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مركز بحوث ودراسات

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13 يونيو 2022

تاریخی و سرکاری

وزیران

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نائب وزیر



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• **تعمیراتی کاموں کے لیے بجٹ کی ضرورت**۔

○ **تعمیراتی کاموں کے لیے بجٹ کی ضرورت**۔
تعمیراتی کاموں کے لیے بجٹ کی ضرورت 50 کروڑ روپے کے اندر رکھنی چاہئے۔

○ **تعمیراتی کاموں کے لیے بجٹ کی ضرورت**۔
تعمیراتی کاموں کے لیے بجٹ کی ضرورت 03 کروڑ روپے کے اندر رکھنی چاہئے۔
تعمیراتی کاموں کے لیے بجٹ کی ضرورت 03 کروڑ روپے کے اندر رکھنی چاہئے۔
تعمیراتی کاموں کے لیے بجٹ کی ضرورت 90 کروڑ روپے کے اندر رکھنی چاہئے۔
تعمیراتی کاموں کے لیے بجٹ کی ضرورت 02 کروڑ روپے کے اندر رکھنی چاہئے۔
تعمیراتی کاموں کے لیے بجٹ کی ضرورت 01 کروڑ روپے کے اندر رکھنی چاہئے۔

• **تعمیراتی کاموں کے لیے بجٹ کی ضرورت**۔
تعمیراتی کاموں کے لیے بجٹ کی ضرورت 50 کروڑ روپے کے اندر رکھنی چاہئے۔

6. **تعمیراتی کاموں کے لیے بجٹ کی ضرورت**۔

• **تعمیراتی کاموں کے لیے بجٹ کی ضرورت**۔
تعمیراتی کاموں کے لیے بجٹ کی ضرورت 50 کروڑ روپے کے اندر رکھنی چاہئے۔
تعمیراتی کاموں کے لیے بجٹ کی ضرورت 2020 کے اندر رکھنی چاہئے۔
تعمیراتی کاموں کے لیے بجٹ کی ضرورت 13,088.38 کروڑ روپے کے اندر رکھنی چاہئے۔
تعمیراتی کاموں کے لیے بجٹ کی ضرورت 654,419.00 کروڑ روپے کے اندر رکھنی چاہئے۔

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تعمیراتی کاموں کے لیے بجٹ کی ضرورت



1- تَرَوَعُوْ

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بَیِّنَاتُ ۲-

تَدْبِيرُ مَجْمَعَةِ مَدْرَسَةِ كَبْرَى رَسُوْلِيَّةٍ عَمَّ يَوْمًا وَرَبِّ مَدْرَسَةِ كَبْرَى رَسُوْلِيَّةٍ (ا.م.ب.ا.و.س.) فِي دَوْلَةِ
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بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِیْمِ



MINISTRY OF FINANCE
MALE'
REPUBLIC OF MALDIVES

Ref: 13-R1/PRIV/2020/962

28th October 2020

Eng. Hani Salem Sonbol
Chief Executive Officer
International Islamic Trade Finance Corporation
P.O. Box 55335, Jeddah 21534
Kingdom of Saudi Arabia

Dear Excellency,

Subject: Expression of Interest for Maldives to become a Member of the International Islamic Trade Finance Corporation (ITFC)

I would like to express my sincere gratitude for the continued and excellent support extended by the IsDB group, in particular the ITFC towards the development of the country, especially the assistance provided during this Covid-19 global pandemic.

With reference to the Framework agreement signed between the ITFC and the Government of Maldives (GOM) on 09th October 2019, the GOM believes that it will be most beneficial by joining the ITFC at earliest and hereby express our interest to be part of this significant group, and requests to a subscription of 50 shares of the Corporation.

Thus, may I kindly request your Excellency, to accept this letter of expression of interest and submit this to the next ITFC's Board of Directors for their immediate clearance.

Yours sincerely,

Ibrahim Ameer
Minister of Finance




**General Terms and Conditions
Governing the Admission to the Membership
of the International Islamic Trade Finance Corporation (ITFC)**

Steps that need to be taken by a country to become a member of ITFC:

1. ITFC shall receive an official request from the applicant country expressing its interest to join the ITFC.
2. The request shall specify the number of shares the applicant country wishes to subscribe to. The minimum subscription is 50 shares. A higher subscription is always welcome. The value per share is the book value as per related resolution on the subject. The prevailing book value per share is US\$12,723 (based on the audited financial statements of the ITFC for the year ended 31/12/2018).
3. ITFC shall submit the request of applicant country to ITFC's Board of Directors for clearance.
4. Upon clearance by the Board of Directors, ITFC shall then submit the request of the applicant country to ITFC's General Assembly for final approval.
5. Upon approval, the member country shall ratify the Articles of Agreement of ITFC and the instruments of such ratification shall be sent to ITFC.
6. Payment of the value of the subscribed shares shall be made in three equal consecutive installments as follows:
 - a. The first installment shall be paid within thirty (30) days from the date the applicant country becomes a Member of ITFC, that is, after ratifying the Articles of Agreement of ITFC and depositing the instrument of such ratification with ITFC.
 - b. Each of the two remaining installments shall be paid on the anniversary of the date the previous installment becomes due and payable.
7. The applicant shall be considered as a member upon ratification of the Articles of Agreement and settlement of the first installment of its subscription to the share capital of ITFC.



Central Archives - ITFC	
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H.E. Ibrahim Ameer
Minister of Finance
Governor, IsDB
Ministry of Finance
Republic of Maldives
Fax: +960 332 4432
Email: Ibrahim.ameer@finance.gov.mv
admin@finance.gov.mv

subject : Membership in ITFC

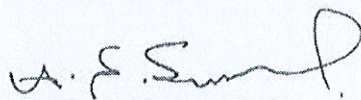
As Your Excellency is kindly aware, the General Assembly of ITFC, vide its Resolution No GA16/4-2021 adopted in its 16th meeting held on 4 September 2021 in Tashkent, Uzbekistan has welcomed the membership of your esteemed country in ITFC and has resolved that:

- 1- The Republic of Maldives be admitted as a member of ITFC on the following conditions:
 - (a) The Republic of Maldives shall subscribe to fifty (50) shares at the book value per share prevailing on the date of payment of each instalment.
 - (b) The Republic of Maldives shall pay the value of the subscribed shares in three annual, equal, and consecutive instalments. The first instalment shall be paid within 90 days from the date The Republic of Maldives submits the instrument of ratification or acceptance of the Articles of Agreement of ITFC and each of the two remaining instalments shall be paid on the anniversary of the due date of the previous instalment.
- 2- The Republic of Maldives shall become a member of ITFC after ratification or acceptance of the Articles of Agreement and payment of the first instalment of the value of the shares subscribed.

Based on the foregoing, I would like to request Your Excellency to follow with pertinent authorities in your esteemed country to expedite the processing of the ratification of the Articles of Agreement of ITFC.

Payment of the first instalment shall be made within 90 days from the date of such ratification, following which, The Republic of Maldives shall become a member of ITFC.

Allow me Your Excellency to avail myself of this opportunity to thank you in person and your esteemed country in general for its sincere interest and genuine desire to join the ITFC that has culminated in the abovementioned resolution.



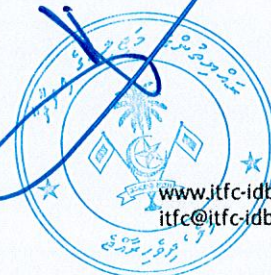
Eng. Hani Salem Sonbol
Chief Executive Officer
International Islamic Trade Finance Corporation (ITFC)

P.O Box 55335, Jeddah 21534
Kingdom of Saudi Arabia

T +966 12 646 8284
F +966 12 637 1064

www.itfc-idb.org
itfc@itfc-idb.org

Member of Islamic
Development Bank



INSTRUMENT OF RATIFICATION

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

WHEREAS the Articles of Agreement of the International Islamic Trade Finance Corporation (“Articles of Agreement”) was approved by the General Assembly of Islamic Development Bank, at the city of Kuwait, State of Kuwait on 3rd day of *Jumaadhul Oola* 1427H, corresponding to the 30th day of May 2006;

WHEREAS the Government of the Republic of Maldives has decided to ratify the said Articles of Agreement; and

WHEREAS pursuant to Article 93(a) of the Constitution of the Republic of Maldives, the Parliament of the Republic of Maldives having considered and approved the said Articles of Agreement, has consented to the ratification of the same;

NOW THEREFORE I, {.....} declare that the Government of the Republic of Maldives, having considered the above-mentioned Articles of Agreement ratifies the same and undertakes faithfully to perform and carryout the stipulations therein contained.

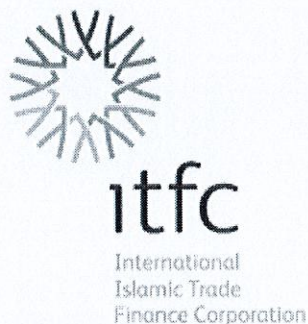
IN WITNESS WHEREOF, I have signed this Instrument of Ratification at Male’, Republic of Maldives on this ... day of, 2022 of Gregorian Calendar, corresponding to theday of, 1443 of Hijri Calendar.

[Signature]

[Name]



INTERNATIONAL ISLAMIC TRADE FINANCE CORPORATION (ITFC)



About ITFC

The International Islamic Trade Finance Corporation (ITFC) is a member of the Islamic Development Bank (IsDB) Group. It was established with the primary objective of advancing trade among OIC Member Countries, which would ultimately contribute to the overarching goal of improving socioeconomic conditions of the people across the world. The IsDB Board of Governors approved the establishment of the International Islamic Trade Finance Corporation (ITFC) in its meeting held in Jumadul Awwal 1426H (June 2005). The ITFC Articles of Agreement were cleared during the Annual Meeting of the IsDB held in 1427H (2006) in Kuwait.

Commencing operations in January 2008 (Muharram 1429H), ITFC has since consolidated all trade finance businesses that used to be handled by various windows within the IsDB Group. Earning the A1 rating by Moody's is a reflection of the Corporation's creditworthiness and financial strength to responding swiftly to customer needs in a market-driven business environment.

Since 2008, ITFC has provided more than US\$51 billion to OIC Member Countries, making it the leading provider of trade solutions for the Member Countries' needs. With a mission to become a catalyst for trade development for OIC Member Countries and beyond, the Corporation helps entities in Member Countries gain better access to trade finance and provides them with the necessary trade-related capacity building tools, which would enable them to successfully compete in the global market.

How ITFC helps with Trade Finance

The ITFC's trade finance division is responsible for providing shariah-compliant trade financing for OIC member countries, with a particular focus on financing intra-trade between member countries. The ITFC provides direct financing or cooperates with other fund providers to support OIC trade and intra-trade. As a member of the IDB Group, the ITFC has unique access to governments around the world and acts as a facilitator in mobilizing private and public resources to build and develop intra-trade.



*Resource Mobilization Department
Ministry of Finance*

In addition to trade financing, the ITFC offers advisory services to member institutions and countries and their public and private enterprises on developmental policies and practices in accordance with IDB Group objectives. In this way, ITFC's intra-trade finance serve as a catalyst for economic solidarity by establishing new trade links with member countries, creating an environment that is conducive to on-going, direct trade relationships, and strengthens corresponding banking networks among member countries. The ITFC is able to streamline the trade financing process by confirming letters of credit to eliminate the need for using intermediary banks. The ITFC also aims to reduce trade costs by removing intermediaries that re-sell goods at higher prices, thus allowing importers to find a better price for their goods.

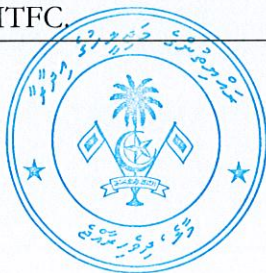
By offering an alternative financing option, the ITFC contributes to the reduction of financing costs for public and private sector enterprises in member countries. The ITFC's sustained commitment to competitive financing and its active participation in the growth of private sector enterprise in OIC member countries has the effect of building national trade capacities.

By acting as lender of record for banks and countries unable to mobilize resources and supporting local trade finance in countries where this has not existed before, the ITFC plays an important role in supporting economic growth.

The ITFC brings a thirty-year heritage of success in trade finance into an efficient, market-driven corporation committed to building commercial cross border trade that supports human development and economic and social welfare in the Muslim world.

Membership

Despite not being a member country ITFC has been continuously engaging with Maldives since 2005. However since officially ITFC is only to provide assistance to member countries during the visit in 2019 to sign the Framework Agreement ITFC CEO advised to get official membership status. Following this we submitted out Letter of Interest to become a member of ITFC on 28th October 2020 and was approved at the 16th General Assembly of the ITFC held on 4th September 2021 at the IsDB Annual Meeting 2021. We are now in the process of ratifying the Articles of Agreement which is the next step for the membership process. Once the Instrument of Ratification is complete and the first instalment of our subscription is paid we will officially become a member of ITFC.



A handwritten signature in blue ink, consisting of a stylized, flowing line that loops back to the start.

*Resource Mobilization Department
Ministry of Finance*

On 24th May we received the Cabinet approval for becoming an ITFC member country and on 25th we sent a letter to President's Office requesting to submit for Parliament approval.

Maldives Engagements with ITFC

While Maldives has yet to become a member of ITFC our engagements with ITFC had already started as far back as 2005. Maldives is currently in the process of becoming a member of ITFC.

On 9th October 2019 a Framework Agreement of \$1.5 billion over a span of 5 years (approximately \$300 million per year) was signed between ITFC and GOM. His Excellency Eng. Hani Salem Sonbol personally visited Maldives to sign the Agreement.

Past Engagements

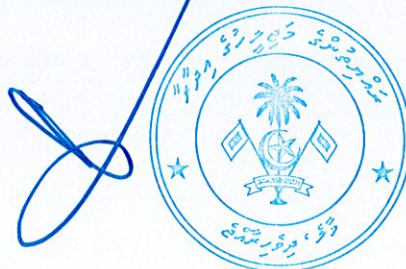
Approval Date	Beneficiary	Amount USD Million
06.07.2005	Govt of Maldives (Tsunami Assistance Package)	20.0
24.10.2007	Govt of Maldives (Tsunami Assistance Package)	8.3
18.11.2008	STO (Purchase of Refined Petroleum Products)	25.0
27.05.2009	MTCC	4.0
07.09.2009	STO (Purchase of Refined Petroleum Products)	5.0
11.10.2009	STO (Purchase of Refined Petroleum Products)	25.0
25.09.2010	STO (Purchase of Refined Petroleum Products)	40.0
25.10.2011	STO (Purchase of Refined Petroleum Products)	40.0
26.12.2012	STO (Purchase of Refined Petroleum Products)	40.0
07.08.2016	STO (Purchase of Refined Petroleum Products)	10.0
03.01.2017	STO (Purchase of Refined Petroleum Products)	100.0
16.01.2019	STO (Purchase of Refined Petroleum Products)	150.0
06.05.2020	STO (Procurement of Staple foods and medical supplies and equipment in support of Government's efforts to combat COVID-19)	15.0
24.05.2020	Murabaha Trade Finance Facility to BML for providing assistance to SMEs for COVID-19 relief efforts	5.0

Current Engagements

MIFCO Working Capital Facility

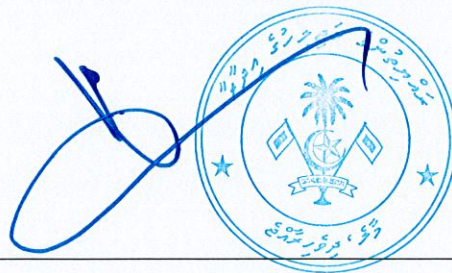
MIFCO is in the initial stages of discussion with ITFC regarding a facility of \$2-3 million. This facility is expected to be used for covering their Usance Export Bills (similar to a Letter of Credit), to be paid back once MIFCO receives the export proceeds. It is expected that more details will be finalized in June when ITFC is planning to field a mission.

Resource Mobilization Department
Ministry of Finance



STO Facility for Petroleum Products

The Facility approved for Petroleum products in 2019 is a roll over facility and requires to be renewed every year. However due to the COVID-19 Pandemic ITFC chose to sign an amendment for the extension every year as well as to increase the facility amount. Renewed Murabaha Trade Financing agreement for US\$ 175 million is expected to be signed between ITFC and STO in mid-June 2022. The term sheet of the agreement was signed between the ITFC and STO during the sideline of IsDB 2022 Annual Meeting in Egypt.



*Resource Mobilization Department
Ministry of Finance*

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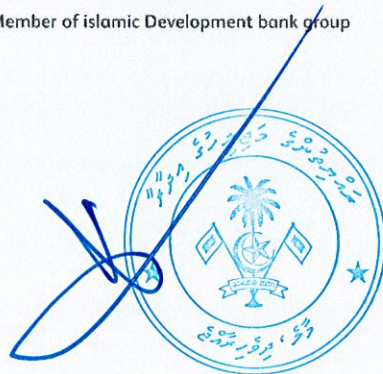
International
Islamic Trade
Finance Corporation



ARTICLES OF AGREEMENT



Member of Islamic Development Bank Group



In the Name of Allah,
the Most Beneficent, the Most Merciful



**AGREEMENT ESTABLISHING
THE INTERNATIONAL ISLAMIC TRADE
FINANCE CORPORATION (ITFC)**

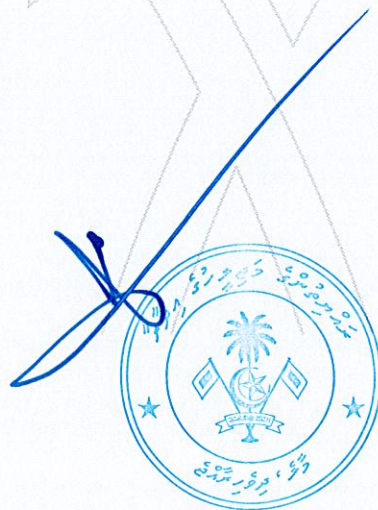
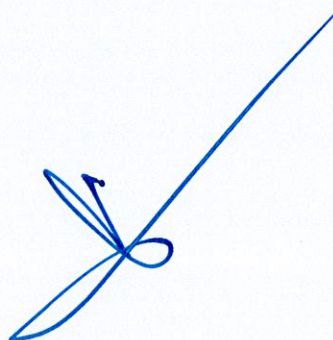


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ANNEX – A 29



THE GOVERNMENTS AND INSTITUTIONS ON WHOSE BEHALF THIS AGREEMENT IS SIGNED

RECOGNIZING that the purpose of the Islamic Development Bank is to foster economic development and social progress in its member countries in accordance with the principles of Shariah;

NOTING that one of the functions of the Islamic Development Bank is to assist in the promotion of trade among its member countries;

REALIZING the existence of a large potential market for Islamic trade finance through the members of the Islamic Development Bank and the willingness of clients to finance their trade business through modern Islamic banking products;

CONVINCED of the necessity to establish an independent international institution within the Islamic Development Bank Group in order to effectively deal with trade finance and promotion of trade in the member countries of the Islamic Development Bank;

APPRECIATING the support and encouragement of the Third Extra-ordinary Session of the Islamic Summit Conference held in Makka Al Mulkaramah on 07-08 December 2005;

IN ACCORDANCE with Resolution No.BG/5-426 adopted by the Board of Governors of the Islamic Development Bank on 24 June 2005 in its 30th Annual Meeting held in Putrajaya, Malaysia;

HEREBY agree to the following:



CHAPTER – 1

Definitions-Interpretation

ARTICLE - 1 Definitions

In this Agreement, unless the context otherwise requires, the following terms shall have the meaning assigned to each of them:

Bank:	Islamic Development Bank.
Board of Directors:	The Board of Directors of the International Islamic Trade Finance Corporation.
Chief Executive Officer:	The Chief Executive Officer of the International Islamic Trade Finance Corporation.
Export Financing Scheme:	The Scheme established in 1987 under the administration of the Bank to promote exports of the Bank's member countries.
General Assembly:	The General Assembly of the International Islamic Trade Finance Corporation.
Guidelines, Regulations, Rules:	Guidelines, regulations or rules adopted by the General Assembly or by the Board of Directors.
Islamic Banks Portfolio:	A trust fund established in 1987 pursuant to a memorandum of understanding between the Bank and some Islamic financial institutions for mobilizing the liquidity available with these institutions and utilizing the same in trade and investment.
Member Country:	A member country of the International Islamic Trade Finance Corporation.
Member:	A country or institution, which is a member of the International Islamic Trade Finance Corporation.



ARTICLE - 2 Interpretation

In this Agreement:

- (a) Unless the context otherwise requires, words denoting the singular include the plural and vice-versa, the word "institution" includes public corporations, public and private companies, and reference to a specified Annex or Article is a reference to that Annex or Article of this Agreement.
- (b) Chapter and Article headings are inserted for convenience of reference only and shall not be used to define, interpret or limit any of the provisions of this Agreement.



CHAPTER – 2

Establishment, Juridical Personality, Purpose, Functions, Office, Powers, And Membership

ARTICLE - 3

Establishment

The International Islamic Trade Finance Corporation (hereinafter called the "Corporation") shall be established by virtue of this Agreement as an international specialized institution to fulfill the purpose provided for in Article 5 of this Agreement.

ARTICLE - 4

Juridical Personality

The Corporation shall possess full juridical personality and, in particular, full capacity:

- (a) to contract;
- (b) to acquire and dispose of movable and immovable assets;
- (c) to institute legal proceedings before arbitral tribunals or courts.

ARTICLE - 5

Purpose

The purpose of the Corporation shall be to promote trade of the member countries of the Organization of Islamic Conference through providing trade finance and engaging in activities that facilitate intra-trade and international trade.

ARTICLE - 6

Functions

- 1) To fulfill its purpose the Corporation may undertake the following functions:
 - (a) finance trade, alone or in cooperation with other sources of finance, utilizing such financial instruments and mechanisms as the Corporation deems appropriate in each instance;
 - (b) encourage and facilitate intra-trade and international trade of member countries of the Organization of Islamic Conference;
 - (c) assist member countries of the Organization of Islamic Conference and institutions, whether public or private, to have access to private and public funds, domestic and foreign, including access to financial markets for the



- purpose of financing trade;
- (d) assist in the development of investment opportunities conducive to the flow of private and public funds, domestic and foreign, into investments in the member countries of the Organization of Islamic Conference to enable them enhance their capabilities in international trade;
 - (e) develop and diversify financial instruments and products for trade financing;
 - (f) provide technical assistance and training to banks and private and public institutions involved in trade finance and promotion in member countries of the Organization of Islamic Conference;
 - (g) carry out any other activity or function that may be relevant or conducive to the attainment of its purpose;
- 2) The Corporation may offer advisory services to Member institutions and countries and their public and private enterprises on matters relevant to its purpose.

ARTICLE - 7

Headquarters of the Corporation

The headquarters of the Corporation shall be located in the city of Jeddah, the Kingdom of Saudi Arabia with its first branch in Dubai, United Arab Emirates and branches in other places to be determined by the Corporation as needed.

ARTICLE - 8

Powers

- 1) In order to accomplish its purpose and perform its functions the Corporation shall generally have the power to carry out any activity that is consistent with or relevant to its purpose and functions.
- 2) Without prejudice to the generality of paragraph (1) hereof, the Corporation may:
 - (a) encourage the participation of other sources of financing in trade activities of the member countries of the Organization of Islamic Conference through appropriate modes of financing including organization of syndications or other suitable arrangements.
 - (b) accept deposits from governments and institutions of the member countries of the Organization of Islamic Conference and raise funds through various instruments in accordance with the principles of Shariah for financing trade, and for that purpose furnish such collateral or other security as the Corporation shall determine, provided that the total amount outstanding on the funds raised or guarantees given by the Corporation shall be as determined by



the Board of Directors in accordance with suitable prevailing international standards and practices;

- (c) support research for matters relevant to its purpose and functions;
- (d) invest funds not immediately needed in its operations, as well as funds held by it for other purposes in such liquid instruments and securities as the Board of Directors may determine;
- (e) undertake any market making function, buy and/or sell securities it has issued or guaranteed or in which it has invested;
- (f) establish or administer special funds and administer trust funds;
- (g) issue irrevocable reimbursement undertakings, or other similar arrangements, in connection with letters of credit issued for purchase of goods. The Board of Directors shall prescribe Rules, Regulations or Guidelines relating to such arrangements;
- (h) participate in or manage guarantee funds;
- (i) invest in similar institutions or institutions involved in trade finance or trade promotion;
- (j) establish offices or agencies or appoint any person as an agent for performing any of the functions of the Corporation or for carrying out any work relevant to the purpose or functions of the Corporation;
- (k) handle, on such terms as the Board of Directors may determine, any specific matters incidental to its business as may be entrusted to the Corporation by its Members or third parties.

ARTICLE - 9

Membership

- 1) The founder Members shall be the Bank and those member countries of the Bank and institutions of those countries listed in Annex (A) hereto which, on or before the date specified in Article 54 hereof, shall have signed this Agreement and shall have fulfilled all other conditions of membership.
- 2) Any other country which is a member of the Bank, or any institution of a member country of the Bank may apply and be admitted as a Member after the entry into force of this Agreement upon such terms and conditions as may be decided by the vote of the majority of the total number of members of the General Assembly representing a majority of the total voting power of the Members.
- 3) A country that is a member of the Bank may authorize any entity or agency to sign this Agreement on its behalf and to represent it in all matters relating to this Agreement with the exception of the matters referred to in Article 54 hereof.



CHAPTER – 3

Financial Resources

ARTICLE - 10

Capital

- 1) The authorized capital stock of the Corporation shall be three billion dollars of the United States of America (US\$3,000,000,000) of which five hundred million dollars of the United States of America (US\$500,000,000) are initially available for subscription in accordance with this Agreement.
- 2) The authorized capital stock shall be divided into three hundred thousand (300,000) shares having a par value of ten thousand dollars of the United States of America (US\$10,000) each. Any shares not subscribed in accordance with paragraphs (1) and (2) of Article 11 of this Agreement shall be available for subsequent subscription.
- 3) The General Assembly may increase the authorized capital stock at such time and upon such terms and conditions, as it may deem appropriate, by at least two thirds of the total number of Members representing not less than three-fourths of the voting power of Members. The General Assembly may specify whether the value of any shares shall be paid or callable in whole or in part.

ARTICLE - 11

Subscription

- 1) The Bank and the founding Members shall initially subscribe the number of shares specified in Annex (A) to this Agreement.
- 2) Each other Member shall subscribe at least fifty shares.
- 3) Shares initially available for subscription shall be issued at par.
- 4) The dates of payment of the value of shares remaining after the initial share subscription by the founding Members which shall not have been subscribed under paragraph (2) of this Article shall be as specified in paragraph (1) of Article-12 hereof.
- 5) If the General Assembly decides to increase the capital stock of the Corporation, each Member shall have a reasonable opportunity to subscribe, upon such terms and conditions as the General Assembly shall determine, to a proportion of the increase of stock equivalent to the proportion which its stock heretofore subscribed bears to the total subscribed stock immediately prior to such increase.



No Member shall be obliged to subscribe to any part of an increase of the capital stock of the Corporation.

- 6) Subject to paragraph (5) of this Article, the General Assembly may, at the request of a Member, by a vote of a majority of the total number of Members representing a majority of the total voting power of the Members, increase the subscription of such Member to the capital stock on such terms and conditions as the General Assembly may determine.
- 7) Unless the Bank otherwise decides, the Bank's participation in the capital of the Corporation shall not be less than 51 % of the subscribed capital at all times.

ARTICLE - 12

Payment of Subscriptions

- 1) The Bank and the founding Members listed in Annex-A who are also participants in the Export Financing Scheme or Islamic Banks Portfolio, shall be deemed to have paid the value of shares subscribed by them. The amount for the time being representing the shares of those Members participants in the assets of the Export Financing Scheme or the Islamic Banks Portfolio shall be transferred to and become the initial capital of the Corporation. Any Member, who subscribe to the capital of the Corporation in accordance with paragraph (2) of Article-11 shall pay the value of the shares subscribed by it in three annual, equal and consecutive installments. The first installment shall be paid within thirty days after the date it becomes a Member of the Corporation in accordance with Article 54(2) of this Agreement. Each of the remaining installments shall be paid on the anniversary of the date the previous installment becomes due and payable.
- 2) Each other Member shall pay the value of the shares subscribed by it in accordance with the terms and conditions prescribed by the General Assembly.
- 3) The value of the shares shall be paid in United States Dollars. The Corporation shall determine the place or places of payment.

ARTICLE - 13

Restriction on Transfers and Pledges of Shares

Shares of the Corporation may not be pledged or encumbered and may not be transferred or disposed of except to the extent and in the manner specified in Article-29 hereof.



ARTICLE - 14
Limitation on Liability

The liability of Members, including the Bank, on the shares subscribed by them, shall be limited to the unpaid portion of their value at issuance. No Member, including the Bank, shall be liable, by reason of its membership, for obligations of the Corporation.

ARTICLE - 15
Other Resources

The other resources of the Corporation shall consist of:

- a) amounts accruing by way of dividends, commissions, profits and other funds derived from the investments of the Corporation;
- b) amounts received upon the sale of investments or the repayment of financing;
- c) amounts raised by the Corporation from the market through various instruments; and
- d) any other amount entrusted to the Corporation for administration.



CHAPTER – 4

Operations

ARTICLE -16

Policies – Operating Principles

- 1) The activities of the Corporation shall be conducted in accordance with policies to be set forth in detail by the Board of Directors.
- 2) The Corporation:
 - (a) shall provide financing on terms and conditions which it considers appropriate under the circumstances taking into account the requirements of the applicant for financing, the risks assumed by the Corporation and the terms and conditions as may be prescribed by the Board of Directors from time to time.
 - (b) shall apply financial, technical, economic, legal, environmental and institutional due diligence and assessment criteria and shall ensure that adequate securities are offered before approving any financing or investment.
 - (c) shall take, in addition to the matters referred to in (a) and (b) hereof, only economic considerations into account when making decisions. Such considerations shall be weighed impartially in order to achieve the purpose and functions of the Corporation.

ARTICLE -17

Protection of Interests

The Corporation shall be entitled to take such action and exercise such rights as it may deem necessary for the protection of its interests in the event of default on any of its financing or investments, actual or threatened insolvency of enterprises in which such financing or investments have been made, or other situations which, in the opinion of the Corporation, threaten to jeopardize such investments or financing.

ARTICLE -18

Compliance with Shariah

All the activities and operations of the Corporation shall be in conformity with the principles of Shariah.



CHAPTER – 5

Organization And Management

ARTICLE -19 Structure

The Corporation shall have a General Assembly, a Chairman of the Board of Directors, a Board of Directors, a Chief Executive Officer and such other officers and staff as may be needed for the efficient management of the Corporation.

ARTICLE -20 General Assembly : Composition

- 1) The President of the Bank shall appoint a representative of the Bank and each Member Country and institution shall appoint a representative in the General Assembly.
- 2) The General Assembly shall be composed of the representative of the Bank and representatives of Member Countries and institutions. The Chairman of the Board of Governors of the Bank shall be the Chairman of the General Assembly.
- 3) Members of the General Assembly shall serve as such without remuneration from the Corporation, but the Corporation may reimburse them for reasonable expenses incurred in attending meetings provided that, such expenses have not been reimbursed by any other member of the Bank's Group.

ARTICLE -21 General Assembly: Powers

- 1) All the powers of the Corporation shall be vested in the General Assembly.
- 2) The General Assembly may delegate any of its powers to the Board of Directors, except the power to:
 - (a) admit new Members and determine the conditions of their admission;
 - (b) increase or decrease the capital stock of the Corporation;
 - (c) suspend a Member;
 - (d) decide appeals from interpretations or applications of this Agreement given by the Board of Directors;
 - (e) approve after reviewing the auditors' report, the final accounts of the Corporation;



- (f) elect the members of the Board of Directors;
 - (g) determine the reserves and the distribution of the net income and surplus of the Corporation;
 - (h) engage the services of external auditors to examine the final accounts of the Corporation;
 - (i) amend this Agreement; and
 - (j) decide to terminate the operations of the Corporation and to distribute its assets.
- 3) The General Assembly and the Board of Directors, to the extent the latter is authorized, may adopt such Rules and Regulations as may be necessary or appropriate to conduct the business of the Corporation, including Rules and Regulations for personnel, pensions and other benefits.
- 4) The General Assembly shall retain full powers to exercise authority over any matter delegated to the Board of Directors under paragraphs (2) and (3) of this Article.

ARTICLE - 22

General Assembly: Procedures

- 1) The General Assembly shall hold an annual meeting each year. It may meet on other occasions, as the General Assembly deems necessary or called by the Board of Directors. The Board of Directors must call for a General Assembly meeting whenever requested by one-third of the Members.
- 2) A majority of the members of the General Assembly shall constitute a quorum for any meeting of the General Assembly, provided that such majority represents not less than two-thirds of the total voting power of the Members.
- 3) The General Assembly shall, by Regulations, establish a procedure whereby the Board of Directors may, where the latter deems such action advisable, obtain a vote of the members of the General Assembly on a specific question without calling a meeting of the General Assembly.

ARTICLE - 23

Voting in the General Assembly

- 1) Each Member shall have one vote for every share subscribed and paid in and callable capital subscribed.



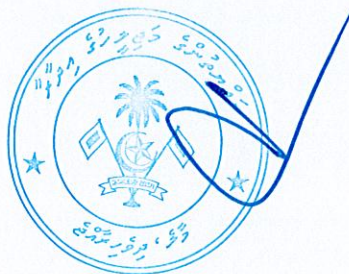
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- 2) In voting in the General Assembly, each member of the General Assembly shall be entitled to cast the votes which the Member he represents is entitled to in the Corporation.
- 3) Except as otherwise expressly provided in this Agreement, all matters before the General Assembly shall be decided by majority of the voting power represented at the meeting.

ARTICLE - 24

Board of Directors

- 1) Subject to paragraph (2) of this Article, the Board of Directors shall be composed as follows:
 - (a) The Board of Directors shall consist of 10 (Ten) members in addition to the Chairman of the Board of Directors.
 - (b) The Board of Executive Directors of the Bank shall appoint five of its members as members of the Board of Directors.
 - (c) The Member, other than the Bank, having the largest number of shares of the Corporation shall appoint one as a member of the Board of Directors.
 - (d) The General Assembly shall elect the remaining four (4) members of the Board of Directors; provided that the representative of the Bank and the representative of the Member having the largest shares of the Corporation shall not participate in the election.
 - (e) The procedures for the election of members of the Board of Directors shall be set forth in Regulations to be adopted by the General Assembly.
 - (f) Members of the Board of Directors shall be appointed or elected for a period of three years. Appointed members may be re-appointed and elected members of the Board of Directors may be re-elected. The members of the Board of Directors shall continue in office until their successors are appointed or elected. If the office of a member of the Board of Directors becomes vacant for more than ninety (90) days before the end of his term, a successor shall be appointed or elected for the remainder of the term, by the Member who appointed or Members who elected the former member of the Board of Directors, as the case may be.
 - (g) Members of the Board of Directors must be suitably qualified and experienced in the fields of the Corporation's activities.
 - (h) No member of the Board of Directors may simultaneously serve as a



- member of the General Assembly.
- (i) A member of the Board of Directors shall cease to hold office if the Member who appointed him or all the Members whose votes counted towards his election cease to be Members of the Corporation.
 - (j) The General Assembly shall determine the remuneration and expenses to be paid to the members of the Board of Directors for attending meetings or carrying out any task entrusted to them by the Board of Directors or the Chairman of the Board of Directors.
- 2) The General Assembly may increase the number of the members of the Board of Directors in accordance with the terms and conditions if deems fit.
 - 3) The Board of Directors shall be responsible for the general conduct of the operations of the Corporation and for this purpose shall exercise all the powers delegated to it by the General Assembly or given to it by this Agreement, including the power to:
 - (a) adopt the policies of the Corporation and its Rules and Regulations that do not fall within the exclusive authority of the General Assembly;
 - (b) approve the operational strategy of the Corporation;
 - (c) approve the annual business plan and operations expenditure budget;
 - (d) submit the final accounts for each financial year for the approval of the General Assembly;
 - (e) establish such organs as may be suitable for the business of the Corporation;
 - (f) interpret the provisions of this Agreement;
 - (g) propose amendments of this Agreement to the General Assembly;
 - (h) undertake any other action that is not inconsistent with the provisions of this Agreement or the decisions of the General Assembly as it deems appropriate for the conduct of the business of the Corporation or for advancing its purpose.
 - 4) The Procedures of the Board of Directors shall be as follows:
 - (a) The Board of Directors shall operate at the headquarters of the Corporation, or at such other location as shall be designated by the Board, and shall meet at least four times each year or on the invitation of the Chairman of the Board of Directors when and as the business of the Corporation requires.
 - (b) A majority of the members of the Board of Directors shall constitute a quorum for any meeting of the Board of Directors, provided that such majority represents not less than two-thirds of the total voting power of



the Members.

- (c) Subject to paragraph (d) of this Article, in voting in the Board of Directors each member of the Board of Directors shall be entitled to cast the number of votes which the Member or Members whose votes counted towards his appointment or election are entitled to cast.
- (d) Members of the Board of Directors appointed by the Executive Directors of the Bank shall have the votes of the Bank equally divided among them.
- (e) Except as otherwise expressly provided in this Agreement, all matters before the Board of Directors shall be decided by a majority of the voting power represented at the meeting.
- (f) All votes which a member of the Board of Directors is entitled to cast shall be cast as a unit.
- (g) In the event of a tie vote, the Chairman of the Board of Directors shall have the right to cast the deciding vote.

ARTICLE - 25

Chairman, Chief Executive Officer and Officers

- 1) The President of the Bank shall be ex officio Chairman of the Board of Directors. He shall preside over meetings of the Board of Directors but without the right to vote except in the event of a tie. He may participate in any meeting of the General Assembly, but shall not vote at such meetings.
- 2) The Chief Executive Officer shall be appointed by the Board of Directors for three (3) years upon the recommendation of the Chairman of the Board of Directors. The Chief Executive Officer shall be a national of a Member Country. The Board of Directors shall prescribe the conditions of the appointment of the Chief Executive Officer. The term of the Chief Executive Officer may be renewed; provided that the total period of his service shall not exceed nine (9) years.
- 3) The Chief Executive Officer shall, in accordance with the Guidelines, Rules and Regulations laid down by the Board of Directors and under the general supervision of the Chairman of the Board of Directors, conduct the business of the Corporation. The Chief Executive Officer shall be responsible for the organization, appointment and dismissal of the officers and staff in accordance with Rules and Regulations adopted by the Board of Directors and shall act as Chairman of the meetings of the Board of Directors in the absence of the Chairman of the Board of Directors.
- 4) The Chief Executive Officer shall attend the meetings of the Board of Directors



without the right to vote in such meetings, except in the event of a tie while he acts as Chairman of the Board of Directors.

- 5) The Chief Executive Officer shall, within the powers delegated to him by the Board of Directors, approve the financing and investments by the Corporation in accordance with the Guidelines, Regulations and Rules laid down by the Board of Directors.
- 6) One or more deputies of the Chief Executive Officer may be appointed by the Chairman of the Board of Directors on the recommendation of the Chief Executive Officer and approval of the Board of Directors. The deputy shall hold office for such term, exercise such authority and perform such functions in the administration of the Corporation, as may, from time to time, be determined by the Board of Directors on the recommendation of Chairman of the Board of Directors. In the absence or incapacity of the Chief Executive Officer, the deputy or, if there be more than one, the ranking deputy, shall exercise the authority and perform the functions of the Chief Executive Officer. The deputy, while holding office, shall not be a member of the General Assembly or the Board of Directors.
- 7) A deputy may participate in meetings of the Board of Directors and may act as Chairman of such meeting in the absence of the Chairman of the Board of Directors and the Chief Executive Officer, but shall have no vote at such meetings, except that he shall cast the deciding vote in the event of a tie, when acting as the Chairman of the Board of Directors.
- 8) The officers and staff of the Corporation owe their duty entirely to the Corporation in the discharge of their duties. Each Member of the Corporation shall respect the international character of such duty and shall refrain from all attempts to influence any of them in the discharge of their duties.
- 9) The Corporation shall have due regard for the need to assure the highest standards of efficiency, competence and professional and ethical integrity as the paramount consideration in appointing the staff of the Corporation and in establishing their conditions of service. Due regard shall also be paid to the importance of recruiting the staff on as wide a geographical basis as possible.

ARTICLE - 26

Publication of Annual Reports and Circulation of Reports

- 1) The Corporation shall publish an annual report containing an audited statement of its accounts. It shall also send to the Members a quarterly summary of its financial position and a profit and loss statement indicating the results of its operations.



- 2) The Corporation may also publish any such other reports and studies as it deems appropriate in order to fulfill its purpose and carry out its functions.

ARTICLE - 27

Dividends

- 1) The General Assembly shall determine annually what part of the Corporation's net income and surplus, after making provision for reserves, shall be distributed as dividends. In any event, no dividends shall be distributed before reserves reach twenty-five percent (25%) of the subscribed capital.
- 2) Dividends shall be distributed pro rata in proportion to the paid-in capital stock held by each Member.
- 3) Dividends shall be paid in such manner and in such currency or currencies, as the General Assembly shall determine.

ARTICLE - 28

Relations with the Bank

- 1) Notwithstanding its being a member of the Bank's Group, the Corporation shall be a separate and distinct entity and shall keep its funds and accounts separate from those of the Bank. The provisions of this paragraph shall not prevent the Corporation from making arrangements with the Bank regarding financial and other facilities, personnel, services and other matters concerning administrative expenses paid by either organization for the annual or other joint meetings or any service extended by either of them to the other.
- 2) Nothing in this Agreement shall make the Corporation liable for the acts or obligations of the Bank, or the Bank liable for the acts or obligations of the Corporation.



CHAPTER – 6

Withdrawal, Sale Of Shares And Suspension Of Members

ARTICLE - 29

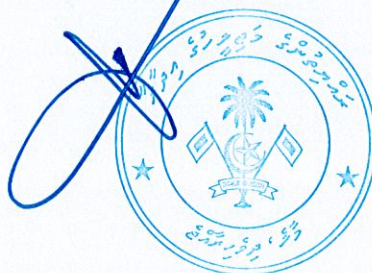
Right of withdrawal, Sale of Shares

- 1) any Member may, after the expiry of three (3) years from the date of commencement of operations of the Corporation, withdraw from the Corporation by notifying the Chairman of the Board of Directors in writing of its intention to do so. Such withdrawal shall become effective on the date specified in the notice but in no event prior to six months from the date on which such notice is delivered to the Corporation. At any time before the withdrawal becomes effective, the Member may upon written notice to the Corporation, renounce its intention to withdraw.
- 2) a Member institution may, after the expiry of three (3) years from the date of commencement of operations of the Corporation, sell to any other Member institution all or any part of its shares in the Corporation.
- 3) the Bank may, after the expiry of three (3) years from the date of commencement of operations of the Corporation, buy all or any of the shares of a Member institution in the Corporation offered for sale. The sale shall be at a price to be agreed between the Bank and the Member institution.
- 4) A Member institution that sells its shares shall remain liable for all obligations to the Corporation it was subject at the date of sale and a withdrawing Member shall remain liable for all obligations to the Corporation to which it was subject at the date of delivery of the withdrawal notice. However, if the withdrawal becomes effective, a Member shall not incur any liability for obligations resulting from operations of the Corporation effected after the date on which the withdrawal notice was received by the latter.

ARTICLE - 30

Suspension of Membership

- 1) A Member that fails to fulfill any of its obligations to the Corporation may be suspended by a vote representing not less than three-fourths of the total voting power of the Members.
- 2) A Member so suspended shall automatically cease to be a Member of the Corporation one year from the date of its suspension unless the General Assembly during that period decides by the majority referred to in paragraph (1) of this Article to extend or lift the suspension.
- 3) While under suspension, a Member may exercise none of the rights conferred



upon it by this Agreement, except the right of withdrawal, but it shall remain subject to fulfillment of all obligations arising before withdrawal.

ARTICLE - 31

Rights and Duties on Cessation of Membership

- 1) From the time its membership ceases, a Member shall no longer share in the profits or losses of the Corporation and shall incur no liability with respect to financing and guarantees entered into by the Corporation thereafter. The Corporation shall arrange for the repurchase of such Member's capital stock as part of the settlement of accounts with it in accordance with the provisions of this Article.
- 2) A Member may agree with the Corporation on the withdrawal from membership and the repurchase of shares of said Member on terms appropriate under the circumstances. If such agreement is not reached within three months after the date on which such Member expresses its desire to withdraw from membership, or within a term agreed upon between both parties, the repurchase price of the Member's shares shall be equal to the book value thereof on the date when the Member ceases to become a Member of the Corporation.
- 3) Payment for shares shall be made in such installments and at such times and in such available currencies as the Corporation shall determine, taking into account its financial position.
- 4) No amount due to a former Member for its shares under this Article may be paid until one month after the date upon which such Member ceases to be a Member of the Corporation. If within that period the Corporation suspends operations, the rights of such Member shall be determined by the provisions of Article 35 hereof and the Member shall be considered still a Member of the Corporation for purposes of said Article, except that it shall have no voting rights.

ARTICLE - 32

Suspension of Operations

In an emergency the Board of Directors may suspend operations in respect of new investments, financing and guarantees until such time as the General Assembly has the opportunity to consider the situation and take pertinent measures.

ARTICLE - 33

Termination of Operations

- 1) The Corporation may terminate its operations by a decision of the General Assembly taken by a majority of two-thirds of the total number of Members representing at least three-fourths of the total votes of the Members. Upon



termination of operations, the Corporation shall forthwith cease all activities except those incidental to the conservation, preservation and realization of its assets and settlement of its obligations.

- 2) Until final settlement of such obligations and distribution of assets, the Corporation shall remain in existence and all mutual rights and obligations of the Corporation and its Members under this Agreement shall continue unimpaired, except that no Member shall be suspended or withdraw and that no distribution shall be made to Members except as provided in Article-35 hereof.

ARTICLE - 34

Liability of Members and Payment of Claims

- 1) In case of termination of operations of the Corporation, the liability of Members arising from capital subscriptions shall remain in force until the Corporation's obligations, including contingent obligations, are fully settled.
- 2) All creditors holding direct claims shall be paid out of the assets of the Corporation to which such obligations are chargeable and then out of other reserves and then out of the paid-up capital and then out of payments, if any, due to the Corporation on unpaid capital subscriptions to which such claims are chargeable. Before making any payments to creditors holding direct claims, the Board of Directors shall make such arrangements as are necessary, in its judgment, to ensure a pro rata distribution among holders of direct and contingent claims.

ARTICLE - 35

Distribution of Assets

- 1) No distribution of assets shall be made to Members on account of paid subscriptions to the capital stock of the Corporation until all liabilities to creditors have been discharged or provided for. Such distribution must be approved by the General Assembly by a vote of two-thirds of the total number of Members representing not less than three-fourths of the total voting power of Members.
- 2) Any distribution of assets to the Members shall be in proportion to the paid-up capital stock held and shall be effected at such times and under such conditions as the Corporation deems fair and equitable. The proportions of assets distributed need not be uniform as to type of assets. No Member shall be entitled to receive its proportion in such distribution of assets until it has settled all its obligations to the Corporation.
- 3) Any Member receiving assets distributed pursuant to this Article shall enjoy the same rights with respect to such assets as the Corporation enjoyed prior to their distribution.



CHAPTER – 7

Immunities And Privileges

ARTICLE - 36

Purpose of Chapter

To enable the Corporation fulfill the functions with which it is entrusted, the immunities and privileges set forth in this Chapter shall be accorded to the Corporation in the territories of each Member Country. Such immunities and privileges shall not apply to those dealing with the Corporation.

ARTICLE- 37

Position of the Corporation with Regard to Judicial Process

- 1) Actions may be brought against the Corporation only in a court of competent jurisdiction in the territories of a Member Country in which the Corporation has its headquarters, a branch, an office, has appointed an agent for the purpose of accepting service or notice of process, or has issued or guaranteed securities.
- 2) No action shall, however, be brought against the Corporation by Members or persons acting or deriving claims from Members nor in respect of personnel matters.
- 3) The property and assets of the Corporation shall, wheresoever located and by whomsoever held, be immune from all forms of judicial seizure, attachment or execution before the delivery of final judgment against the Corporation.

ARTICLE - 38

Immunity of Assets from Seizure

Property and assets of the Corporation, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation or any other form of seizure by administrative or legislative action.

ARTICLE - 39

Immunity of Archives

The archives of the Corporation shall be inviolable.



ARTICLE - 40

Secrecy of Deposits

The Corporation shall observe complete secrecy in regard to the depositor's accounts and Members shall respect the inviolability of information about such deposits.

ARTICLE - 41

Freedom of Assets from Restrictions

- 1) Subject to paragraph (2) of this Article and to the extent necessary to carry out the operations provided for in this Agreement, all property and assets of the Corporation shall be free from restrictions, regulations, controls and moratoria of any nature.
- 2) Funds received by or payable to the Corporation in respect of financing or an investment of the Corporation made in any Member Country's territories pursuant to this Agreement shall be free from foreign exchange restrictions, regulations and controls in force in the territories of the Member Country.

ARTICLE - 42

Privileges for Communications

The official communications of the Corporation shall be accorded by each Member Country the same treatment that it accords the official communications of the other Member Countries.

ARTICLE - 43

Immunities and Privileges of Officers and Employees

All members of the General Assembly, the Chairman and members of the Board of Directors, the Chief Executive Officer, deputies of Chief Executive Officer, officers and employees of the Corporation:

- a) shall be immune from legal process with respect to acts performed by them in their official capacity;
- b) not being local nationals, shall be accorded the same immunities from immigration restrictions, alien registration requirements and national service obligations and the same facilities as regards exchange control as are accorded by Member Countries to the representatives, officials, and employees of comparable rank of other Member Countries;
- c) shall be granted the same treatment in respect of traveling facilities as is accorded by Member Countries to representatives, officials and employees of comparable rank of other Member Countries.



ARTICLE - 44

Exemption from Taxation

- 1) The Corporation, its assets, property, income and its operations and transactions authorized by this Agreement, shall be exempt from all taxation and from all custom duties. The Corporation shall also be exempt from liability for the collection or payment of any tax or duty.
- 2) No tax shall be levied on or in respect of salaries and emoluments paid by the Corporation to the Chairman or members of the Board of Directors, the Chief Executive Officer, any deputy of the Chief Executive Officer, officials or employees of the Corporation.
- 3) No taxation of any kind shall be levied on any obligation or security issued by the Corporation (including any dividend or return thereon) by whomsoever held:
 - (a) which discriminates against such obligation or security solely because it is issued by the Corporation; or
 - (b) if the sole jurisdictional basis for such taxation is the place or currency in which it is issued, made payable or paid, or the location of any office or place of business maintained by the Corporation.
- 4) No taxation of any kind shall be levied on any obligation or security guaranteed by the Corporation (including any dividend or return thereon) by whomsoever held:
 - (a) which discriminates against such obligation or security solely because it is guaranteed by the Corporation; or
 - (b) if the sole jurisdictional basis for such taxation is the location of any office or place of business maintained by the Corporation.

ARTICLE - 45

Application of Chapter

Each Member Country shall take such action as is necessary in its own territories for the purpose of making effective in terms of its own law the principles set forth in this Chapter and shall inform the Corporation of the detailed action which it has taken.

ARTICLE - 46

Waiver

The Corporation in its discretion may waive any of the privileges and immunities conferred under this Article to such extent and upon such conditions as the Board of Directors may determine.



CHAPTER – 8

Amendments, Interpretation, Arbitration

ARTICLE - 47

Amendments

- 1) This Agreement may be amended by a decision of the General Assembly taken by a vote of two-thirds of the total number of Members representing not less than three-fourths of the total voting power of the Members.
- 2) Notwithstanding the provisions of paragraph (1) of this Article, the unanimous agreement of the members of the General Assembly shall be required for the approval of any amendment modifying:
 - (a) the right to withdraw from the Corporation as provided in Article 29(1) of this Agreement;
 - (b) the right to subscribe to shares in the capital increase of the Corporation as provided in paragraph (5) of Article 11; and
 - (c) the limitations on liability as provided for in Article 14.
- 3) Any proposal to amend this Agreement, whether emanating from a Member or the Board of Directors, shall be communicated to the Chairman of the General Assembly, who shall bring the proposal before the General Assembly. When an amendment has been adopted, the Corporation shall so certify in an official communication addressed to all Members. Amendments shall enter into force for all Members three months after the date of the official communication unless the General Assembly shall specify a different date.

ARTICLE - 48

Languages, Interpretation and Application

- 1) The official language of the Corporation shall be Arabic. In addition, English and French shall be used as working languages. The Arabic text of this Agreement shall be the authentic text for both interpretation and application.
- 2) Any question of interpretation of the provisions of this Agreement arising between any Member and the Corporation or between Members shall be submitted to the Board of Directors for decision.
- 3) In any case where the Board of Directors has given a decision under paragraph (2) of this Article, any Member may, within Six (6) months from the date of decision,



require that the question be submitted to the General Assembly, whose decision shall be final. Pending the decision of the General Assembly, the Corporation may, insofar as it deems it necessary, act on the basis of the decision of the Board of Directors.

ARTICLE - 49

Arbitration

If a disagreement should arise between the Corporation and a Member which has ceased to be such, or between the Corporation and any Member after adoption of a decision to terminate the operations of the Corporation, such disagreement shall be submitted to arbitration by a tribunal of three arbitrators. One of the arbitrators shall be appointed by the Corporation, another by the Member concerned, each party acting within 60 (sixty) days of the date of the request for arbitration. The third arbitrator, shall be appointed by agreement of the two parties and, when they fail to agree within 60 days, by the Secretary General of the Islamic Conference who shall also appoint the arbitrator not appointed by a party in the period specified above, on the request of the other party. If all efforts to reach a unanimous award by the arbitrators fail, decisions shall be reached by a majority vote of the three arbitrators which shall be final and binding on both parties. The third arbitrator shall be empowered to settle all questions of procedure in any case where the parties are in disagreement with respect thereto.

ARTICLE - 50

Approval Deemed Given

Whenever the approval of any Member is required before any act may be done by the Corporation, approval shall be deemed to have been given unless the member presents an objection within such reasonable period as the Corporation may fix in notifying the Member of the proposed act.



CHAPTER – 9

General Provisions

ARTICLE - 51

Financial Year

The Corporation's financial year shall be the Hijri year. However, the first financial year shall commence from such date as may be fixed by the General Assembly in its first meeting and shall end on the last day of Dhul Hijjah of the same year.

ARTICLE - 52

Channels of Communication, Depositories

- 1) Each Member shall designate a specific office of its own for purposes of communication with the Corporation on matters connected with this Agreement.
- 2) Subject to the foreign exchange laws, the Corporation may designate any agency in a Member Country as a depository with which the Corporation may keep its holdings of currency of that Member as well as other assets of the Corporation.



CHAPTER – 10

Signature And Acceptance, Entry Into Force, And Commencement Of Operations

ARTICLE - 53

Signature and Acceptance

- 1) This Agreement shall be deposited with the Bank, where it shall remain open for signature by the representatives of the Bank and the Members listed in Annex (A) and the other potential Members until 09/11/1427 (of the Hijra Calendar) corresponding to 30/11/2006 (of the Gregorian Calendar) or such later date as shall be established by the Board of Directors. Each signatory of this Agreement shall deposit with the Bank an instrument setting forth that it has accepted or ratified this Agreement in accordance with its own laws or regulations and has taken the steps necessary to enable it to fulfill all of its obligations under this Agreement.
- 2) The Bank shall send certified copies of this Agreement to all Members and duly notify them of each signature and deposit of the instrument of acceptance or ratification made pursuant to the forgoing paragraph, as well as the date thereof.
- 3) On or after the date which the Corporation commences operation, the Corporation may receive the signature and the instrument of acceptance of this Agreement from any country or institution whose membership has been approved in accordance with paragraph (2) of Article 9 of this Agreement.

ARTICLE - 54

Entry into Force

- 1) This Agreement shall enter into force when it has been signed and instruments of acceptance or ratification have been deposited, in accordance with paragraph (1) of Article 53, by:
 - (a) the Bank;
 - (b) the Headquarters country; and
 - (c) at least 10 other Members.
- 2) The countries and institutions whose instruments of acceptance or ratification were deposited prior to the date on which the Agreement entered into force shall become Members on that date. Other countries and institutions shall become Members on the dates on which their instruments of acceptance or ratification are deposited.



ARTICLE - 55
Commencement of Operations

As soon as this Agreement enters into force under paragraph (1) of Article 54, each Member shall appoint a representative and the President of the Bank shall call a meeting of the General Assembly. The Corporation shall begin operations on the date specified by the General Assembly.

DONE at the city of Kuwait, State of Kuwait in a single original, dated 03/05/1427H, corresponding to 30/05/2006G, in Arabic, with a translation into English and French, which shall remain deposited in the archives of the Bank, which has indicated its agreement to act as depository of this Agreement until commencement of operations of the Corporation, and to notify all those governments of the countries and institutions whose names are set forth in Annex (A) hereto of the date when this Agreement shall enter into force, in accordance with paragraph (1) of Article 54 of this Agreement. After commencement of operations of the Corporation, the Corporation shall take custody of the Agreement and shall receive the signature and instruments of acceptance or ratification of the Agreement in accordance with paragraph (3) of Article 53.



ANNEX (A)

Shares in the Corporation's Authorized Capital Stock allocated for the initial subscription of the Islamic Development Bank, Member Countries and Institutions

(Share Par Value: US\$ 10,000 each)

S.No.	Name of Shareholder	No. of Shares
1	Islamic Development Bank	26637
2	Algeria	608
3	Bahrain	185
4	Bangladesh	202
5	Brunei Darussalam	582
6	Cameroon	2
7	Egypt	1273
8	Gabon	22
9	Indonesia	206
10	Iran	192
11	Jordan	130
12	Kuwait	653
13	Lebanon	61
14	Libya	139
15	Malaysia	2898
16	Morocco	510
17	Pakistan	843
18	Palestine	184
19	Saudi Arabia	3305
20	Senegal	48
21	Somalia	72



22	Sudan	77
23	Syria	185
24	Turkey	2915
25	Tunisia	560
26	United Arab Emirates	184
27	Uganda	49
28	Albaraka Islamic Bank - Bahrain	818
29	Faisal Islamic Bank of Egypt	592
30	Albaraka Investment Company - London	161
31	Jordan Islamic Bank for Finance and Investment - Jordan	118
32	Albaraka Turkish Finance House	69
33	Beit Ettamweel Saudi Tunsî (BEST)	53
34	Tadamon Islamic Bank - Sudan	26
35	Islamic Cooperative Development Bank, Sudan	26
36	Sudanese Islamic Bank	26
Total		44611



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