Minutes of the Annual General Assembly

AL KHALIJ Commercial Bank (Q.S.C.)

Held on 12th April 2009, at 4h00 p.m.
At the Intercontinental Hotel
Doha – Qatar

The al khaliji Annual General Assembly (AGA) was held on Sunday, April 12, 2009, in the Intercontinental Hotel, Doha – Qatar, at 4h00 pm, in the presence of the members of the Board of Directors below and the representatives of the regulatory entities and the External Auditors, whose names are written below:

	Name	Position
Board Members	Sh. Hamad Bin Faisal Al Thani	Chairman and MD
	Abdullah Bin Nasser Al Misnad	Deputy Chairman
	Mohammad Khalid Al Mana	Member
	Abdul Salam Al Murshidi	Member
	Hisham Al Saei	Member
Apologies	Robert Douglas Dowie	Member
	Issam Anis Khalaf	Member
Representatives of Regulators	Salem Al Mannai	Representative of MBT
	Khalid Al Sulaiti	Representative of MBT
	Ahmed Bumdine	Representative of QCB
	Mohammad Al Kuwari	Representative of DSM
External Auditors	Samer Jacob	External Auditor, D&T
	Mohammed Bahemia	External Auditor, D&T
	Mohamed Khair	External Auditor, D&T

Opening of Meeting:
The Chairman commenced with official deliberations and invited the External Auditor to announce constitution of quorum for the AGA.

Quorum:
The External Auditor announced that the quorum has been constituted in the presence of a number of shareholders owning 446,373,949 shares attending in person, and 34,918,110 shares attending by proxy. The total number of shares represented in the meeting is 481,292,059 shares, equivalent to 66,85% of the capital.

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Appointment of Secretary and Vote Counters:
After declaration of the quorum constitution, the Chairman nominated Ms. Rima Boutros to act as Secretary to the AGA and Mr. Jassem Al Hebabi and Mr. Charbel Bou Chebel to act as vote counters, with no objection raised to this nomination.

Agenda of the AGA:
The Chairman read the AGA agenda as follows:

1. To hear the Chairman's Statement and the report of the Board of Directors on the activities of the Company and its financial position for the period ended 31.12.2008 and the future plans.
2. To hear and approve the Auditor's Report on the Company's financial statements for the period ended 31.12.2008
3. To discuss and approve the Company's financial statements for the period ended 31.12.2008.
4. To hear and approve the Board of Director's recommendation regarding the retained earnings.
5. To clear the Board members from any liability for the period ended 31.12.2008
6. To appoint the External Auditors for the year 2009 and determine their remuneration.

Discussion of the items on the agenda:

Item 1:
The Chairman read, on behalf of the Board, the report of the Board of Directors on the activities of the Company and its financial position for the period ended 31.12.2008 and the future plans, summarizing the financial highlights, the remarkable growth of al khaliji through the launching of its new branches and the acquisition of BLC (France). He also stressed on the rapid growth of the human resources, particularly the Qatari staff with a qatarization rate of 22%. Regarding the future plans, the focus will be on opening new branches and launching the Islamic banking.

Al khaliji Group recorded a consolidated Net Profit after tax of QAR 103.57 mm and Total Assets of QAR 12.50 bn. Notable items include Loans and Advances granted of QAR 6.98 bn and Customer Deposits of QAR 4.67 bn.

Finally the Chairman thanked the shareholders and the representatives of the regulatory entities for their support and the executive management and staff for their continuous efforts.

No objection was noted to the director's report.

Items 2 & 3:
The External Auditor read his report summarizing the financial statement, the responsibility of the External Auditors and the company management. He also briefed the opinion of the External Auditors on the compliance of the statements with IFRS and QCB instructions. Finally, he read the other legal and judicial requirements and confirmed that to his knowledge, no violations or breaches were committed by the Bank during the period covered by the statements.

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In the absence of any objection to the External Auditor's report, questions were raised with regard to the financial statements. First question was about the reason of the excess of expenses. The Chairman explained that the high expenses were due to the establishment requirements and confirmed that the Board is committed to reduce those expenses in the next year and that the management has set plans and policies to this end.

Another question was raised regarding the absence of any government support to the Bank's investments, particularly those conducted in North America. The ACEO and the External Auditor replied by saying that the mentioned investments represent investments in bonds while the government supports only investment in local shares.

The External Auditor answered another question regarding the adequacy of the risk reserve by confirming that the risk reserve is calculated as per the ratios imposed by QCB and the bank is in compliance with QCB instructions in this area.

Item 4:
The Chairman mentioned that the Board recommends the AGA not to distribute any dividends for 2008. The net profits of 2008 are QR 65,4 million after discounting the risk reserve and the legal reserve. The net profit for 2008 is not enough to allow for any distribution as per Article 69 of the Articles of Association (AOA). No objection was noted to this item.

Item 5:
The Chairman requested the AGA to clear the Board members of any liabilities for the financial period ending 31/12/2008 AD. He reminded the shareholders that the Board of Directors made available for inspection by the shareholders, three days prior to the AGA meeting, a detailed statement including information on the Board remuneration. The Chairman also requested approval of the Remuneration Policy prepared pursuant to QCB Circular No. 6/2008, issued on 14/1/2008, he also proposed payment of an amount of QR 1.6 million to the Board members for the year 2008. No objection noted to this item.

Item 6:
The Chairman declared that al khaliji has received the QCB approval to re-appoint Deloitte for financial year 2009. The BOD recommends the AGA to approve re-appointment of Deloitte. Deloitte submitted a quotation of QR 400,000 for the financial year 2009.
Questions were raised about other offers received and the Chairman confirmed that D&T offer was the best. The shareholders approved the Board's recommendation accordingly.

After discussion of all the agenda items and absence of any other items raised by the shareholders, the Secretary announced closing of the meeting.

Signed by:

Hamad Bin Faissal Al Thani	**Samer Jacob**	**Rima Boutros**
Chairman & MD	On behalf of D&T	Secretary

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