

ARAB BANK (SWITZERLAND) LTD.

Articles of Association

Translation of the German version.
In case of discrepancies, the German version shall prevail.



ARTICLES OF ASSOCIATION OF ARAB BANK (SWITZERLAND) LTD.

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1. Corporate Name, Domicile, Duration and Purpose

Article 1: Corporate Name, Domicile, Duration

Under the corporate name of

Arab Bank (Switzerland) Ltd.

there exists a corporation (the "**Company**") with domicile in Zurich pursuant to the present articles of incorporation (the "**Articles**") and the provisions of art 620 et seq. of the Swiss Code of Obligations ("**CO**"). The duration of the Company shall be unlimited.

Article 2: Purpose

¹ The purpose of the Company shall be the operation of a bank and the activity of a securities dealer. Its scope of business shall extend to all types of banking, financial and trading activities in Switzerland and abroad, the rendering of advice in such activities as well as the rendering of additional services connected with them, in particular:

- a) the acceptance of money on deposit in all forms customary in banking with the exception of saving deposits;
- b) the granting of secured and unsecured credit facilities in any form;
- c) the discounting of bills of exchange, issuance of sureties and guarantees;
- d) the purchase and sale of securities, foreign exchange, foreign banknotes, precious metals and coins for its own and for third-party account;
- e) all types of stock exchange business for its own and for third-party account;
- f) the investment counseling and portfolio management, acceptance of management and fiduciary appointments;
- g) the safe custody and management of securities and other valuables, renting-out of safe-deposit boxes;
- h) the underwriting and placement of securities
- i) the handling of payment and documentary credit transactions as well as bills of exchange, cheques and documentary collections;
- j) the issuance of cheques and letters of credit;
- k) the formation and management of investment trusts;
- l) other services customary in banking business.

² The company may establish branches, subsidiaries and representative offices in Switzerland and abroad, may participate in, or associate with, other enterprises and may directly or indirectly finance enterprises in which it holds a participation.

³ The Company may acquire, hold, mortgage and alienate real estate in Switzerland and abroad.

⁴ The Company may do any other business transactions, assume obligations and enter into contracts suitable to promote the company purpose and the growth of the enterprise or which are directly or indirectly connected therewith.

2. Share Capital, Shares, Shareholders

Article 3: Share Capital

¹ The share capital of the Company shall amount to CHF 26'700'000.-- and shall be divided into 35'600'000 registered shares with a par value of CHF 0.75 each. The shares are fully paid-in.

Article 4: Shares, Evidencing by Document

¹ The Company may convert registered shares into bearer shares or bearer shares into registered shares at any time by amending the Articles.

² The shares shall be indivisible. The Company recognises only one representative for each share.

³ In the case of registered shares, the Company is entitled, but not obligated, to print and issue deeds, and the Company may cancel without replacement issued deeds delivered to it. The shareholder has no claim to the printing and delivery of deeds for his registered shares. He may, however, at any time request free of charge from the Company a certificate evidencing the registered shares owned by him.

⁴ The Company may issue individual shares or certificates for a multiple number of shares. If shares or certificates are issued, they shall bear the signatures of the chairman and of another member of the board of directors. Such signatures can be facsimile signatures.

Article 5: Shareholders, Exercise of Rights

¹ Whoever is entered in the share register shall be deemed to be the shareholder or the usufructuary of registered shares in relation to the Company. Whoever is authorised by reason of registration in the share register with voting rights may exercise the membership rights arising from registered shares.

The ownership or the usufruct of a share and each exercise of shareholders' rights shall entail recognition of the Articles in such form as they may from time to time be established.

Article 6: Share Register, Entry as Registered Shareholder

¹ The Company shall keep a share register of the registered shares in which the owners and usufructuaries shall be entered with name and first name or corporate name, respectively, as well as address.

² If a registered shareholder changes his address, he shall notify the Company of his new address. Until such notification, all communications of the Company shall be deemed to have been effected legally valid to the address entered in the share register.

³ The entry in the share register shall require a certificate as to the acquisition of the registered shares for ownership or as to the establishment of an usufruct and as shareholder with voting right the recognition by the Company.

⁴ Acquirers of registered shares not yet recognised by the Company shall, after the transfer of rights according to art. 7, be entered into the share register as shareholder without voting right. At the general meeting of shareholders, the respective shares shall be deemed not being represented.

⁵ Subject to para. 6, acquirers of registered shares are entered in the share register as shareholder or usufructuary with voting right upon filing a request for recognition. The restriction on registration shall also apply to shares subscribed to or acquired by the exercise of a pre-emptive, option or conversion right.

⁶ The Company may refuse an acquirer as shareholder with voting right only,

- a) if the acquirer does not expressly declare that he acquired the registered shares in his own name and for his own account;
- b) to the extent and as long as the recognition of the acquirer could prevent the Company, pursuant to the information at its disposal, from providing evidence of the composition of the circle of the shareholders as required by federal law.

⁷ If registered shares are acquired through marital property law, succession or division of an estate, the acquirer may not be refused.

⁸ The Company may, after hearing the person concerned, cancel entries in the share register if these were made because of wrong information given by the acquirer. The concerned acquirer must be immediately informed of such cancellation.

Article 7: Transfer of Shares, Transfer of Rights

¹ Registered shares not represented by deed and the rights arising therefrom not represented by deed may only be transferred by a declaration of assignment in the sense of art. 164 et seq. CO. The assignment, in order to be valid, shall require the notification of the Company. If registered shares not represented by deed are managed by a bank or a depository on behalf of the shareholder such shares may be transferred only with the participation of such bank or depository.

² Registered shares not represented by deed and the rights arising therefrom not represented by deed may only be pledged by way of a pledge agreement in writing in favour of the bank or depository where the shareholder has deposited such registered shares for book-entry. A notification to the Company shall not be necessary.

³ If shares or certificates are issued, the transfer by private act or the pledge of registered shares shall be effected by handing over the endorsed share or certificate to the acquirer.

⁴ If registered shares are acquired at a stock exchange, the rights pass to the acquirer with the transfer. If registered shares are acquired outside of a stock exchange, the rights pass to the acquirer as soon as it has filed a request for recognition as shareholder with the Company.

⁵ Until the recognition of the acquirer by the Company, the acquirer can neither exercise the voting right connected with the shares nor other rights connected with the voting right. Deemed to be rights connected with the voting right are the right to call a general meeting of shareholders, the right to attend, the right to information, the right for inspection and the right to make motions. The acquirer shall not be restricted in the exercise of all other rights of shareholders, in particular the pre-emptive right.

⁶ If the Company does not refuse the application for recognition of the acquirer within 20 days, the applicant shall be deemed to be recognised as shareholder with voting right.

3. Organisation

Article 8: Corporate Bodies

The corporate bodies of the Company are:

- the general meeting of shareholders
- the board of directors
- the management committee
- the auditors.

3.1. General Meeting of Shareholders

Article 9: Powers

¹ The general meeting of shareholders shall be the supreme corporate body of the Company.

² The general meeting of shareholders shall have the following non-transferable powers:

- a) the amending of the Articles;
- b) the election and the removal of the members of the board of directors;
- c) the election and the removal of the auditors;
- d) the approval of the annual report;
- e) the approval of the annual financial statement after the receipt of the auditors' report;
- f) the resolution on the treatment of the balance sheet result, in particular, the declaration of dividends;

- g) the release from liability of the members of the board of directors;
- h) the resolution on the matters which are by law or by the Articles reserved to the general meeting of shareholders.

Article 10: Types, Right to Request the Calling of a General Meeting of shareholders, Right to Request the Inclusion in the Agenda

- ¹ The ordinary general meeting of shareholders takes place annually within 4 months after the close of the business year.
- ² Extraordinary general meetings of shareholders are called whenever the board of directors or the auditors consider it necessary or if demanded by resolution of the general meeting of shareholders.
- ³ The general meeting of shareholders shall be called by the board of directors or, if necessary, by the auditors.
- ⁴ The calling of a general meeting of shareholders may also be requested by one shareholder or several shareholders representing together at least 10% of the share capital. The request for the calling of a general meeting of shareholders shall be submitted to the board of directors in writing listing the items and the motions.
- ⁵ Shareholders representing together at least 10% of the share capital may request items to be included in the agenda. The request for the inclusion in the agenda shall be submitted to the board of directors in writing listing the motions at the latest 45 days prior to the general meeting of shareholders.

Article 11: Form

- ¹ The general meeting of shareholders is called by a single notice in the official organ of public notices of the Company at the latest 20 days prior to the day of the meeting. The calling shall state day, time and place of the general meeting of shareholders and the agenda items (agenda) as well as the motions of the board of directors and of the shareholders who have requested the holding of a general meeting of shareholders or the inclusion of an item in the agenda, and in the event of elections the names of the proposed candidates.
- ² No later than 20 days prior to the ordinary general meeting of shareholders, the business report and the auditors' report shall be made available for inspection to the shareholders at the Company's domicile. Any shareholder may request that a copy of these documents be immediately sent to him. The registered shareholders shall be informed in this respect in the invitation to the ordinary general meeting of shareholders.
- ³ No resolutions may be passed on motions concerning agenda items which have not been duly announced; excepted are motions for the calling of an extraordinary general meeting of shareholders, or for the initiating of a special audit and for the election of the auditors because of a request of a shareholder. The making of motions within the scope of agenda items and the discussion without the passing of resolutions do not require announcement in advance.

Article 12: Place, Chair, Secretary, Teller

- ¹ The board of directors shall set the place of the general meeting of shareholders.
- ² The general meeting of shareholders shall be chaired by the Chairman of the board of directors and in case of him being prevented from so doing, by the vice chairman of the board of directors or another member to be elected by the board of directors from its members.
- ³ The acting chairman designates the recording secretary and the tellers who need not be shareholders.

Article 13: Right to Participate, Representation

- ¹ Those shareholders and usufructuaries who are registered in the share register as shareholder or usufructuary with voting right on the cutoff date set by the board of directors shall be entitled to participate in and to exercise the voting right in the general meeting of shareholders.

² A shareholder may be represented at the general meeting of shareholders by its legal representative or with a written power of attorney by a third person who does not need to be a shareholder, a corporate proxy, an independent proxy holder of voting rights designated by the Company or a proxy of deposited shares. The acting chairman finally decides on the recognition of a power of attorney.

³ Proxies shall comply with the instructions given by the represented person.

⁴ The members of the board of directors are entitled to participate at the general meeting of the shareholders. They may make motions.

Article 14: Voting Right

Each share entered in the share register with voting right entitles to one vote.

Article 15: Quorum

The general meeting of shareholders shall constitute a quorum regardless of the number of shareholders in attendance and of the shares represented.

Article 16: Passing of Resolution

¹ The general meeting of shareholders shall pass its resolutions and carry out its elections by absolute majority of the share votes represented unless otherwise provided for by law or the Articles.

² A resolution of the general meeting of shareholders passed by at least two thirds of the share votes represented and the absolute majority of the represented share par value, shall be required for:

- a) the change of the company purpose;
- b) the creation of shares with privileged voting right;
- c) the restriction of the transferability of registered shares;
- d) an increase of capital, authorised or subject to a condition;
- e) an increase of capital out of equity, against contributions in kind, or for the purpose of acquisition of assets and the granting of special benefits;
- f) the limitation or withdrawal of pre-emptive rights;
- g) the change of the domicile of the Company;
- h) the dissolution of the Company.

³ The acting chairman shall determine whether votes and elections be conducted by show of hands or by written ballot. Shareholders representing together at least 10% of the votes represented may always request a vote or election by written ballot.

⁴ In the case of a vote or election by written ballot, the acting chairman may rule that, in order to expedite the counting of the votes, only the ballots of those shareholders or representatives shall be collected who choose to cast a negative vote or to abstain, and that all other shares represented at the time of the vote shall be counted as being in favour.

Article 17: Minutes

¹ The board of directors shall arrange for the taking of minutes. These shall include the number, type and par value and classes of shares represented by shareholders, corporate bodies, independent proxies of voting rights and proxies for deposited shares; the resolutions and results of elections; the requests for information and the respective replies; the statements made by shareholders for the minutes.

² The minutes shall be signed by the acting chairman and the recording secretary.

3.2. Board of Directors

Article 18: Composition

¹ The board of directors shall be composed of at least 3 members.

² The chairman or the vice-chairman must be domiciled in Switzerland.

Article 19: Term of Office

¹ The members of the board of directors shall be elected for a term of office of 4 years, the time from one ordinary general meeting of shareholders to the close of the next following one being considered as one year. The members newly elected in the course of a term shall be elected for the remainder of that term.

² Re-election shall be admissible.

Article 20: Constitution

¹ The board of directors shall constitute itself.

² The board of directors shall elect a secretary or appoint a recording secretary who need not be member of the board of directors.

Article 21: Function

The board of directors shall be responsible for the ultimate management of the Company and the supervision and control of the management committee. It shall represent the Company towards third parties and deal with all matters and may take resolutions on all matters which by law, the Articles or the business regulations are not allocated to another corporate body.

Article 22: Ultimate Management

¹ The board of directors shall have the following non-transferable and inalienable ultimate management duties:

- a) the ultimate management of the Company and the giving of the necessary directives;
- b) the establishing of the organisation;
- c) the structuring of the accounting, of the financial controls as well as the financial planning;
- d) the appointment and the removal of the persons of the management committee;
- e) the appointment and the removal of the persons of the management committee;
- f) the appointment and the removal of the internal auditors;
- g) the appointment and the removal of the statutory Auditors as provided by Bank Law;
- h) the preparation of the business report (annual report, annual financial statement);
- i) the preparation of the general meeting of shareholders and the implementation of its resolutions;
- j) the notification of the judge in the case of overindebtedness;
- k) the passing of resolutions regarding the increase of the share capital as far as this is the responsibility of the board of directors (art. 651 para. 4 CO) as well as for the confirmation of increases of the share capital and on amendments of the Articles ensuing therefrom (art. 651 para. 4, 651a, 652g and 653g CO).

² In addition, the board of directors shall have the ultimate management duties and competences assigned to it in the business regulations.

³ The board of directors may assign the preparation and the implementation of its resolutions or the supervision of business transactions to committees or individual members. It shall provide for adequate reporting to its members.

Article 23: Supervision, Control

¹ The board of directors shall have the following nontransferable and inalienable supervision and control duties:

- a) the ultimate supervision of the persons entrusted with the management, in particular in view of the compliance with the law, the Articles, the regulations and the directives;
- b) the acceptance of the periodical reports of the management committee on the situation of the Company and the current course of business;
- c) the acceptance of the reports of the internal auditors and the ultimate supervision of the implementation of their suggestions for improvement;
- d) the acceptance of the reports of the statutory auditors as provided by Bank Law and the ultimate supervision of the implementation of their suggestions for improvements.

² In addition, the board of directors shall have the supervision and control duties assigned to it in the business regulations.

Article 24: Business Regulations

The business regulations shall organise the management, determine the positions required, define their duties and regulate, in particular, the reporting.

Article 25: Organisation

¹ The board of directors shall regulate the organisation, the organisation of the meetings, the quorum and the passing of resolutions taken by the board of directors in the business regulations.

² In case of a tie, the acting chairman shall have a casting vote and elections shall be decided by lot.

Article 26: Minutes

Minutes shall be kept of the discussions and resolutions of the board of directors which shall be signed by the acting chairman and the recording secretary. Circular resolutions shall be entered in the next minutes of the board of directors.

Article 27: Remuneration

The board of directors shall determine the remuneration of its members.

3.3. Management Committee

Article 28: Composition

The management committee shall be composed of one member or several members who need not to be shareholders.

Article 29: Organisation

The business regulations shall regulate the organisation, the organisation of the meetings, the quorum and the passing of resolutions of the management committee.

Article 30: Function

The management committee shall be responsible for the management of the Company in the sense of the Bank Law and the coordination of the several business departments.

Article 31: Duties

The management committee shall have the duties and authorities assigned to it in the business regulations.

3.4. Auditors

Article 32: Election

¹ The ordinary general meeting of shareholders shall elect the auditors.

² As auditors a licensed audit expert according to the provisions of the Law on Oversight of Auditors shall be appointed as auditors who must be recognised as auditors for banks.

³ The auditors must be independent according to art. 728 CO.

Article 33: Term of Office

¹ The auditors shall be elected for a term of office of one year, the time from one ordinary general meeting of shareholders to the close of the next following one being considered one year.

² Re-election shall be admissible.

Article 34: Duties

¹ The Company shall submit its annual financial statements for an ordinary audit.

² The auditors shall have the duties according to art. 728a et seq. CO.

4. Representation

Article 35: Authorisation to Sign

¹ The board of directors shall designate the members of the board of directors and third persons having the legally binding signature for the Company and shall determine the manner for them to sign. It shall determine the details of the business regulations.

² The persons registered in the commercial register as authorised to sign as well as the officers designated by the board of directors shall be exclusively authorised to sign legally binding for the Company.

Article 36: Signature

¹ The persons empowered to represent the Company shall sign by adding their signatures to the corporate name of the Company.

² As a rule the Company shall be legally valid bound by the signatures of two authorized signatories.

5. Official Notices

Article 37: Official Organ, Notices

¹ The Swiss Official Gazette of Commerce shall be the official organ of public notices of the Company. The board of directors may designate other official organs of public notices.

² The official notices of the Company shall be effected in the official organ of public notices, the communications to the registered shareholders by publication in the official organ of public notices and in addition by letter to their last address entered in the share register.

6. Business Report, Rendering of Accounts

Article 38: Business Year

The business year of the Company shall start on January 1 and shall close on December 31.

Article 39: Business Report

¹ The board of directors shall prepare for each business year a business report in accordance with art. 662 CO.

² The annual financial statement shall be composed of the balance sheet, the profit and loss statement and the annex. It shall be prepared in accordance with the legal provision of the CO and the Bank Law.

7. Appropriation of Profits

Article 40: Appropriation of the Balance Sheet Profit

¹ The annual profit shown in the annual financial statement shall be allocated according to the provisions of art. 671 et seq. CO.

² 5 percent of the annual profit shall be allocated to the general reserve until it has reached 20 percent of the paid-in share capital.

³ The remaining balance sheet profit shall be at the disposal of the general meeting of shareholders subject to mandatory legal provisions.

⁴ Dividends not drawn within 5 years from the due date shall fall to the Company and shall be allocated to the general reserve.

8. Dissolution, Liquidation

Article 41: Dissolution

The dissolution of the Company shall take place according to art. 736 et seq. CO. The general meeting of shareholders may decide upon the dissolution of the Company at any time.

Article 42: Liquidation

¹ The liquidation of the Company shall take place according to art. 739 et seq. CO.

² The powers of the general meeting of shareholders shall continue subject to the restrictions of art. 739 CO during the liquidation. In particular, the liquidation statement has to be approved by the general meeting of shareholders.

³ The liquidation shall be carried out by the board of directors unless third parties are entrusted with such liquidation by resolution of the general meeting of shareholders.

⁴ The liquidators shall be authorised to sell the assets of the Company by private sale.

These Articles entered into force on March 31, 2005. They were amended on January 19, 2006 (art. 3, 3a und 43), on February 9, 2006 (art. 3, 3a und 43) and on April 9, 2008 (art. 1, 2, 6, 10, 11, 13, 16, 18, 20, 32, 34 and 43).