member to it is not allowed to be a member a member in the Board of Directors of any other Bank operating in the Republic except if in the capacity of representative of the Bank or the Government.



- 2- Chairman of the Council may be dismissed by a Republican decree based on Minister's recommendation and Chairman of the Council of Minister's approval and any member of the council's members may be dismissed by a resolution of the Chairman of the Council of Minister recommendation base on reasons from the Minister calling for so in the following cases:-
- a- If the Chairman of the Council or the member commits a serious violation to his duties of job or the mission of his post.
 - b- If the Chairman of the Council or the member after being appointed becomes a member in a Board of Directors of any other Bank operating in the Republic unless and otherwise in the capacity of representative for the Bank of the Government.
 - c- If the Chairman of the Council or the member declares his bankruptcy or becomes unable to settle his debts or his name is inserted in the list of customers not paying their debts.
 - d- If the Chairman of the Council or the member were convicted in any crime of a moral turpitude or honesty according to a final Court sentence and not been rehabilitated.
 - e- If becomes deprived from his legal capacity by a final Court sentence.
- 3- Chairman of the Council can be dismissed by a Republican decree base on Ministers recommendation and Chairman of the Council of Ministers approval, any member of the Council's members can be dismissed by a resolution of the Chairman of the Council of Minister after the approval of the Minister base on a recommendation calling for so by 5 member from the Council in any of the following cases:-
- a- If the Chairman or the member does not presents 3 successive meetings or more of the Council's meetings without legal excuse.
 - b- Incapability of the Chairman of the Council or the member to perform his duties at the Council because of his health deterioration or physical or mental disability infections.
 - c- If the Chairman of the Council or the member intentionally using his post being a member to the Council conducted acts that harms bank's interests seriously.
- 4- Chairman of the Council or any members of its members are not allowed for any reason other than that the mentioned exclusively in this article.
- 5- If a member place become vacant for any reason in the council should be filled by appointing successor to the membership of the Council according to the rules of article (11) of this regulation.

Article 20

Executive department is formed of a General Manager and a Deputy of or more, Directors of the Departments, Directors of branch as specified in the



Bank organizational structure sanctioned by the Council and issued by its Chairman resolution.

Article 21

- 1- General Manager is appointed by the resolution of the Chairman of the Council of Ministers based on the nomination of the Chairman of the Council after the Council's approval and Ministers presentation.
- 2- Required in the General Manager to possess qualification, having experience in economical and banking affairs and witnessed for him of integrity and uprightness.
- 3- The General Manager should be free for the Bank's works and not allowed to occupy another job with the exception of presiding the Administrative committees' membership which is appointed in.

Article 22 The Director General is the First Executive Officer of the Bank and personally responsible for the Bank's activity in front of the Chairman of the Council and may practice in particular the duties and specializations as follow:-

- 1- Practice the duties commissioned to him in steering Bank's operation as per the objectives, administrative policies, organizational, financial, credit and the banking specified according to the rules and regulations of the Law in force which organizes banking business, rules and regulations and applicable manuals within the frame of the Bank and its relations with the others.
- 2- Carry out all the procedures and measures necessary for guaranteeing implementing banking business according to this regulation, rules of the laws in force that organized banking business and the rules and regulations and applicable manuals issued by the Council.
- 3- Propose systems, rules, applicable manuals, procedures, strategic targets, banking general policy, credit, investment, financial, administrative, human resources department, organizing structure for the Bank, salaries and wages structure to the Council and etc, of rules and procedures related to achieving banks objectives and present it to the Council for sanction and follow up its implementation after the confirmation.
- 4- Manage bank's business for the purpose of developing and improvement of proving products and banking services to the public and customers, taking all the arrangement and necessary procedures for developing skills and employees experience required for the interest of work in the Bank.
- 5- Supervise on implementing the resolutions and instructions issued by the Central Bank and the Chairman of the Council and other authorities concern



- which may not contradict with the rules of this regulation and law in force that organizes the banking operations.
- 6- Issue publishes including the powers of the authorized for putting signature on behalf of the Bank and the pattern of their signatures according to the sanctioned rules by the Council in this regard.
 - 7- Appoint and promote employees till the grade of Department Manager and consenting upon conducting transfers, deputizing, borrowing and dedicated to and ending their services, signing on disciplinary procedures against them also granting them all kind of leaves, commissioning them with official duties inside and outside of the Republic, providing them rewards, allowances, encouraging motivations and financial assistants and entertainments within the appropriations budget set according to the rules and regulations and applicable manuals sanctioned by the council in this regard.
 - 8- Approving upon taking in new employees, qualified as per the existing posts and banks requirements according to the rules and regulations and applicable manuals sanctioned by the Council in this regards, and issuing the necessary resolutions for that.
 - 9- Proposing capitals increase according to the text of clause (8) of this regulation and presenting it to the Council for deciding in this regard.
 - 10- Propose modification to this system for facing the requirements and development of the banking business or according to the Central Bank's instructions and presented to the Council for decided in this regard.
 - 11- Estimate General Manager's deputies performance level, the extent to which every one of them implements his duties and job texted in the rules and regulations, applicable manuals operated in the Bank and submit it to the Chairman of the Council.
 - 12- Sanction on the proposed committees' works schedule commissioned for administrating it by the Council and presides its periodical regular sessions or extraordinary meetings.
 - 13- Issue necessary instructions for implementation of the Council's and Committee's resolution.
 - 14- Issue internal necessary instructions for guaranteeing the good management of the bank and running its daily business.
 - 15- Meeting the deputies of the General Manager, Directors of the Departments, Branch Managers periodical for discussing the level of implementation of plans, working programs, estimating their departments and branches performance, listening to their opinions for developing and modernizing bank business, improving the level of employees functional disciplinary, developing their skills and improving their performance in providing products and banking services to the public and banks customers.



- 16- Propose appointing correspondent banks, nature of banking operations, and scope of facilities exchange with them, nullifying operations when required according to the regulations sanctioned by the Council in this regard and presenting it to the Council for deciding.
- 17- Monitoring cash inflow movements and ongoing funds in the bank for making sure of the volume of cash liquidity and supervising revenue movement, administrating expenses and ----, upon investment activities and Bank's assets.
- 18- Provide and modify and cease financial credits within the limit sanctioned in the budget, according to the rules and regulations and applicable manuals sanctioned by the council.
- 19- Signing upon agreements, contracts with the others according to the authority granted to him by the Chairman of the Council.
- 20- Carry out all necessary procedures and measures for guaranteeing to fulfils bank's obligation in favor of other institutions and receive bank's rights with the others.
- 21- Prepare periodical reports at the level of performance and identify the problems hindering bank's functions suggesting proper solutions for and submitting to the Chairman of the Council.
- 22- Sign on reports, financial data, it's annexes after inspection and auditing and make sure of the soundness of the figure stated in participation with specialist in the Bank.
- 23- Submit the financial plan, financial data, annual report and any other reports required to be submitted to the Council, concerned authorities at the specified time corresponding with the laws in force that regulated banking business and the rules and regulations in force in the Bank.
- 24- Provide the concern authorities in the Country with reports, statistical financial data and etc according to the laws regulating banks business and the rules and regulations in force.
- 25- Propose issuing resolutions for establishing --- affiliated supporting institution, specify their duties and specialization, appoint its employees and define their main jobs descriptions according to the rules and regulations operated in the Bank.
- 26- Sanction dealings, memos, projects and sub-strategies issued by the Departments of the General Management linked with
- 27- Supervise upon the Department of the General Management linked with.
- 28- Authorize his deputies or one of the Managers with some of his original powers.



- 29- Carry out any duty and other specializations commissioned in writing by the Council or the Chairman of the Council within the range of his duties.

Article 23

- 1- General Manger can be dismissed by the resolution of the Chairman of the Council of Minister based on the recommendation of the Chairman of the Council and Ministers presentation in the following cases:-
 - a- If commits a serious violation to his job or duties.
 - b- If convicted with moral turpitude or honesty according to a final court's sentence and was not rehabilitated.
 - c- If deprived from his legal capacity by a final court's sentence.
 - d- If declares bankruptcy and was not rehabilitated or becomes unable to fulfill his debts.
 - e- If violate being free for bank's business as per the text in paragraph (3) of article (21) of this regulations.
- 2- General Manager can be dismissed by a resolution from the Chairman of the Council of Ministers after Minister's approval base on a recommendation calling for so from the Council upon one of the following cases:-
 - a- Being unable to perform the duties of his post, deteriorate of his health or a physical sickness or mental affected with.
 - b- If carried out an act by using his post that hurts Bank's interests seriously.
 - c- If violated the rules of this regulations or the regulating laws of banking business and based on Council's recommendation calling for so or the Central Bank.
- 3- General Manager can't be dismissed for any other reason else than the stated exclusively in paragraphs (1-2) of this article.

Article 4

- 1- The Deputy or number of deputies assist the General Manager in running the Bank according to bank's organizational structure, appointed by the Minister based on Chairman of the Council's nomination and Council attestation, provided in each of them to be possessing qualifications and experience in banking and economic affairs and witnessed with their integrity and uprightness.
- 2- Senior appointed Deputy Director General may have full authority to carry out the functions of the Director General in case of his absence and a resolution to be issued by the Chairman of the Council.



Article 25

Deputy(s) of the General Manager carries out the duties commissioned to him in writing by the General Manager permanently or temporary according to the bank's organizing structure and applicable manuals in the Bank, practicing these functions deems being genuine unless and otherwise proven the contrary, and they should carry out the following functions;

- 1- Perform the tasks, duties and general policies of the Bank; implement the rules and regulations, resolutions in force in this regard in the duties commissioned to them.
- 2- Take the responsibility commission to them related to committee's composition.
- 3- Supervise department's functions at the Head Office, branches (linked with and/or the committees by the resolution of the Council base on the proposal of the General Manager.
- 4- Initial or sign on the dealings and reports issued by the department at the Head Office, branches and committees connected with and sanctions them according to the bank's regulations.
- 5- Supervise on following up and implementation of the instruction issued by the General Manager in addition to following up the issues of the departments (linked with) and submit reports about the bank's operations processing to the General Manager periodically and whenever required so.
- 6- Study the detailed report submitted to them related with developing department's positions at the Head Office and the branches linked with which they supervise on its efficiency and activities and suggestions for raising the level of performance in it in preparation for submitting it to the General Manager.
- 7- Estimate performance of the Directors of the Departments at the Head Office and branches linked with and propose the encouraging reward, motivations, financial assistant for them within the sanctioned limit in the budget according to the rules sanctioned by the Council and submit it to the General Manager for approval.
- 8- Submit detailed reports to the Director General about the position of the Departments and the branches linked with, its efficiency and activities, suggestions for raising its standard of performance.
- 9- Carry out any duties and other specializations commissioned with by the General Manager in writing within the range of their duties.



Article 26

- 1- Deputy(s) of the General Manager may be dismissed by a resolution of the Minister based on the recommendation from the Chairman of the Council and Council's approval in any of the following cases:-
 - a- If committed serious violation to his duties or job.
 - b- If convicted in any crime of a moral turpitude or honesty according to a final Court sentence and not been rehabilitated.
 - c- If becomes deprived from his legal capacity by a final Court sentence.
 - d- If declared bankruptcy and was not rehabilitated or failed to settle his debts.
 - e- If violates being free for bank's business by exercising another job.
- 2- Deputy(s) of the General Manager can be dismissed by a resolution of the Minister after the approval of the Chairman of the Council based on a recommendation calling for so from the General Manager in the following cases:-
 - a- If becomes absent for 21 days continuously or cut during one Year without satisfying reason.
 - b- If becomes unable to perform his duties due to physical illness or mental affected him.
 - c- If committed an act by using his position hurts bank's interests.
- 3- Deputy(s) of the General Manager cannot dismissed for any other reason than stated exclusively in paragraphs (1-2) of this article.

Chapter Six Final provisions

Article 27

Financial year of the Bank commenced on the First day of the month of January and ends on Thirty First of December of each Year

Article 28

The Bank prepares during three months from the date of the end of the financial year:

- 1- The budget, profit and loss account of the Bank for the ended financial year according to Central Bank's instruction, signing upon it by the Chairman of the Council, General Manager and the Deputy General Manager, attached by a report of the auditor(s).
- 2- Bank's annual report
- 3- Chairman of the Council submits to the Minister the financial statement for the ended financial year after being sanctioned by the Council attached with the report of external auditor(s) for authentication.



Article 29

Bank's accounts are revised by the auditor(s) themselves and the Minister defined their charges for a period of One Year renewable based on the recommendation of the Board of Directors and after obtaining Central Bank' approval.

Article 30

The Bank should publish his annual financial statement ---- after sanctioning it by the Council and obtaining Central Bank's approval.

Article 31

- a- The bank adopt the banking style, financial, administrative, accounting at a higher international standard authenticated and those text upon in the rules and regulations and applicable manuals implemented in the Bank which do not contradicts with the laws in force regulating banking functions.
- b- The Council issues the rules and regulations and applicable manuals, procedures and especial policies for achieving banks objectives and steering all the works, functions and activities related to the bank.

Article 32

The Bank subjects to control and financial and accounting inspection by the Central Authority for Monitoring and Accountancy and the monitoring of the Central Bank from the technical and banking aspects according to the rules of this regulations and laws in force which regulates banking operations.

Article 33

The Bank elapses and liquidates upon elapse and liquidation cases text in the legislation in force and the Council of Minister specifies the methods of liquidation and appoints liquidators and specify their authorities and charges.

Article 34

The Bank undertake with the specified scopes in the laws which regulates banking operations in the entire banking activities practiced by the Bank and should not exceeds it.

Article 35

Referred to the laws in force that regulates banking operations where no text stated for in this regulation.

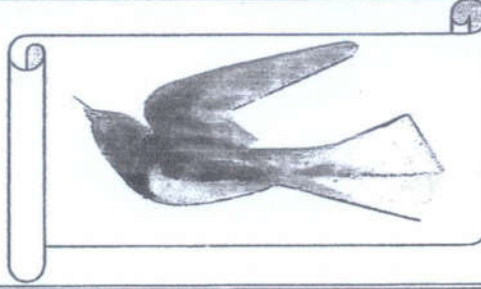
Article 36

Published in the official newspaper and registered in the commercial register according to the rules of the laws regulating so.



AL-KAUSAR OFFICE

For Certified Translation

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مكتب الكوثر

للترجمة المعتمدة

مرجع رقم: _____

التاريخ: _____

Resolution of the Chairman of Council of Ministers no.(405) for the Year 2013**For reorganizing National Bank of Yemen****Chairman of the Council of Ministers**

- After being acquainted with the constitution of the Republic of Yemen
- And upon the Law no.(27) for the Year 1969 with regard to Economical Corporation for Public Sector and National planning.
- And upon the Law no.(36) for the Year 1972, with regards to Banking system.
- And upon the Law no.(35) for the Year 1991 with regard to Institutions, Establishments and Public Companies and its modifications.
- And upon the Law no.(22) for the Year 1997 with regards to commercial companies and its modifications.
- And upon the Law no.(38) for the Year 1998 with regards to the Banks.
- And upon the Law no.(14) for the Year 2000 with regards to the Central Bank and its modification.
- And upon the Law no.(3) for the Year 2004 with regards to the Council of Ministers.
- And upon the Republican Decree no.(184) for the Year 2011 with regard to formation of the National Reconciliation Government and appellation of its members and its modification.
- And upon the resolution of the Chairman of the Council of Ministers no.(60) for the Year 1990 for the formation of the temporary Board of Directors for the National Bank of Yemen (ADEN).
- Based on Minister of Finance presentation
- And after Council of Ministers approval

DECIDED

Article 1 To reorganize the National Bank according to the rules of Banks Law and the Law of the Islamic Banks and the Law of the Commercial Companies in force and according to the rule of this resolution and

REPUBLIC OF YEMEN - SANA'A
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هاتف رقم: ٧٣٣٨٠٣٠٩١ - ص.ب.رقم: ٥٨٠٢

- the Article of Association of the Bank attached herewith as a Bank owned completed by the State.
- Article 2 Bank's name : The National Bank of Yemen.
- Article 3 The Bank has a legal personality, financial and administratively independent subjected to Minister of Finance supervision.
- Article 4 The Head Office of the Bank and legal address is in the City of Aden, it is allowed to established branches or agencies or offices inside or outside of the Republic of Yemen by the permission from the Central Bank after the consent of the Board of Directors of the National Bank of Yemen.
- Article 5 1- Bank's capital permitted with is an amount of (50milliard) riyals; the paid capital is an amount of (20milliard) riyals.
2- It is allowed by the Chairman of Council of Ministers based on Minister's presentation and Council's recommendation to increase the permitted capital of the Bank or the paid to face future requirements of the bank's future activity or according to the instruction of the Central Bank.
- Article 6 Bank's objective is to practice all operations and banking services according to the rules of the Banks Law and the Bank's Article of Association attached to this resolution.
- Article 7 Period of time specified for Bank's activity is FIFTY Years commencing from the date of issue of this resolution, renewable for another same period by the decree of the Chairman of the Council of Ministers after the approval of the Council of Ministers based on the presentation of the Minister of Finance.
- Article 8 Bank's Article of Association should be registered at the Commercial Register according to the laws in force.
- Article 9 This decree comes in force from the date of its issuance and published with the Article of Association of the Bank (attached) to this decree in an Official newspaper.

Issued at the Presidency of the Council of Ministers

Dated: 27th of Ramadan 1434 A.H

Corresponding to 5th of August 2013 A.D

Sakher Ahmed AlWageeh
Signature
Minister of Finance

Mohammed Salem Basindawa
Signature
Chairman of the Council of Ministers

