

INVITATION TO ATTEND THE ANNUAL AND EXTRAORDINARY GENERAL MEETING OF QATAR FIRST BANK LLC (PUBLIC)



The Board of Directors of Qatar First Bank LLC (Public) (the "Company") is pleased to invite you to attend the Annual and Extraordinary General Meeting to be held on Wednesday, 25th April 2018 at 5 pm, at QFB Lounge, Ground Floor, QFB Building, Suhaim bin Hamad Street, Doha, Qatar.

AGENDA OF THE ANNUAL GENERAL MEETING

1. Presentation of the Chairman's report for the financial year ended 31 December 2017 and the work plan for the financial year of 2018
2. Presentation of the report of the Shari'a Supervisory Board of the financial year ended 31 December 2017
3. Presentation of the report of the External Auditor for the financial year ended 31 December 2017
4. Approval of the audited accounts for the financial year ended 31 December 2017
5. Approval of the recommendations of the Board of Directors regarding non-distribution of dividends and not taking an optional reserve for the financial year ended 31 December 2017
6. Absolving the Directors of any liability in the discharge of their duties and responsibilities for the period commencing of the financial year of 2017
7. Discussing the Corporate Governance Report for the financial year ended on 31 December 2017
8. Approving a basket for all related party transactions between the Directors (whether directly or indirectly) and the Bank
9. Appointing an independent external auditor for the Company from the conclusion of the Annual General Meeting until the conclusion of the next Annual General Meeting and authorizing the Board of Directors to determine its remuneration

The esteemed Shareholder is kindly invited to attend an Extraordinary General Meeting to be held at conclusion of the Annual General Meeting at the same location.

AGENDA OF THE EXTRAORDINARY GENERAL MEETING

1. Approving certain amendments to the Articles of Association set out in the Special Resolutions enclosed to this invitation to be in compliance with the new Corporate Governance Regulations issued by the Qatar Financial Markets Authority
2. Authorizing any Director and/or Secretary of the Company to do all acts required for enforcing the previous resolutions as per the Articles of Association of the Company and the applicable laws

Abdulla Bin Fahad Bin Ghorab Al Marri
Chairman

Notes:

- Registration will commence one hour before the set time of the Annual General Meeting.
- If there is no quorum, the meeting shall be adjourned and an alternate meeting shall be held in one hour from the scheduled time, at the same place.
- If unable to attend personally, each shareholder is entitled to appoint one proxy who may, but not need to, be another shareholder of the Company who is not a Board member, provided that such shareholder by proxy does not own more than 5% of the capital shares of the Company. The proxy appointment is made by sending the authorization form to the Company not less than 48 hours before the time of the meeting. To download the authorization form, kindly visit our web site www.qfb.com.qa, Investor Relations section.

PROPOSED SPECIAL RESOLUTIONS

1. Approving the new definition of the following terms set forth in Article 1-1 as follows:

"Board" or "Board of Directors" means the board of directors for the time being of the Company;

"CEO" or "Chief Executive Officer" means the chief executive officer of the Company;

"Company" means Qatar First Bank LLC (Public) incorporated in the QFC with a registration number 00091;

"Depository" means the Qatar Central Securities Depository;

"Director" means a director or Board member for the time being of the Company appointed in accordance with Article 21 below;

"NRCGC" means the Nomination, Remuneration and Corporate Governance committee of the Company; has the meaning set out in Article 25;

"Related Party" means a concerned person, who has relation to the Company, if he:

- a) is a Director in the Company or an affiliate;
- b) is a member of the Senior Executive Management team at the Company or any company of its Group;
- c) holds or controls 5% or more of the shares of the Company or any affiliate;
- d) is relative of any natural persons mentioned in (a), (b) and (c) above to the second degree;
- e) is a company in which the natural persons mentioned in (a), (b), (c) and (d) above jointly or severally hold 20% or more of the voting shares or occupy the position of director, CEO or senior officer in such company;
- f) is a related company or the mother company of the Company; or
- g) participated in a project or a partnership of any kind with the Company or any company of its group.

2. Approving the replacement of "Articles" by "Articles of Association", "assembly" by "meeting", "Member" by "Shareholder" when referring to shareholder of the Company and "Nomination Committee" by "NRCGC" in the Articles of Association.

3. Deleting the current Article 12.1 and approving the new Article 12.1 as follows:

The Company shall hold a meeting of the Shareholders at least once in every calendar year which shall be referred to as the Company's annual general meeting.

The Shareholder(s) who own(s) at least (10%) of the capital shall, for serious grounds, be entitled to request an invitation to convene the annual general meeting.

The minors and Shareholders restricted to attend the annual general meeting, shall be represented by their legal attorneys.

4. Deleting the current Article 12.3 and approving the new Article 12.3 as follows:

The Shareholders may request the Board to call an extraordinary general meeting in accordance with the Regulations. The Shareholders representing at least (25%) of the capital shall be entitled to invite extraordinary general meeting to convene pursuant to the procedures prescribed by the Law and the regulations in this regard. In the event that an extraordinary general meeting is called on the requisition of the Shareholders, the meeting must be convened in a timely manner. The Shareholders have the right to: (A) place items on the agenda of the general meetings; (B) discuss the matters listed on the agenda and address questions and receive answers on such matters; and (C) make proposed decisions regarding the matters on the agenda.

5. Approving the new Article 14.6(A) as follows:

A Shareholder shall in writing and upon a power of attorney be entitled to appoint another Shareholder who is not a Board member to attend the general meeting on his behalf; provided that Shareholder by proxy shall not own more than (5%) of the capital shares.

6. Deleting the current Article 16.1(A) and approving the new Article 16.1(A) as follows:

Members of the Board of Directors shall not be less than seven (7) Directors and shall not be more than eleven (11) Directors. However, the Company may, under an ordinary resolution, increase or decrease the number set for the Directors.

7. Deleting the current Article 16.1(B) second paragraph.

8. Approving the new Article 16.1(C) as follows:

Be a Shareholder owning, when elected, or within thirty days from its election date, a number of the Company's Shares determined by the Articles of Association. Such Shares shall be deposited to the Depository within sixty days from starting date of membership with prohibition from trading, mortgage or seize until the end of membership period, approved on the last budget of financial year of doing business. Such Shares shall also be allocated to ensure the rights of the Company, Shareholders, creditors and third parties for the responsibility of the Board members. If the Board member does not provide the guarantee as mentioned, its membership becomes invalid. The Independent Board member shall be exempted from this requirement.

9. Approving the new Article 19 as follows:

The following are the general roles and responsibilities of the Board of Directors:

- 19.1 Assuming responsibility towards Shareholders and other stakeholders and Related Parties within QFB and the community at large.
- 19.2 Developing written policy that regulated the relationship among the stakeholders in order to protect them and their rights.
- 19.3 Reviewing and approving the strategies, plans, and objectives developed by the Company.
- 19.4 Monitoring the implementation of strategic initiatives.
- 19.5 Overseeing and assessing the need to implement new or amended corporate governance best practices on a periodic basis.
- 19.6 Reviewing and approving QFB's organizational structure.
- 19.7 Ensuring that the necessary financial and human resources are in place for QFB to meet its objectives and goals.
- 19.8 Appointing managers or authorized deputies, and vesting in them the right to sign, jointly or severally, on behalf of QFB.

- 19.9 Supervising the adequate and fair selection of the Senior Executive Management.
- 19.10 Conducting the CEO's performance appraisal on an annual basis, through the NRCGC.
- 19.11 Reviewing Senior Executive Management performance against set goals and targets and monitoring the way in which their performance is reported via the NRCGC.
- 19.12 Designing and implementing an adequate succession plan for the Board of Directors, Senior Executive Management and other key functions across QFB.
- 19.13 Ensuring the implementation of an internal controls/ internal control framework across QFB.
- 19.14 Conducting, on an annual basis, a review of the effectiveness of the internal control framework.
- 19.15 Ensuring, directly or through delegated authorities, that QFB is in compliance with the rules and regulations of the QFCA, QFCRA, and QFMA, and more generally, the laws and regulations in the State of Qatar, where applicable.
- 19.16 Reviewing and updating approved governance applications on regular basis.
- 19.17 Reviewing and approving the annual plan of training and education at QFB including its activities and governance according to corporate governance code.
- 19.18 Forming Board committees and delegating powers and authorities to appropriate levels within QFB (without absolving the Board of its responsibility of the delegated function). Maintaining updated information from Board committees and Senior Executive Management.
- 19.19 Appraising and approving various strategic initiatives and investments.
- 19.20 Assuming responsibility for calling the general meetings.
- 19.21 Developing the procedural rules for the Company's corporate governance practices in an effort to ensure their implementation in a consistent manner.
- 19.22 At all times, keeping its Shareholders updated about the latest developments in the area of corporate governance and related best practices. The Board may delegate the same to the NRCGC or any other body as deemed appropriate.
- 19.23 Ensuring that the members of the Board committees, the internal auditor or its representative as the case may be, and representatives of the external auditors attend the annual general meeting.
- 19.24 Reviewing a comprehensive set of management, financial and operations reports for the purpose of meeting its above roles and responsibilities.
- 19.25 Developing a mechanism for dealing with providers of financial service, financial analysis, credit rating and other service providers as well as the entities that identify standards and indices of financial markets in order to provide their services for all shareholders in a quick manner with integrity and transparency.
- 19.26 Develop awareness programs for spreading the culture of self-control and risk management of the Company.
- 19.27 Not entering into loans that span more than three years, and not selling or mortgaging real estate of QFB or dropping the Company's debts, unless it is authorized to do so by the Articles of Association. In the case where the Articles of Association include no provisions to this respect, the Board should not act without the approval of the general meeting, unless such acts fall within the normal scope of the Company's business.

10. Deleting the current Article 20.

11. Deleting the current Article 19.1 and approving the new Article 20.1 as follows:

The Board may delegate any of its powers to the Chairman, the Vice Chairman, the CEO, any one Director and/or any Board committee established in accordance with Article 30.

12. Deleting the current Article 21.1 and approving the new Article 21.1 as follows:

Subject to registration with the CRO, the Board members shall be elected at an annual general meeting for a period ending at the third annual general meeting following the annual general meeting at which the Board members were elected, which shall reconstitute the Board. Directors whose term in office has been completed may be re-elected. Shareholders shall elect a Board member using Cumulative Voting.

13. Deleting the current Article 22 and approving the new Article 22 as follows:

No person shall be a Director who:

- a) is under the age of 21 years;
- b) is disqualified from being a director in the QFC or in any other place;
- c) is an undischarged bankrupt in any country;
- d) is a Body Corporate;
- e) has inadequate expertise and knowledge, in the reasonable opinion of the Board, to properly and effectively perform their functions;

A Director should hold at least minimum of one (1) share of the Bank's share capital when elected or within thirty (30) days from the Director's election date.

14. Deleting the current Article 25 and approving the new Article 25 as follows:

25.1 Composition of the NRCGC

A NRCGC shall be established by the Board and its members shall comprise of Independent Directors, the majority of whom must be Non-Executive Directors. The Chairman of the NRCGC must be an Independent Director.

25.2 NRCGC terms of reference

The NRCGC shall adopt and act in accordance to terms of reference.

25.3 Annual general meeting to determine

The NRCGC may give recommendations on the remuneration policy related to the Directors, provided that such policy shall be adopted in the general meeting that considers the report of granting the yearly remuneration to the Directors.

25.4 Yearly Remuneration

The general meeting may take decision on granting yearly remuneration to the Directors based on the recommendations submitted to the Shareholders by the NRCGC provided such remuneration shall not exceed 5% of the Company's net profit after deduction of reserves, legal deductions and distribution of dividends (in cash and in kind) to Shareholders.

25.5 Expenses

The Directors shall be reimbursed for any expenses reasonably incurred to attend Board, general or Board committee meetings.

15. Deleting the current Article 26.2 and approving the new Article 26.2 as follows:

Board meetings shall be held at least six times per calendar year and additionally, as often as necessary for the conduct of the affairs of the Company. The Board may hold meetings in or outside of Qatar. The Directors and members of a Board committee may attend meetings by means of such telephone, electronic or other communications facilities as permit attendants to hear and communicate with each other simultaneously and instantaneously. Participation of Directors and Board committee members in such meetings including for the purposes of voting shall be considered as personal attendance at such meetings. Unless otherwise determined by the Directors, the meeting shall be held at the place where the chairman of the meeting is located at the start of the meeting.

16. Deleting the current Article 26.6 and approving the new Article 26.6 as follows:

A resolution in writing signed by all the Directors or all the members of a Board committee entitled to receive notice of the meeting shall be as valid and effectual as if it had been passed at a meeting of the Board or that Board committee. The resolution may consist of several documents in like form each signed by one or more Directors.

17. Deleting the current Article 29.2 and approving the new Article 29.2 as follows:

Any such minute, if purporting to be signed by the chairman and the secretary of the meeting at which the proceedings took place, or by the chairman and the secretary of the next succeeding meeting, shall be conclusive evidence of the proceedings.

18. Deleting the current Articles 30.3(A) and 30.3(D) and approving the new Articles 30.3(A) and 30.3(D) as follows:

(A) The members of each Board committee shall elect a presiding member for the committee. The Chairman and the Vice Chairman, if elected by committee members, may serve as the presiding member of the committee.

(D) The minutes of the meeting for each committee shall be written in a special record book duly signed by the chairman of the committee

19. Deleting the current Article 33-2 and approving the new Article 33-2 as follows:

Based on the Board of Directors' proposal, the general meeting shall annually decide to deduct a percentage that shall not be less than 5% or more than 10% of the net profit for the voluntary reserve account. Such reserve shall be used in the matters to be decided by the Board of Directors in accordance with the financial sector practice applicable in the State of Qatar.

20. Deleting the current Article 34.3 and approving the new Article 34.3 as follows:

The Audit Committee shall meet as often as required but no less than six times per calendar year. Minutes shall be kept of all meetings.

21. Deleting the current Article 38.5 and approving the new Article 38.5 as follows:

The Shari'ah Supervisory Board shall select from among its members a presiding member, who shall submit to the Board a yearly report prior to the annual general meeting emphasizing all findings and opinions about the execution of the Company's transactions according to the Shar