1. **By-laws**
2. **of [name of the Special Purpose Entity]**
3. **(A Special Purposes Entity)**

These By-Laws are approved on this [weekday], [Hejri date] (corresponding to [Gregorian date]) in respect of the Special Purposes Entity (**the** **Entity**) established and licenced under the Rules for Special Purposes Entities issued by the Board of the Saudi Capital Market Authority (**the** **Authority**) pursuant to its Resolution Number [⚫] dated [⚫] (the **Rules for Special Purposes Entities**), by [name of the Sponsor], a [the legal form of the Sponsor], with its registered office at [address of the Sponsor]; having [business activity of the Sponsor] as its business activity, which is the Sponsor for the purposes of the Rules for Special Purposes Entities.

**WHEREAS**, [the Sponsor] has decided to establish the Entity as follows:

1. Name
   1. The name of the Entity is [insert name].
2. Trustee of the special purposes entity1-2.

[name of the Trustee of the Special Purposes Entity], [the legal form of the Trustee of the Special Purposes Entity], and having its registered office at [the address of the Trustee of the Special Purposes Entity], and its business activity is [business activity of the Trustee of the Special Purposes Entity] -or- [Name of the individual], [nationality], with [type of identity card –or- passport] with the number [identity card number or passport number], having [occupation] as his/her occupation, and his/her address at [the address of the Trustee of the Special Purposes Entity].

The Entity has been established and its shares have been registered which amounted to [insert the number of shares of the Entity in numerals and words] shares without nominal value, under the name of the Trustee of the Special Purposes Entity. The Trustee of the Special Purposes Entity shall not be deemed an owner of them, and it may not dispose of these shares or carry out any structural changes in the Entity unless the Authority’s approval is obtained.

1. Registered Office
   1. The Registered Office of the Entity is at [insert address in Kingdom of Saudi Arabia]. The Registered Office may not be transferred to any other place except with the approval of Trustee of a Special Purposes Entity and of the Authority.
2. Purpose and activity

The purpose of the Entity is to obtain finance through the issuance of [asset-backed debt instruments -or- asset-linked recourse debt instruments –or- debt-based recourse debt instruments].

The Entity shall not engage in any activity other than the following:

* + 1. issuing of debt instruments specified in Article 4.1 above.
    2. issuing shares for establishment purposes, provided that the shares are under the name of the Trustee of the Special Purposes Entity.
    3. ancillary activities necessary to achieve its purposes.

1. Directors

The Entity shall always have a minimum of two (2) Directors and may have a maximum of [insert maximum in words ([insert maximum in numerals])], and Directors must be registered with the Authority at all time.

* 1. A Director shall be appointed or removed by a resolution issued by the Trustee of the Special Purposes Entity.
  2. A Director may resign by giving prior written notice for not less than [insert time period] to the Trustee of the Special Purposes Entity.
  3. If the removal or resignation of the Director will lead to the number of Directors becoming less than the minimum required under Article 5.1 above, or result in a breach of Article 19 of the Rules for Special Purposes Entities regarding the requirement of the residency of one of the Directors in the Kingdom, the Trustee of the Special Purposes Entity must make the needed corrective measures to fulfil the requirements in a period no later than (30) calendar days from the date of notifying the Authority of such Director ceasing to be a Director, in accordance with paragraph (d) of Article 29 of the Rules for Special Purposes Entities.

The Directors shall be entitled to remunerations as the Trustee of the Special Purposes Entity may determine by a resolution.

* 1. The Directors shall manage the business and day-to-day affairs of the Entity, who together shall have all powers and authorities, except where stipulated in the Rules for Special Purposes Entities or by these By-Laws that it shall be exercised by the Sponsor or the Trustee of the Special Purposes Entity, including (without limitation):
     1. to represent the Entity before the Authority, all notary publics, judicial authorities, Government and private entities and others;
     2. to negotiate any contracts or other documents to be entered into by the Entity and executing such contracts and documents in the name of the Entity, in order to obligate the Entity to the terms of such contracts and documents;
     3. to appoint and remove the Entity's agents or legal advisors;
     4. Representing the interests of debt instruments holders.
  2. The Directors may delegate any of their authorities to any person, including (without limitation) any of the authorities specified in Article 5.6 above, and shall bear the responsibility for such delegation, without prejudice to Article 24 of the Rules for Special Purposes Entities.

The Directors may set the procedures for their work and decision-making as they deem fit, with consideration to the following:

* + 1. the quorum for a meeting of Directors shall be at least two (2) attending members;
    2. a resolution in writing signed by all Directors shall be as valid and effective as if it had been passed at a meeting of Directors;
    3. a Director may not vote on any resolution concerning a matter in which he has, directly or indirectly, a material interest and which conflicts or may conflict with the interests of the Entity.

1. register of Directors

The Entity shall maintain a register of Directors in which it shall enter the following details in relation to each Director:

* + 1. name and address;
    2. national identification number, Iqama number or passport number, as appropriate;
    3. nationality;
    4. occupation (if any);
    5. date of appointment;
    6. Location of residence; and
    7. date of removal or resignation (where applicable).

The pages of the Directors’ register shall be numbered sequentially. No page may be deleted nor any erasure or revision made to the information contained therein.

1. Decisions Making

This section includes decisions–making process regarding the Special Purposes Entity that are not included in the Rules for Special Purposes Entities, given that such decision shall be made either by the Directors or the Trustee of the Special Purposes Entity.

1. Auditor
   1. The Trustee of the Special Purposes Entity shall annually issue a written resolution appointing an Auditor registered with the Authority in accordance with the Rules for Registering Auditors of Entities Subject to the Authority's Supervision, in accordance with Article 34 of the Rules for Special Purposes Entities.
   2. No person may be appointed as an Auditor and at the same time perform the functions of a Director of the Special Purposes Entity, or perform any technical or administrative work for the Special Purposes Entity, even in an advisory capacity, nor may an Auditor be a partner or an employee of, or be associated with the Trustee of the Special Purposes Entity or any Director in the Special Purposes Entity.
   3. The annual remuneration of the Auditor shall be determined by resolution from the Trustee of the Special Purposes Entity.
   4. The Auditor may be removed at any time by a written resolution from the Trustee of the Special Purposes Entity, without prejudice to any right of the Auditor to compensation. Where an Auditor is removed the Trustee of the Special Purposes Entity shall issue a resolution appointing a substitute Auditor as soon as possible.
2. books and records

The Directors shall be responsible for ensuring that the books and records are maintained properly and in accordance with Article 36 of the Rules for Special Purpose Entities.

The books and records must be kept at the Registered Office of the Entity (or such other place in the Kingdom of Saudi Arabia as the Directors may determine), and shall always be available for inspection by the Directors, the Trustee of the Special Purposes Entity, and the Authority.

1. Fiscal year

The fiscal year of the Entity shall commence on the date of its registration in the register prepared by the Authority and shall end on [insert Hejri date] H, corresponding to [insert Gregorian date] G, and shall not be less than six Gregorian months and not more than eighteen Gregorian months, and each fiscal year thereafter shall be of twelve (12) months.

1. SETTLEMENT AND INSOLVENCY

Subject to the provisions of the Rules for Special Purposes Entities, the Special Purposes Entity is subject to the Bankruptcy Law and its implementing regulations.

1. TERMINATION OF A SPECIAL PURPOSES ENTITY

The Special Purposes Entity shall cease to exist with the end of the purpose for which it was established for in accordance with Article 54 of the Rules for Special Purposes Entities.

1. Law and arbitration

These By-Laws are subject to the laws and regulations of the Kingdom of Saudi Arabia, in particular the Rules for Special Purposes Entities.

Unless otherwise agreed upon, any dispute, controversy, or claim arising out of or in connection with these By-Laws shall be settled amicably. In the event that any such dispute cannot be resolved amicably and unless otherwise agreed upon, any party may submit the matter to the Committee for the Resolution of Securities Disputes for the issuance of a decision in accordance with the relevant procedures, with no prejudice to the parties of the dispute's right to arbitration as agreed upon.

1. Gerneral Provisions
   1. Unless otherwise specified in these By-Laws, all notices to be served pursuant to these By-Laws shall be in the form of letters, e-mails, or shall be delivered by hand against a written acknowledgement of receipt at the registered office of the Entity, or such other address as notified by the Trustee of the Special Purposes Entity to the Directors.
   2. These By-Laws has been drafted and signed in Arabic and English. In case of conflict between the two versions, the Arabic version shall prevail.
   3. These By-Laws have been signed in [insert number of copies in words] ([insert number of copies in numerals]) copies in Arabic and English.
   4. References in these By-Laws to years or months shall be made to Gregorian years or months.

**IN WITNESS WHEREOF**, these By-Laws were signed by the Sponsor or by its duly authorised representatives on the day and year detailed above.

**[Insert the name of the Sponsor]**

**By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**