



The Board of Directors

Charter of the Board

Charter of the Board of Directors of Qatar Gas Transport Company Ltd (Nakilat)

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1- Formation of the Board

Article (1)

After the expiration of the period of the first board of directors, the company shall be managed by a board of directors formed of seven members, four of them shall represent the founders; two members from Qatar Petroleum of whom shall hold the positions of chairman and vice-chairman, one member shall represent Qatar Navigation Company, and one member shall represent Qatar Shipping Company. The remaining three seats shall be elected by the remaining shareholders.

Article (2)

The board of directors' member must fulfill the following conditions:

- 1- He shall not be less than twenty-one years old.
- 2- He shall not be previously convicted of a criminal penalty, an offense against honor or trust or any of the crimes mentioned in articles (324) and (325) of the Commercial Companies Law, unless his reputation was redeemed.
- 3- 2,300,000 shares of the company shares owned by him shall be allocated to secure the rights of the company, the shareholders, the creditors and third parties against the liability of the directors.

Such shares must be deposited, within sixty days from the beginning of the membership, with one of the approved banks; the deposit thereof shall continue without being negotiable, mortgageable or seizable until the expiration of the membership period and the ratification on the financial statements of the last financial year during the membership period. If the member fails to submit the security as mentioned above, his membership shall be forfeited.

Article (3)

The directors shall be elected for a period of three years and the director may be re-elected only for another term, except for the founders.

However, the first board of directors shall continue to perform its work for a period of five years.

Article (4)

If a board membership seat of the director other than the directors representing the founders becomes vacant, it shall be occupied by the director who has the majority of votes of the shareholders who did not obtain the membership of the board of directors. In case of impediment, it shall be occupied by his successor and the new director shall complete the term of his predecessor only.

If no one occupied the vacant seat, the board of directors shall convene the general assembly to meet within two months from the date of seat vacancy in order to elect a director to occupy the same.

2- Board Authority

Article (5)

The board of directors shall have all the necessary authorities to manage the company and conduct its affairs. It may do all the acts and deeds required by such management, and such authority will be limited only as stipulated by the law, the company's bylaw or the decisions of the company general assembly.

The board may not sell or mortgage the company's real estates without the permission of the general assembly, unless such acts are within the object of the company.

Article (6)

The board of directors shall put in place the general policies of the company, take the necessary decisions related to such policies and verify the compliance therewith, and perform the tasks it is entrusted with by virtue of the law and the articles of association. The tasks of the board of directors are mainly as follows:

- 1- To protect the shareholders rights.
- 2- To ratify the objectives, policies, plans and strategies of the company
- 3- To study the suggestions and recommendations related to the company's objectives and to achieve its objectives and the related funding and expenditure policy submitted by the members and the general manager.
- 4- To study and discuss the periodical administrative, financial and production reports submitted by the general manager and to take the appropriate decisions related thereto.
- 5- To verify the compliance of the company with the general frame of the laws and bylaws applied in the State and within the company.
- 6- To verify the availability of the capital for the company
- 7- To ratify the planning budget and accounts of the company and the internal audit, to approve and amend the same whenever it is necessary and to ratify the company's organizational structures.
- 8- To ratify the annual programs related to substitution, renewal, expansion and new additions to the existing capacities and to take decisions related to the financing and expenditure plans.
- 9- To appraise the company's performance by reviewing its financial position at periodical intervals.
- 10- To discuss and study the financial statements, the final accounts, the balance sheet and the recommendations on the profit distribution.
- 11- To supervise the execution of the decisions taken by the company's general assembly.

Article (7)

The company's board of directors may form committees to perform some of its functions or other tasks, provided that such committees comprise of at least two directors, and that the functions and authorities of each committee are determined. The committee chairman appointment shall be determined either by board resolution or by election among the committee

members. The board may delegate one of its members to perform one or more tasks or to supervise of one of the activities of the company.

Article (8)

The right to sign for the company is given to the chairman of the board of directors and his deputy, jointly or solely. They shall represent the company in front of the courts and third parties. The right to sign for the company is also given to any of the directors delegated by the board, within the limits determined by the board. The employees of the company may also sign on its behalf within the limits determined by the board.

Article (9)

The company shall have a general manager authorized by the board to sign on its behalf. The board may, when necessary, delegate one of its members to manage the company instead of the general manager and it shall determine his remuneration.

Article (10)

The chairman of the board of directors or any of the directors or any of the employees of the company may not have a personal interest, whether direct or indirect, which is in conflict with the company's interest.

3- Meetings of the board

Article (11)

The board of directors shall meet by an invitation from its chairman or his deputy in case the chairman is absent or upon the request of two of its members at least.

The number of meetings shall not be less than six meetings minimum during one financial year and the meeting of the board shall only be valid if attended by half of the members at least, provided that the chairman or the vice-chairman is among them.

Article (12)

The meeting of the board of directors shall be held at the company's headquarters or elsewhere. The meetings of the board of directors may be held through a conference call or any other way by which the members may discuss the subject and exchange their opinions in this regard.

Article (13)

The director may delegate, in writing, when necessary, one of his colleagues on the board. In such case, such delegated director may have two votes. And the director may not be a delegate for more than one director.

Article (14)

The decisions of the board of directors are passed by the majority of the votes of the present directors. In case of tie votes, the chairman or his delegate shall have the decisive vote and the objecting member shall confirm his objection in the minutes of the meeting.

Article (15)

Upon the request of the chairman or his deputy in case he is absent, the board may issue one or more decisions by circulation. The decision shall be deemed valid if signed by the majority of the directors, provided that the chairman or his deputy is among them, as the case may be. The passing of the decision for the purpose of issuing the same shall be deemed as a meeting for the board and it shall be counted among the number of times required to hold the annual meeting. The decision issued by circulation shall be ratified at the first actual meeting of the board following the issuance of the decision.

Article (16)

If the director fails to attend three consecutive meetings of the board or five non-consecutive meetings without an excuse acceptable by the board, he shall be deemed resigned.

Article (17)

The board may call upon persons to take their opinions on subjects addressed to it, to attend its meetings, without them having the right to vote.

4- Board secretariat

Article (18)

The secretarial works of the board shall be handled by a secretary selected by the board which shall determine his competences and remuneration. The minutes of the meetings of the board of directors shall be recorded and signed by the chairman and the secretary of the board.

Article (19)

The secretariat shall be responsible for the following:

- 1- To prepare the agenda of each of the board of directors meetings, accompanied by studies and clarifying data, in cooperation with the concerned departments of the company
- 2- To prepare the minutes of the board meeting, and to draft potential resolutions, in preparation of ratifying their final wording before issuing them.
- 3- To notify the concerned authorities of the board’s decisions and to submit reports to the board on the execution of such decisions.
- 4- To prepare the necessary draft letters to execute the decisions of the board.
- 5- To do any other works referred to it by the board.

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