

**Articles of Association  
of  
Sina Insurance Company  
(Public Limited Company)**

**Registered with the Securities and Exchange Organization of Iran**

**Adopted by the Extraordinary General Meeting of the Shareholders**

**On 19/06/2019**

**City of Tehran, Province of Tehran**

**SECTION 1: INCORPORATION OF THE COMPANY, ITS  
NAME, OBJECTS, DURATION, NATIONALITY AND****Article 1. Name and Type of the Company**

The name of the Company is Iranian Reinsurance Company (a Public Limited Company) and is hereinafter referred as “**The Company**” in this Articles of Association.

**Article 2. Objects of the Company**

The objects of the Company are as follows:

1. to carry out insurance business based on the operation license issued and the rules and regulations announced by the Central Insurance of I.R. Iran.
2. to obtain reinsurance coverage from inside or outside of the country in connection with the issued insurance policies within the framework of the rules of the Central Insurance of I.R. Iran.
3. to invest the capital, technical provisions and legal reserves of the Company, within the context of the rules and regulations approved by the High Council of Insurance.

**Note:** the extent of acceptance and retention of the insurance risks shall be within the framework of the rules prescribed and announced by the Central Insurance of I.R. Iran.

**Article 3. Duration of the Company**

The duration of the Company shall be perpetual.

**Article 4. The Company’s Nationality and Headquarters**

The nationality of the Company is Iranian and may not be changed. The headquarters of the Company is located in the City of Tehran. The relocation of the Company’s head office to any other city inside the country shall be subject to prior permission of the both of the Central Insurance of I.R. Iran and the Securities and Exchange Organization (SEO) and the approval of the Extraordinary General Meeting of the Company. Nevertheless, the relocation of the Company in the same city shall be determined and approved by the Board of Directors and by notifying the Central Insurance of I.R. Iran and the Securities and Exchange Organization. The Board of Directors shall have the power to establish or dissolve branches or agencies inside the Country by notifying the Central Insurance of I.R. Iran and abroad with the prior consent of this organization at any time deemed necessary.

**SECTION 2: CAPITAL AND SHARES****Article 5. The Share Capital and Number of Shares**

The share capital of the Company is the amount of IRR 1,500,000,000,000 equivalents to one thousand five hundred billion, which has been divided into 1,500,000,000 ordinary registered shares with a par value of each IRR 1000, fully paid.

**Note:** the maximum proportion of shares for each of the natural or legal persons to the total capital of the Company at any time may not exceed the limits prescribed by the “Act on the Establishment of the Central Insurance of I.R. Iran and the Insurance Operations” and the decrees approved by the High Council of Insurance.

**Article 6. Share Certificate**

All shares of the Company are registered and shall be issued in identical and printed forms with serial numbers and must be signed by two of the Members of the Board of Directors of the Company. A share certificate must bear the Company’s seal and contain the following items of information:

1. name of the Company and its registration No. with the Companies Registry Office and the Securities and Exchange Organization (SEO);
2. share certificate No. evidencing its registration with the Securities and Exchange Organization (SEO);
3. the amount of issued capital and the amounts paid up thus far;
4. types of the shares;
5. the par value of the share and amount paid up in numbers and letters;
6. the number of shares that the certificate represents;
7. name and national ID number No. of the shareholder.

**Article 7. Transfer of Shares**

If and so long as the company is registered with the Securities and Exchange Organization, any transfer of the shares of the company shall solely be effected through Tehran Stock Exchange (TSE) or Iran Fara Bours (IFB). The procedures for the transfer and registration of the shares of the Company and registration of the address of the transferee and any change in his address, shall be subject to the prevailing regulations of the Tehran Stock Exchange (TSE) or Iran Fara Bours (IFB). Otherwise any transfers of shares shall be effected in the share

register of the company. The transferor or his attorney or his legal agent shall have to sign the registration of such transfers in the shares register. The transferee's full identity and his address shall also be recorded in the shares register in respect of fulfillment of his obligations arising from shares transfer and then signed by the transferee or his attorney or his agent.

The possession or acquisition of any portion of the company's shares entails full acceptance of the provisions of the existing articles of association and resolutions made by the shareholders' General Meeting.

**Note:** the board of directors is responsible for controlling the limits specified in the by-law of the Rules for Establishment of the Non-Governmental Insurance Institutions, approved by the High Council of Insurance.

### **Article 8. Indivisibility of Shares**

The shares of the company are indivisible. The co-owners of indivisible shares shall nominate a person to represent them with the Company.

## **SECTION 3: CAPITAL ALTERNATIONS**

### **Article 9: Regulations Governing Alterations of Capital**

Changes in the authorized capital of the Company shall be made pursuant to the prevailing rules and regulations including the provisions of the Commercial Code, the regulations of insurance companies' capital, Securities Market Act of I.R Iran, and the instructions for entry and public offering of securities approved by the High Council of the Securities and Exchange Organization and the other rules and instructions of the Securities and Exchange Organization.

### **Article 10: Approval of Capital Alterations**

Any change in the issued share capital of the Company, whether decrease or increase, shall be solely within the competence of the Extraordinary General Meeting. Invitation for convention of such meeting to consider the capital alternation is subject to prior confirmation of the Central Insurance of I.R Iran and the Securities and Exchange Organization confirming that the governing rules and regulations have been complied with.

**Note:** The Extraordinary General Meeting may empower the Board of Directors to increase the capital of the Company up to a certain amount in a way approved at this meeting within an established period of time not exceeding two years after obtaining

confirmation from the Central Insurance of I.R Iran and the Securities and Exchange Organization (SEO).

### **Article 11. Procedures for Capital Increase**

The share capital of the Company may be increased by the issuance of new shares with the approval of the Extraordinary General Meeting and in compliance with the prevailing regulations. The par value of new shares shall be paid through one of the following arrangements:

1. to cash payment of the par value of the shares;
2. the conversion of the matured debts of the Company to creditors, into new shares;
3. transfer of the undistributed profit or reserves or share premiums received on the issuance of new shares to the capital in compliance with the Article 15 of the present articles of association;
4. conversion of participation bonds issued by the Company into shares.

**Note:** transfer of legal reserve to the capital is not permitted.

### **Article 12. Debt to Capital Swap**

When the Extraordinary General Meeting approves to increase the capital of the Company through conversion of the amounts due to the shareholders into capital, such conversion is subject to submission of a consent by each shareholder. If any of the shareholders doesn't submit his consent, the amount owed to him shall be deemed as mature and should be paid upon the request of the shareholder.

### **Article 13. Preemption Rights to Purchase New Shares**

Where a resolution is made on the capital increase, the shareholders shall enjoy the preemption rights to purchase the new shares in proportion to the number of the shares they hold. Such rights shall be transferable. The time-limit for the exercise of the preemption rights shall be determined upon the proposal of the Board of Directors. The specified time-limit shall start on the date fixed for subscription and shall remain effective not less than 60 days.

### **Article 14. Announcement of Capital Increase and distribution of the Preferred Rights Certificates**

The certificate of preemption rights should be mailed to the shareholders by a registered mail to their latest address informed to the Company or to the Central Securities Depository of Iran, prior to the commencement of subscription. The subscription notice for new shares

shall be notified to the shareholders by publishing in the Company's mass-circulation newspaper(s) and on the same day via the Comprehensive Database of Issuers of Securities Listed with Securities and Exchange Organization.

#### **Article 15. Share Premium**

Upon the report and the proposal of the Board of Directors to increase the capital, the Extraordinary General Meeting may authorize the sale of new shares for an amount exceeding the par value of the shares, provided that the manner of treatment of the surplus amounts of the sold shares is determined at the same meeting.

#### **Article 16. Capital Reduction**

Besides the mandatory capital reduction due to loss of a portion of the Company's capital, upon the proposal of the Board of Directors and after confirmation of the Central Insurance of I.R Iran and the Securities and Exchange Organization, the Extraordinary General Meeting is entitled to decide on the voluntary capital reduction, provided that such a decrease in capital does not harm the equality of the shareholders' rights. The voluntary capital reduction shall be implemented by lowering the par value of shares on an equal basis and paying the reduced amount of each share to the respective shareholder.

Anyhow the provisions of the latest decree of Council of Ministers regarding the minimum capital of the Non-Governmental Insurance Institutions must be observed.

#### **Article 17. Issuance of Participation Bonds**

The Company shall be entitled to issue the participation bonds with the approval of the Ordinary General Meeting of the shareholders. Invitation for the convention of the Ordinary General Meeting to consider the issuance of participation bonds is subject to obtaining the consent of both the Securities and Exchange Organization and the Central Insurance of I.R Iran confirming that the regulations for the registration and public offering of the securities have been complied with. The Ordinary General Meeting may authorize the Board of Directors to issue the participation bonds up to a certain amount in a manner approved by the General Meeting within a permitted period of time not exceeding two years after obtaining consent of both the Central Insurance of I.R Iran and the Securities and Exchange Organization.

**Note:** the issuance of participation bonds being convertible into or exchangeable with shares may only be effected with the approval of the Extraordinary General Meeting.

### **SECTION 4: GENERAL MEETINGS**

## **Article 18. Powers and Duties of the General Meetings**

The powers and duties of Ordinary General Meetings and Extraordinary General Meetings shall be those powers and duties as set out in the Commercial Code for the Ordinary General Meetings and Extraordinary General Meetings of the public limited companies. The General Meetings of the Company are convened in accordance with the provisions of the Commercial Code, in order to consider and decide about the following items:

A- The Ordinary General Meeting: This meeting shall be convened at least once a year no later than four months after the end of each fiscal year so as to deal with the following matters:

1. to hear the performance report of the Board of Directors;
2. to hear the Auditor and legal Inspector's report;
3. to consider and approve the annual financial statements;
4. to approve the amount of the dividends;
5. to approve the amount of Board of Directors' bonus and attendance fee for the part-time Members of the Board;
6. to appoint the principal and alternate Auditor and Legal Inspector(s) of the Company and to fix their remunerations;
7. to select (a) mass-circulation newspaper(s) to publish the notices and announcements of the Company;
8. to elect the Board of Directors;
9. to appoint the official actuary or actuaries of the Company, in accordance with the regulations issued by the Central Insurance of I.R Iran.
10. To approve the issuance of non-convertible or non-exchangeable participation bonds;
11. other subjects which shall fall within the authority of the Ordinary General Meeting under the provisions of the Commercial Code.

B- The Extraordinary General Meeting may be convened at any time to deal with the following items:

1. Amendment of the provisions of the articles of association;
2. Alteration of capital (increase or reduction);
3. to approve the issuance of convertible to shares or exchangeable with shares securities;
4. to dissolve the Company.

**Note 1:** delegation of powers to the Board of Directors of the Company to decide on the amount of the bonuses and attendance fees of the Members of the Board of Directors or to select the Auditor and Legal Inspector(s) is not permitted.

**Note 2:** decision-making with respect to any of the items mentioned in Paragraph B shall be subject to the written consent of the both of the Central Insurance of I.R. Iran and the Securities and Exchange Organization (SEO).

### **Article 19. Requirements for Attending the General Meetings and Voting Procedure**

The shareholders, regardless of their number of shares, are entitled to attend the General Meeting, whether in person or by proxy or by the legal agent of natural persons and the representative(s) for legal entities, provided that they present documents proving their position of a proxy, agency or representative.

**Note 1:** each share has one voting right.

**Note 2:** where there is a share transfer, the new shareholder may to attend the General Meeting upon providing the original share certificate or provisional certificate of share transfer.

### **Article 20. Notice of Invitation to the General Meetings**

The notice inviting the shareholders to attend the General Meetings, shall be published in a mass-circulation newspaper in which the Company's announcements are published. Furthermore, the notice should be uploaded to the Comprehensive Database of the Issuers of Securities Listed with Securities and Exchange Organization on the same day of the release. The invitation notice shall contain the agenda, date, time and venue of the General Meeting.

**Note:** concurrent with publication of invitation notice to the shareholders, The Board of Directors, is required to invite both the Central Insurance of I.R. Iran and the Securities and Exchange Organization to introduce their representatives to attend the General Meeting and express their views on the items discussed during the meeting,

### **Article 21. The Agenda**

The inviting party shall prepare the agenda for each General Meeting. All items on the agenda must be clearly stated in the invitation notice and the key issues such as election of the Members of the Board of Directors, appointment of the Auditor and Inspector(s) , distribution of dividends and reserves and change in the capital or objects of the company shall not be considered under the other items section. Except for the items already put on the agenda, other issues shall not be addressed at the General Meeting unless all the shareholders are present and vote for inclusion these matters on the agenda.

### **Article 22. Presiding Board of the General Meeting.**



The General Meeting shall be managed by a Presiding Board composed of a Chairman, a secretary and two supervisors. The meeting shall be chaired by the Chairman or Vice-chairman of the Board of Directors and, in their absence, by one of the present shareholders who will be elected at the meeting by a relative majority. Whenever the appointment or removal of some or all of the Members of the Board of Directors is on the agenda, the Chairman of the meeting shall be selected by a relative majority from among the shareholders present at the meeting. Accordingly, the General Meeting shall select two of the attending shareholders to act as supervisors and one individual from among the shareholders or non-shareholders to act as secretary of the meeting.

### **Article 23. Method of Voting**

Voting at the General Meeting shall take place verbally; for instance, on a show of hands or standing up to cast a “yes” vote. Where, at the discretion of the legal inspector, the verbal voting is not proper due on the composition of shareholders present at the meeting, votes shall be given in writing.

**Note:** election of the Members of the Board of Directors, the Auditor and the Legal Inspector requires a written vote.

### **Article 24. The Quorum for Ordinary General Meeting**

At the Ordinary General Meeting, the presence of the holders of more than half of the voting shares is required to meet the quorum. If such quorum is not attained at the first invitation, a second invitation shall be made and then the General Meeting may be convened with the presence of any number of voting shareholders for decision-making provided that the outcome of the first invitation is reflected in the second invitation notice.

### **Article 25. Majority Voting Requirements at the Ordinary General Meetings**

At the Ordinary General Meeting, the resolutions passed shall be valid when they obtain a majority plus one vote (half plus one) of the shareholders present at the meeting with the exception of the election of the Members of the Board of Directors, Auditors and Legal Inspector(s) whereby a relative majority shall be sufficient. In respect of the election of the Members of the Board of Directors, the number of votes of each individual is equal to the numbers of his shares multiplied by the number of Board Members to be elected. On such a poll, a voter shall be entitled to give all his votes to one person or divide them between several persons at his own option.

### **Article 26. The Quorum and Voting Requirments for Extraordinary General Meeting**

At the Extraordinary General Meeting, the presence of holders of more than 50% of the voting shares is required to meet the quorum. If such quorum is not met at the first invitation, a second invitation shall be made and then the Extraordinary General Meeting may be convened with the presence of shareholders representing over one-third of the voting rights provided that the outcome of the first invitation has been reflected in the second invitation notice. The resolutions passed at the Extraordinary General Meeting shall be valid with a two-thirds majority of the voting rights of the shareholders present at the meeting.

**Article 27. – Declaring a Recess at the General Meetings**

Whenever all items of the agenda are not decided at the General Meeting, the Presiding Board with the approval of General Meeting, may declare a recess and shall fix the date of the next meeting which may not be more than two weeks later. Renewal of such a meeting does not require invitation and publication of notice and the quorum for the next meeting shall be the same quorum as for the original meeting.

**Note:** The shareholders of the Company should be notified of the declared recess of the General Meeting through the Comprehensive Database of the Issuers of Securities Listed with Securities and Exchange Organization and the Official Website of the Company.

**SECTION 5: THE BOARD OF DIRECTORS AND THE****Article 28. Administration of the Company**

The Company shall be managed by a Board of Directors and an Executive Board.

**Article 29. Number of the Board Members and Manner of Their Election**

The Board of Directors of the Company consists of **five** members that would be elected by Ordinary General Meeting from among the natural shareholders of the company, who are qualified with due regards to the following conditions and all of them are removable and re-electable. The Company is required to elect at least two Alternate Members of the Board of Directors in addition to the above Members:

1. the Members of the Board of Directors and their alternates should possess eligibility qualifications specified in the by-laws approved by the High Council of Insurance and any amendments thereof. The qualification of the aforementioned persons must be confirmed by the Central Insurance of I.R. Iran before their election and appointments.
2. at least one of the Board Members should be external and hold a bachelor's degree in one of the Accounting, Economics, Financial Management or other management fields with concentration in finance or economics and relevant experience.
3. persons mentioned in Article 111 of Commercial Code and Article 64 of the "Establishment Act of the Central Insurance of I.R Iran and Insurance Operations" may not be one of the Directors or Founders of the Company
4. the Members of the Board of Directors should not be subject to the "Law Prohibiting the Holding of More than one Position.

**Note:** The Managing Director shall inform all the shareholder by publishing a notice in the mass-circulation newspaper(s) and Official Website of the Company at least six months before the date of holding the Ordinary General Meeting which has the Board election on its agenda. The natural shareholders who are be able to provide written endorsement of the owners of at least five percent of the shares of the Company with their candidacy letter no later than

four months before the due date of the General Meeting, can nominate themselves for the Board Membership. The Managing Director of the Company shall provide the name and specifications of the persons who have, according to the aforementioned procedure, nominated themselves for Board Membership to the Central Insurance of I.R. Iran for consideration and confirmation of their professional eligibility at least 3 months before the due date of General Meeting.

### **Article 30. filling the Vacancy on the Board of Directors**

If for any reason, there is a vacancy on the Board of Directors and there is no alternate member, the Board of Directors shall have to call for the Ordinary General Meeting not later than one month in order to complete the Members of the Board of Directors.

### **Article 31. Resignation of the Members of the Board of Directors**

If any of the members of the Board of Directors decides to resign from his position, he shall have to inform the Board, the inspector, the Central Insurance of I.R. Iran and the Securities and Exchange Organization of his decision at least 30 days in advance.

### **Article 32. Limitations on Holding Executive Positions by Members of the Board of Directors**

The majority of the Members of the Board of Directors shall not hold Executive Positions of the Company. Moreover, those Members who hold Executive Positions may not be Chairman of the Board or Head of Committees mentioned in Para 22 of Article 40 of this articles of association.

### **Article 33. Board Meetings Attendance requirements**

The unexcused absence of any of the Board Members for more than four consecutive meetings or six nonconsecutive meetings within a calendar year, shall automatically lead to his membership termination in the Board. The determination about the justifiability of the absence is at discretion of the Board of Directors.

### **Article 34. Terms of office for Members of the Board of Directors**

Terms of office for Members of the Board of Directors is two years. Their term shall automatically continue until the registration procedures for the election of the next Board Members are completed and the related notice is published. The principal and alternate Board Members may be re-elected for the subsequent terms.

### **Article 35. Qualifying Shares**

Each Member of the Board of Directors must own at least 100 thousand shares of the Company during his entire office-term and shall deposit them with the Company's fund as guarantee. Such shares shall be a guarantee against any loss that the Company may sustain due to the negligence of the Members of the Board of Directors individually or jointly. Such shares are registered and non-transferable and as long as a Member of the Board has not received his clearance certificate for his office-term in the Company, the given shares shall remain as security in the Company's fund. The shares deposited as security shall not prevent the shareholders from voting at the General Meeting and payment of the dividends thereon to them.

If any Member of the Board of Directors at the time of the election does not hold the number of shares required as qualification shares and also if some of the qualification shares are subject of conveyance by operation of law or required number of qualification shares is increased, the respective Member of the Board of Directors should obtain and deposit the required shares within a month, otherwise that member shall be deemed as resigned.

### **Article 36. Chairperson, Vice-chairperson and Secretary of the Board of Directors**

The Board of Directors at its first meeting, that should be held not later than a week after the Ordinary General Meeting has elected the Board, shall appoint from among themselves a Chairperson and a Vice-chairperson to chair the Board of Directors. The office-term of the Chairperson and the Vice-chairperson shall not exceed the term of their membership in the Board of Directors. The Chairperson and the Vice-chairperson may be removed from or re-appointed to their post. In the absence of the Chairperson and the Vice-chairperson, the Board Members shall appoint one person from among the members present at the meeting to perform the Chairperson's duties. Furthermore, the Board of Directors shall choose one person from among its members or from outside to act as the secretary of the Board for one year.

### **Article 37 Convening Meetings of the Board of Directors.**

The Board of Directors shall set the procedures for convening their meetings. The Board of Directors shall hold meetings at the times as deemed necessary with maximum interval of one month at the written invitation of the Chairperson or Vice-chairperson and/or two Board Members and, where necessary, at the Managing Director's invitation as well. The invitations for holding the Board Meetings shall be sent at least 2 days in advance. If, at any of the Board Meetings, the date of the next meeting is fixed and included in the minutes, it shall not be required to send invitations to the Board Members who have attended the same meeting. Meetings of the Board of Directors shall be held at the Company's headquarters or at any other place which has been specified in the letter of invitation.

### **Article 38. The Quorum and Majority Required for the Meetings of the Board of Directors**

The Meetings of the Board of Directors may formally be held when more than half of the Board Members are present at the meeting. The resolutions of the Board of Directors shall be valid when they are adopted by the majority of the members present at the meeting.

### **Article 39. Minutes of the Meetings of the Board of Directors**

For each Meeting of the Board of Directors, a minute of the meeting shall be prepared to be signed by all the members attending the meeting. The minutes should contain the names of those present or absent, a summary of the proceedings and the resolutions passed at the meeting along with the date. Furthermore, the opinion of any member who opposes all or a part of the decisions should be included in the minutes.

### **Article 40. Powers of the Board of Directors**

The Board of Directors shall have unlimited powers for any action or measure taken in the name of the Company and for any activity and transaction relating to the objects of the Company, other than those which fall within the powers of the General Meetings, such as the followings:

1. to act as the Company's representative before the shareholders, all government and non-government organizations, public institutions, judicial authorities and other natural persons and legal entities;
2. to approve internal by-laws of the Company as proposed by the Managing Director;
3. to decide about the establishment and dissolution of agencies or branches at any location inside Iran by informing the Central Insurance of I. R. Iran and abroad by obtaining the written consent of this organization;
4. to approve the organizational structure, employment conditions and the scale of salaries and wages;
5. to forecast and approve the annual budget of the Company;
6. to open any type of account with banks and other credit institutions authorized by the Central Bank of I.R. Iran and use it/them in the name of the Company;
7. to collect debts due to and pay debts due from the Company;
8. to issue, endorse, accept, pay and protest commercial papers;
9. to conclude any type of contract, change, modify, terminate and/or rescind it as regards the movable and immovable properties which are related to the objects of the Company and conduct all business and transactions stated in Article 2 of the present articles of association as well as decision-making on all unilateral contracts;

10. to decide about the registration and transaction of all intellectual rights including any type of patent, brand name or trade mark and industrial name, copyright, goodwill and all presumptive privileges;
11. to deposit any type of instrument, document, deed, Company's cash or securities as well as their return, collection or recovery;
12. to receive loans and facilities from banks and authorized credit institutions pursuant to the present articles of association;
13. to mortgage the Company's assets, whether movable or immovable, and release them from encumbrance even on frequent occasions upon obtaining the written consent of the Central Insurance of I.R. Iran;
14. to initiate any type of civil or criminal lawsuit and defend any pending claim, whether civil or criminal, brought with any of the courts, public prosecutors' offices, special or public judicial or non-judicial authorities, and the Administrative Justice Tribunal on behalf of the Company; defend the Company against any litigation (action) brought up versus the Company, whether criminal or civil, with special or public judicial or non-judicial authorities and the Administrative Justice Tribunal; appear in person at Police Departments and exercise all powers required in the course of proceedings from opening to closing stages including appearance at hearing sessions, raising objection to the court's decree, lodging an appeal for revision (with the court of appeal), filing a second appeal with the Supreme Court, making a protest and request for rehearing; request for compromise and settlement of the case, return of documents or statement of claim and/or waiver of the claim; bring a claim of forgery or repudiation and dispute (express doubt about) the authenticity of the counterparty's evidence and records and request for return of such evidence and records and designation of the forger; sign the contracts containing the arbitration clause or arbitral agreement and refer the case to arbitration by appointing an arbitrator (with or without the right to make settlement); seek enforcement of the arbitrator's final and absolute award; request for issuance of an enforcement writ along with follow-up actions; receive the judgment debt and the cash so deposited with follow-up measures; appoint the assessor and appraiser; appoint and remove an attorney and representative with frequent rights of substitution; make confession on the nature of claim; initiate an implead and defend the impleader; bring counter-claim and defend against the counterparties; initiate entry of a third party and defend against a third party intervention; accept or reject administration of oath; seek interim measures of protection for the remedy sought; recover the loss arising from offences and other issues of similar nature;

15. to prepare the annual financial statements and the report on the performance of the Board of Directors to be presented to the Inspector and the Auditor;
16. to prepare the interim financial statements for quarterly and semiannual periods to be presented to the Legal Inspector and the Auditor in the format specified by the Central Insurance of I.R. Iran and announced by the Securities and Exchange Organization (SEO). A copy of the audited financial statements shall be sent to the Central Insurance of I.R. Iran as well as the Securities and Exchange Organization (SEO).
17. to invite the Ordinary and Extraordinary General Meetings and prepare their agenda;
18. to propose any type of reserves in addition to the statutory reserve as well as Capital reserve
19. to propose distribution of dividends among the shareholders
20. to propose amendments to the articles of association to the Extraordinary General Meeting upon receipt of the written consent of the Central Insurance of I.R. Iran and the Securities and Exchange Organization (SEO).
21. to set up organizational units within the structure of the Company for “internal control and auditing”, “risk management” and “compliance” under supervision of the Managing Director. Persons in charge of the aforementioned units shall be considered as person in charge of control affairs of the Company as defined in the by-law Concerning the Procedure of Determination of Professional Eligibility of Key and Operational Personnel of insurance companies and their qualifications shall be confirmed according to the rules of the mentioned By-law.
22. to set up committees for “risk management”, “auditing and internal control”, “employees’ compensation” and “compliance”. Each of the aforementioned committees shall be chaired by one of the Non-Executive Members of the Board.  
**Note 1:** Where the Managing Director is not a Member of the Board of Directors, the managing director shall be accountable for the duties and responsibilities relating to capital market, in addition to the Members of the Board of Directors.  
**Note 2:** Duties of the Board of Directors and Managing Director regarding assignments and requirements of the Capital Market is not delegable.

#### **Article 41. The Managing Director**

Managing Director is the chief executive authority of the Company who shall be elected by the Board of Directors of the Company from among the natural persons and shall be construed as representative of the Company within the scope of powers assigned to him by the Board of Directors and has signatory power on behalf of the Company.



**Article 42. The Executive Board.**

The Executive Board of the Company is composed of the Managing Director, the Acting Managing Director and the Deputy Managing Directors that shall perform their duties on the full time basis in the Company. The Executive Board shall be chaired by the Managing Director.

1. The Managing Director shall appoint one Acting Managing Director and one or several Deputy Managing Directors with prior confirmation of the Board of Directors and is entitled to delegate some of his/her powers, other than duties regarding to capital market, to the Members of the Executive Board or other employees of the Company with the right of re-delegation or substitution.
2. The Members of the Executive Board must bear qualifications indicated in the bylaws approved by the High council of Insurance and their latest amendments.
3. The Members of the Executive Board should not be subject to the Law Prohibiting the Holding of More than one Position.

**Article 43. Duties and Powers of the Executive Board**

The Executive Board enjoys those authorities that embody executive affairs and are delegated to it by the Board of Directors. Delegation of such executive authorities by the Board of Directors does not impede the responsibility and accountability of the Board of Directors indicated in the Article 107 and 142 of the Commercial Code.

**Article 44. Vacancy in the Position of the Managing Director**

If, on the grounds of resignation, dismissal, death, disqualification (based on the decision of the Central Insurance of I.R. Iran or SEO) or any other reason, the position of the Managing Director remains vacant, the Board of Directors shall have to propose another qualified person for this position to the Central Insurance of I.R. Iran, no later than two-month. Until the time when a Managing Director, who should receive the approval of the Central Insurance of I.R. Iran, is appointed the duties of Managing Director shall be performed by the Acting Managing Director and in the absence of Acting Managing Director, by a selected Member of the Board.

**Article 45. Bonus for the Members of the Board of Directors**

Each year, the General Meeting of the Company, in compliance with the provisions of Commercial Code, is entitled to allocate a certain proportion of the net profit of the year to be paid to Board of Directors as bonus. Such proportion may never exceed three percent of the profit which is paid to the shareholders in the same year.

**Article 46. Transactions of the Members of the Board of Directors and Executive Boards with the Company**

The Members of the Board of Directors and the Executive Board of the Company as well as the entities and firms in which the Members of these two Boards are either partners or are serving as Board Members or the Managing Director may not, without prior approval of the Board of Directors, be directly or indirectly trading partners of the transactions executed with the Company or to the account of the Company or have share in such transactions. The requirements for conducting such transactions are set forth in the Commercial Code.

#### **Article 47. Granting Loans or Credit to the Members of the Board of Directors**

The Members of the Board of Directors and the Managing Director are not permitted to receive any loan or credit whatsoever from the Company and the Company may not provide any guarantee or accept any commitment for their debts or liabilities. Such transactions are void ab initio. The prohibition declared in this article shall also apply to the spouses, parents, grandparents, children, grand-children, sisters and brothers of the persons named in this article.

#### **Article 48. Competition of the Members of the Board of Directors and the Executive Board with the Company**

The Members of the Board of Directors and the Executive Board are not allowed to carry on any business being similar to those transacted by the Company which shall be regarded as competition with the Company operations. Every Director who acts in violation of this article and cause the Company to sustain any loss or damage on the ground of this violation shall have the liability to indemnify the Company. For the purposes of this article the loss means actual loss or loss of prospective profit.

#### **Article 49. Holders of Authorized Signatures**

All binding papers and documents of the Company, including checks, drafts and promissory notes must bear two authorized signature which shall be named by the Board of Directors. Each of the authorized signatories, if necessary, may delegate, with prior approval of the Board of Directors, his/her signing authority, at his/her own responsibility, to other authorities of the Company. The Board of Directors shall also determine the manner of signing routine and day to day correspondence of the Company and the persons who are authorized to sign such correspondence.

### **SECTION 6: AUDITOR AND LEGAL INSPECTOR**

### **Article 50. Election of Auditor and Legal Inspector**

Each year, the Ordinary General Meeting shall have to elect, from among the trusted auditing firms of the Securities and Exchange Organization (SEO), a principal and an alternate Auditor and Legal Inspector to perform the duties and responsibilities prescribed in the relevant laws and regulations as well as in the articles of association of the Company for a term of one year.

**Note 1:** The Company shall elect its Principle and Alternate Auditor and Legal Inspector in compliance with the rules approved by the High Council of Insurance.

**Note 2:** Any audit firm that is considered as unqualified by the Central Insurance of I.R. Iran, may not accept the position of Auditor and Legal Inspector of the Company

**Note 3:** The Alternate Auditor and Legal Inspector must have an independent legal identity from the Principal Auditor and Legal Inspector

**Note 4:** The Company is not allowed to re-elect an individual firm that has hold the position of the Auditor and Legal Inspector for four consecutive years. However, this note does not apply where the appointed Auditor and Legal Inspector is the Audit Organization of Iran or any firm that is exempted from the four-year limitation, according to the rules of the Securities and Exchange Organization and Central Insurance of I.R. Iran.

### **Article 51. Duties of the Auditor and Legal Inspector**

In addition to the legal responsibilities, the Auditor and Legal Inspector shall also have to perform the following duties and responsibilities:

1. to express opinion, on the financial statements of the Company in accordance with the accounting and auditing standards as well as the observance of the provisions of the articles of association, by-laws and executive instructions approved by the Securities and Exchange Organization (SEO) and the Central Insurance of I.R. Iran;
2. to present a report to the General Meeting in respect of compliance or non-compliance with the rules and regulations of the Central Insurance of I.R. Iran and the Securities and Exchange Organization, by the Company and to send a copy of the report to the Central Insurance of I.R. Iran.

### **Article 52. Auditor and Legal Inspector's Remuneration**

The Auditor and Legal Inspector's remuneration shall be determined by the General Meeting. The Auditor and Legal Inspector and its Directors and employees may not receive

any cash, property and concessions other than what has been approved by the General Meeting, nor can they become directly or indirectly involved in the transactions conducted with the Company or to the account of the Company.

## **SECTION 7: COMPANY'S ACCOUNTS**

### **Article 53. Fiscal Year**

The Company's fiscal year begins on the **21st of March** each year and ends on the **20th of March** of the following year.

### **Article 54. Annual Accounts**

The Board of Directors shall prepare the Company's financial statements together with a report on the operations and general position of the Company no later than three months after expiry of each fiscal year and present them to the Auditor and Legal Inspector and the Central Insurance of I.R. Iran.

**Note:** The financial statements and their accompanying notes shall be prepared and presented in the format prescribed by the Central Insurance of I.R. Iran and announced by the Securities and Exchange Organization (SEO). A copy of the financial statements together with the Board of Directors' Report and the Auditor and Legal Inspector's Report shall be submitted to the Central Insurance of I.R. Iran after approval of the financial statements by the General Meeting.

### **Article 55. Audited Financial Statements**

The audited financial statements for each fiscal year shall be submitted to the Ordinary General Meeting for approval no later than four months after the end of each fiscal year of the Company. The Auditor and Legal Inspector is obliged to submit a copy of the above financial statements as well as its own report to the Central Insurance of I.R. Iran at the same time.

**Note:** The financial statements and their accompanying notes and the Directors' Performance Report and the report of the Auditor and Legal Inspector must be available at the headquarter of the Company 10 days before holding the Annual Ordinary General Meeting, and must be accessible via Comprehensive Database of Issuers of Securities Listed with Securities and Exchange Organization (CODAL) and the Official Website of the Company.

### **Article 56. Statutory and Voluntary Reserves**

The statutory and capital reserves are set aside out of the Company's net profit under the provisions of the Commercial Code and by-laws of the Central Insurance of I.R. Iran. Upon

the proposal of the Board of Directors and with the approval of the Ordinary General Meeting a portion of the net profit may also be set aside to build up other reserves.

## **SECTION 8: WINDING UP AND LIQUIDATION**

### **Article 57. Voluntary Dissolution of the Company**

The Extraordinary General Meeting of the Company may, upon the proposal of the Board of Directors, vote for the dissolution of the Company. The Board's proposed report shall contain the reasons and factors why the Board members have recommended the dissolution of the Company. This report shall be first submitted to the Legal Inspector of the Company and then should be presented to the General Meeting along with the opinion expressed by the Legal Inspector. At the General Meeting, no decision can be made on the Board's proposal before the report of the Auditor and Legal Inspector is read. At the Extraordinary General Meeting for the purposes of voluntary dissolution of the Company presence of the holders of more than 75% of the shares entitled to vote is required to meet the quorum.

**Note:** The dissolution, bankruptcy and merger of the Company shall be subject to the applicable regulations including the provisions of Articles 51 to 59 of the "Act for Establishment of the Central Insurance of I.R. Iran and Insurance Operations" and of the Commercial Code.

### **Article 58. Liquidation**

In the case of the Company's winding up under to the provisions of the Article 57, its liquidation shall be conducted in accordance with the applicable laws and regulations.

## **SECTION 9: OTHER PROVISIONS**

**Article 59. Regulations of the Central Insurance of I.R. Iran and the Securities and Exchange Organization (SEO)**

All organs of the Company are obliged and committed to comply with the rules and regulations announced by the Central insurance of I.R. Iran and the Securities and Exchange Organization (SEO). Furthermore, as long as the Company is registered with the Securities and Exchange Organization of Iran, all organs of the Company are obliged and committed to comply with the regulations announced by Tehran Stock Exchange and or Iran Fara Bourse whereby the shares of the Company are transacted.

**Article 60. Anti-Money Laundering Regulations**

All organs of the Company are obliged to comply with the Anti-Money Laundering Laws and Regulations in all their decisions and activities.

**Article 61. Unforeseen Subjects**

The issues that have not been provided in the present articles of association shall be subject to the provisions of “the Act for Establishment of Non-Governmental Insurance Institutions” , “The Act for Establishment of Central Insurance of I.R. Iran and Insurance Operations” , by-laws approved by the High Council of Insurance, decrees of the Council of Ministers, instructions of the Central Insurance of I.R. Iran, Commercial Code, Securities Market Act of I.R. Iran, the rules prescribed by the Securities and Exchange Organization and other prevailing laws and regulations.

**Article 62. Provisions of the Articles of Associations**

The present articles of association, comprising 62 articles and 23 notes, was approved by the Extraordinary General Meeting on 19/06/2019 Any amendments to the provisions of this articles of association shall be subject to the approval of the Securities and Exchange Organization and consent of the Central Insurance of I.R. Iran.

**Chairman****Supervisors****Secretary**

This is a translation of the original Persian version. In case of doubt or differences of interpretation, the official Persian version of the Articles of Association shall prevail over the English text.