



مجموعة دبي للتحسين
Dubai Quality Group

Dubai Quality Group Articles of Association

Revision 0: As approved at founding General Meeting June, 1995

Revision 1: Amendments approved on 6th December 1996.

Revision 2: Amendments approved on 13th December 2000

Revision 3: Amendments approved on 12th March 2002

Revision 3: Amendments approved on xx date 2003

Revision 5: Amendments approved on xx date 2005

Revision 6: Amendments approved on 5th January 2012

Amendments discussed on 16 January 2012

Revision 7: Amendments approved on the 13th February 2012

Amendments discussed on 15 April 2015

Revision 8: Amendments approved on the 27th April 2015

P.O.Box : 9278, Dubai, U.A.E

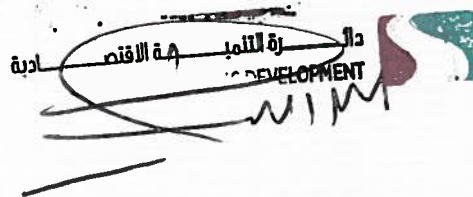
Sheikh Zayed Road

30, Emarat Atrium

e-mail : info@dqg.org

Fax : + 971 4 343 1970

Tel : + 971 4 343 1950





Articles of Association – Dubai Quality Group

Chapter 1 – Introduction

Definitions, Incorporation and Head Office

Section (1) Definitions

Article (1)

The following words and expressions shall have the following meanings set out against each of them unless the context requires otherwise;

- 1) The Emirate: The Emirate of Dubai;
The Country: United Arab Emirates;
- 2) The Group: The Dubai Quality Group;
DQG: The Dubai Quality Group;
- 3) General Assembly: Group General Assembly meeting;
AGM: Annual General Assembly meeting;
EGM: Extraordinary General Assembly meeting;
- 3) General Meeting: Seminar, Conference...etc;
- 5) Board of Directors: Group elected Board of Directors;
The Board: Group elected Board of Directors;
- 6) Chairman: Group's elected Chairman;
- 7) Vice Chairman: Group's elected Vice Chairman;
- 6) Director of Finance: Group's elected Director of Finance;
- 9) Secretary General: Group's elected Secretary General;
- 10) General-Board-Member: Group's elected additional member for the Board;
- 11) Manager: Group's Manager appointed / reappointed by the newly elected Group's Board of Directors;
- 12) Advisory Board: A forum consisting of members as defined in article (30);
- 13) Partner: Means the Investor Partner, Corporate Partner and/or Affiliate Partner as more specifically defined in Article (7) of this Articles of Association, operating in the Emirate or worldwide;
- 13) Member: Means any employee or shareholder or investor in a Partner, who represent the said Partner in the Group or an Honorary Member as defined in article (7);
- 15) Organisation: means any registered / licensed Partner;
- 16) Representative: any individual being an employee, shareholder or investor in a Partner;

P.O.Box : 9278, Dubai, U.A.E

Sheikh Zayed Road

30, Emarat Atrium

e-mail : info@dqg.org

Fax : + 971 4 343 1970

Tel : + 971 4 343 1950



- 17) Focus Groups: Professional Sub-groups and Committees;
- 16) Nomination Committee: Committee setup by Board to facilitate the nomination for position on the Board;
- 19) DED: The Department of Economic Development in Dubai, UAE;
- 20) Governance Committee – Committee formed by the Board of Directors for ensuring proper corporate governance.

References in these Articles of Association to the singular shall include the plural and vice versa. References to the masculine shall include the feminine and vice versa.

Section (2) Incorporation and Head Office

Article (2)

There shall be established in the Emirate, in accordance with the following provisions, a Professional Entity called the Dubai Quality Group sponsored by the Department of Economic Development. The Board of Directors of the Group shall endeavour to officially register it with the concerned authorities in the Emirate and beyond as applicable to ensure its continuous operation.

Article (3)

The Dubai Quality Group shall organise quality management and other related professional activities. It shall have its own legal status and shall be deemed to be a legal entity. The Group shall have its own independent legal personality, administratively, legally and financially, within the defined objectives contained herein and within the general policies of the Emirate.

The Group shall have the capacity to enter into contracts in its own name, engage employees and generally do whatever an entity may do under the laws of the Emirate within the defined objectives contained herein and within the general policies laid down by the General Assembly and administered by the Board of Directors.

Article (4)

The Group's Head Office shall be located in the Emirate. The Group may extend its activities beyond the Emirate as required and approved by the Board of Directors where branches may be established.

Chapter 2 – Aims & Objectives

Aims, Objectives

Section (1) Aims & Objectives

Article (5)

The objectives of the group shall be as follows:

- a) To contribute to increasing quality awareness in all fields & socio-economic disciplines in the Emirate & beyond and the promotion thereof;

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DEPARTMENT OF ECONOMIC DEVELOPMENT

P.O.Box : 9278, Dubai, U.A.E

Sheikh Zayed Road

30, Emarat Atrium

e-mail : info@dqg.org

Fax : + 971 4 343 1970

Tel : + 971 4 343 1950



- b) To assist in developing professionalism in all management aspects and encourage its Partners and their Representative(s) to implement this attitude;
- c) To encourage the free exchange of knowledge and skills within the business community in the Emirate & beyond;
- d) To create and promote business and social relationships and effective communication with others and within the Group;
- e) To support the Emirate's plan to implement Quality Standards as approved by the Board and to co-ordinate with the concerned authorities in this field;
- f) To set up a general Quality Policy and to establish and execute programs in conformity with the Emirate's policies;
- g) To provide support to the Dubai Quality Award and to co-operate with the concerned authorities in such respects;
- h) To conduct training courses, seminars, conferences and studies related to Quality Management issues and to establish a Library including a digital repository;
- i) To provide support and advice to establishments, companies and other institutions in the Emirates and Overseas in connection with improving the Quality of services and management; and
- j) To establish good relations with other professional groups, associations or societies in the Emirate or beyond.

Chapter 3 –Partnership and Membership

Definition, Categories

Section (1) Partnership and Membership Definition

Article (6)

Any Organisation may become a Partner of the Group in one of the Partnership categories defined herein after payment of the appropriate fees and following its formalities & rules laid down by the Board of Directors in this respect. The Partner may nominate Representatives as defined in the Partnership categories. These Representatives shall be identified as Members of the Group. The Members as identified must be employees, investors or shareholders of the respective Organisations.

Selective individual(s) may become Honorary Member(s) of the Group after recommendation of the Board of Directors in this respect.

The Partners & their Representatives shall be deemed to have agreed to abide by the rules of the Group and to have accepted the rights and responsibilities that arise from such Partnership which are set out in this Articles of Association and/or which shall be set out in directives to be issued by the Board of Directors and circulated to the Partners and/or their Representative(s) as necessary.

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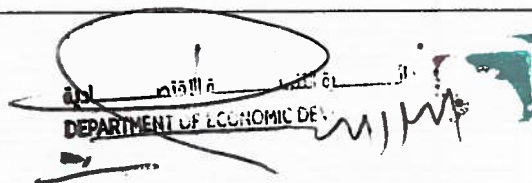
Sheikh Zayed Road

30, Emarat Atrium

e-mail : info@dqg.org

Fax : + 971 4 343 1970

Tel : + 971 4 343 1950





Section (2) Partnership and Membership Categories

Article (7)

The Board of Directors shall issue a "Partnership Fees & Benefits Addendum" to be agreed by the General Assembly incorporating the dues and benefits of each category of the Partnership defined hereafter. This addendum or any revisions thereafter shall be presented to the General Assembly for acceptance whenever the Board of Directors deems it as necessary in line with the growth and progress of the Group.

The Group shall consist of Partners and Members who fulfil the following Partnership or Membership conditions:

- a) **Investor Partner**: Open to all Organisations. Investor Partners may nominate as many Members to the Group as they wish in line with the Partnership and Membership addendum as agreed by the General Assembly and issued by the Board of Directors. Nominated Members shall be allowed to attend and vote at the General Assembly.
- b) **Corporate Partner**: Open to all Organisations. Corporate Partners may nominate as many representatives as they wish in line with the Partnership and Membership addendum as agreed by the General Assembly and issued by the Board of Directors. Nominated Members shall be allowed to attend and vote at the General Assembly.
- c) **Affiliate Partner**: Open to all Organisations which form part of a larger Organisation (usually a holding company), or those Organisations who employ 25 or less people. Affiliate Partners may nominate Members to the Group in line with the Partnership and Membership addendum as agreed by the General Assembly and issued by the Board of Directors. Nominated Members shall be allowed to attend and vote at the General Assembly.
- d) **Individual Member**: Such membership is open to any person anywhere in the world. The annual subscription fee shall be set out from time to time, as deemed necessary, by the Board of Directors. The current Individual Membership subscription fee is set at AED 1000 per annum. Individual Members shall have the same voting rights as Corporate Members and Affiliate Members
- e) **Honorary Member**: Open to individual(s) who, in the opinion of the Board of Directors, have made significant contribution to the Dubai Quality Group's Aims and Objectives. The Honorary Member may attend the General Assembly in an advisory capacity.
- f) **Student Members** : Open to full time students of Universities , Colleges & Institutions at an annual fees of AED 100 per annum .The Student Member may attend the General Assembly but is not entitled to vote.

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30, Emarat Atrium

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Fax : + 971 4 343 1970

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Article (8)

The DQG shall maintain a register containing the names of all the Group Partners & Members. Any concerned person or Authority shall be entitled to view this register after submitting a request in writing to the Manager of the Group giving the reason for the request. The DQG may issue an annual directory which may include the names of all the registered Partners and Members in addition to a brief of the Organisation activity and profession. This directory may be circulated to all Partners and Members and other concerned Entities or Authorities.

Any Organisation by becoming a Partner of the Group, give their implicit and explicit consent to the Group to publish such information as provided by them in the said directory or other publications unless otherwise agreed at the time of registration.

Article (9)

Partnership & Membership of the Group entails acceptance of these Articles of Association, the resolutions of the General Assembly and the directives set forth by the Board of Directors.

Article (10)

Partnership & Membership may be cancelled at any time by the Board of Directors or the Partner or Member by giving 30 days written notice from either party to the other.

Chapter 4 – General Assembly – The Board of Directors

Composition, Responsibilities, Meetings

Section (1) General Assembly Composition

Article (11)

In these Articles of Association wherever General Assembly is mentioned it denotes either the Annual General Assembly meeting or the Extraordinary General Assembly meeting. All Partners' Representatives and Members of the Group may attend and vote at the General Assembly and discuss issues presented in accordance to these Articles of Association. However only Representatives of the Partner(s) may vote on issues as presented. The voting Representatives shall be issued with a special card denoting their right to vote at the time of registration at the General Assembly.

Article (12)

The General Assembly shall be composed of:

- Members of the Board of Directors;
- Partners' Representatives who are registered in the Group and have paid their subscription;
- Honorary Members and ex-officio(s) .



Section (2) Annual General Assembly – Responsibilities

Article (13)

The Annual General Assembly (AGM) shall be responsible for:

- a) Confirming the minutes of its' Previous meeting;
- b) Review and approval of the Board of Directors report for the year ended;
- c) Review and approval of the audited financial statement (if available) or un-audited preliminary report, for the year ended;
- d) Appointment of external auditors for the next 1 years (once every years);
- e) Presentation of the next year's plans;
- f) Release of current Board of Directors and election of new Board of Directors for the next 3 years (once every 3 years);
- g) Any other business as submitted in accordance to article (15).

Section (3) Extraordinary General Assembly – Responsibilities

Article (14)

The Extraordinary General Assembly (EGM) shall be responsible for the following:

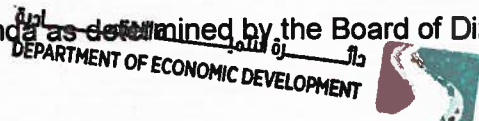
- a) To amend the Articles of Association of the Group in conformity with the Articles herein, provided prior approval of the DED on the proposed amendments has been obtained;
- b) To decide on matters submitted by the Board of Directors; or
- c) To decide on issues that have been submitted to the Board of Directors by Representatives of at least 30% of members who see that it is of importance.

Section (4) General Assembly meetings

Article (15)

The Annual General Assembly (AGM) shall hold its meetings in accordance with the following terms & conditions:

- a) The Annual General Assembly shall meet once a year on a date specified by the Board of Directors.
- b) An invitation to attend the meeting is sent to all Members at least 30 days before the scheduled date including the following:
 - 1) The meeting place and an agenda as determined by the Board of Directors;



P.O.Box : 9278, Dubai, U.A.E

Sheikh Zayed Road

30, Emarat Airium

e-mail : info@dqg.org

Fax : + 971 4 343 1970

Tel : + 971 4 343 1950



- 2) Request for submission of any issues to be included under Any other Business for discussion at the General Assembly submitted by Representatives of at least 30% of members;
- 3) Nominations Form to the positions on the Board of Directors for any open positions; (alternatively the full Board of Directors once every 3 years).
- c) The Members to submit nominations for open positions on the Board or any issues to be discussed at the meeting at least 20 days in advance of the specified meeting date.
- d) The following details shall be forwarded to the Members at least 10 days before the date set for the meeting:
 - 1) Agenda of the meeting including any issues submitted by Partners to be discussed under Any other Business;
 - 2) A statement that all items for review are available in the Group offices;
 - 3) List of nominated candidates for election and a brief resume of each one of them;
 - 4) Any other business to be discussed.

Article (16)

The Annual General Assembly meeting shall be valid by a quorum of voting Members. A quorum shall be reached by an attendance of 10% of voting Members. If a quorum is not reached, the meeting shall be postponed to another time within the next 30 days following the first meeting. In this case, the second call for the Annual General Assembly shall be valid irrespective of the number of attending Members.

Article (17)

- 1) The Extraordinary General Assembly meeting will be held in accordance with the following terms & conditions:
 - (a) Upon Board of Directors request;
 - (b) Upon official request by 30% of Members submitted to the Board of Directors;

An invitation to attend the Extraordinary General Assembly to be sent to all Members at least 10 days before the proposed date of the meeting including the agenda of topics proposed for discussion.

- 2) The Extraordinary General Assembly meeting shall be valid if attended by 10% of the voting Members. If the quorum is not reached, the meeting shall be postponed to another time within the next 30 days following the first meeting. In this case the second call for EGM shall be valid irrespective of the number of attending Members

Article (18)

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The Annual General Assembly and Extraordinary General Assembly shall confine themselves to the matters that fall within their respective competence and to agenda items. It is not allowed that the Annual General Assembly and Extraordinary General Assembly should look into matters that are not listed in the agenda.

Article (19)

If the Annual General Assembly or Extraordinary General Assembly meeting as convened and the discussion thereat was not completed for reasons beyond the control of the participants at such meeting, the meeting shall be postponed to another date specified by the Board of Directors. The meeting shall be considered open and all the Members shall be notified in writing that the resolutions taken in the first meeting are valid and should not be discussed at the second meeting. The second meeting shall only consider those agenda items on which no resolutions were reached at the previous incomplete meeting. The continuation meeting is considered in session irrespective of the number of Members in attendance.

Article (20)

Once the quorum of the Annual General Assembly or Extraordinary General Assembly is established it shall remain valid for the duration of the meeting.

Article (21)

Decisions shall be valid if voted by the majority of voting Members attending the meeting. If votes are equal, the subject matter shall be decided by the Chairman who is presiding over the meeting.

Article (22)

Decisions relating to the termination of membership of some or all of the Board of Directors or to amendment of these Articles, should be taken by simple majority of members attending the General Assembly meeting held in conformity with these Articles of Association. If it was decided that the membership of a Member of the Board should be terminated, the DED shall select a new Member for the remaining period of the Board of Directors in such position, from the list of previous candidates to the election of the Board of Directors or from the list of Members of the Group, as DED deems fit. The Board of Directors shall notify all Members of this action within 10 days from the date of such appointment.

Chapter 5 – Board of Directors, Manager

Composition, Election, Nominations, Meetings and Duties of the Board of Directors

Section (1) Composition and Election

Article (23)

The Board of Directors shall consist of 10 Members elected by the Annual General Assembly for a period of three years, in addition to ex-officio Members and DED Representative in advisory capacity.

The positions on the Board of Directors shall be as follows:

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1. The Chairman;
2. The Vice Chairman;
3. The Secretary General;
3. The Director of Finance;
5. General-Board- 3 (three) Members;
6. Past Chairman;
7. Ex-officio Immediate Former Chairman; and
6. DED Representative.

The Number of General-Board-Member on the Board of Directors shall be (3) three Members.

The previous Chairman shall retain a non-voting position on the Board as "Past Chairman" for 3 years after which he/she shall take a position of "Ex-officio Immediate Former Chairman" on the Board in an advisory role for 3 years.

The Department of Economic Development in Dubai may appoint one Senior Representative to be on the Board of Directors in non-voting, advisory capacity. The Board of Directors in session shall write to DED at the beginning of its term (once every 3 years) to obtain the name of the Appointed Representative.

Article (24)

In accordance with these articles, election shall be done through secret ballot at the AGM for the positions on the Board of Directors from the list of candidates nominated by the Members in conformity with these Articles of Association. Election to the Board shall be by simple majority of the Members present at the AGM. If two or more candidates get equal votes, the outgoing Chairman shall have the casting vote.

No Member of the Board of Directors may retain the same position on the Board for more than 3 years.

No Member of the Board of Directors shall serve on the Board for more than 6 consecutive years except for Nationals of the United Arab Emirates who may serve for a further 3 years if elected to the position of Chairman. No Ex-Chairman of the Board can re-apply for a position on BOD either as a member / Chairman.

All candidates for the position of the Chairman should have served as a Member of the existing Board of Directors. The only exception shall be where no existing Board Member wishes to stand for the vacant Chairman position.

The Chairman of the Board of Directors should preferably be a National of the United Arab Emirates. In cases where a National of the UAE is not nominated or declines the nomination then the post of Chairman shall be open to all voting Members.

Section (2) Nomination Committee, Candidature & Nomination

Article (25)

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DEPARTMENT OF
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P.O.Box : 9278, Dubai, U.A.E

Sheikh Zayed Road

30, Emarat Atrium

e-mail : info@dqg.org

Fax : + 971 4 343 1970

Tel : + 971 4 343 1950



A Nomination Committee of maximum 5 persons shall be setup by the current Board of Directors at least 60 days in advance of the date of elections. The Committee (5 members) must be chaired by DED representative(s) and may comprise of past chairman , ex-officio Former Chairman, one out going Board members and/or one Honorary Member for the purpose of co-ordination of the nomination process. The Nomination Committee shall be responsible for receiving, assessing and accepting or rejecting nominations with valid reasons from qualified Members for positions on the Board of Directors.

The Nomination process shall be conducted in line with the following:

- 1) Nomination Form to be forwarded to voting Members at least 30 days in advance of date of AGM proposed. This Form Shall be filled, properly signed by the nominee and seconded by another voting Member before submission to the Nomination Committee.
- 2) Any Member may nominate himself or one or more qualified and consenting candidates for any office and for elective positions on the Board of Directors at a General Meeting preceding at least by 20 days the date of AGM proposed.
- 3) Nominations shall be closed 20 days before the date of AGM. The nominations Forms shall be received at the Groups offices at least 20 days prior to the date of AGM proposed.
- 4) No person shall be nominated for more than one of the positions on the Board of Directors.
- 5) Whoever nominates himself or have been nominated by a Member for candidature as a Member of the Board of Directors must be properly seconded by another Member at least 20 days prior to the AGM and should be an active Member of the Group of minimum one year, with a fully paid subscription and be a promoter of Quality principles while adhering to the Aims & Objectives of the Group. A Nomination Form must be properly signed by a proposer, a Member seconding the proposal & must be accepted by the nominated Member indicating his acceptance of the nomination.
- 6) Only voting Members may nominate themselves or others, be nominated, second a nomination or vote for positions of the Board of Directors. All nominated candidates must be familiar with, and sign if elected, a "Declaration of Intent" which commits his/her full resources to carrying out the duties assigned to the elected position.
- 7) No Organisation shall have more than two Representatives serving on the Board of Directors at any one time. In instances where more than two candidates from the same Organisation are nominated it shall be the responsibility of the Nomination Committee to liaise with the candidates to secure withdrawal of the excess candidates. Where none of the candidates are prepared to withdraw, all candidates from that Organisation shall be disqualified from the elections.
- 8) The nomination committee should inform writing to any rejected candidate for board of directors position explaining the reasons for rejection.

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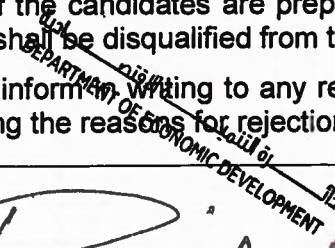
Sheikh Zayed Road

30, Emarat Atrium

e-mail : info@dqg.org

Fax : + 971 4 343 1970

Tel : + 971 4 343 1950





9) The Nomination Committee will follow the Selection Criteria as under:

- a) For Chairman, must be a UAE National from the existing board of directors with minimum qualifications of Bachelor of Arts, Science in related fields and must have a minimum experience of 5 years in the profession of Quality, Business Excellence, Corporate Governance, Strategy and General Managerial positions in UAE.
- b) For Vice Chairman, Secretary General and General Board Members must have minimum qualifications of Bachelor of Arts, Science in related fields and a minimum experience of 5 years in the profession of Quality, Business Excellence, Corporate Governance, Strategy and General Managerial positions in UAE.
- c) For Director Finance position a minimum qualifications of Bachelor of Arts, Science in related fields experience of 5 years in field of Management Accounting in UAE, and membership of any international body /Institute of professional accountants.
- d) For all positions except Chairman all DQG current sub group members can also apply subject to the requirements as specified in (b) and (c) and participate in elections for the Board if they are a voting member as per Article 25 of Articles of Association. "

Article (26)

- 1) Subject to the provisions of Article (23) above, all members of the Board of Directors shall serve for a period of 3 years or until their successors take office.
- 2) If any of the positions of the Board of Directors becomes vacant for any reason stated in these Articles, then the DED shall select a new Member for the remaining period of the Board of Directors in such position, from the list of previous candidates to the election of the Board of Directors or from the list of Members of the Group, as DED deems fit. The Board shall inform the DED when a vacancy exists and DED shall have to fill every vacancy within three months. The Board shall notify all Members of such vacancy and appointment within 10 days from the date of the appointment.
- 3) Where a member of the Board of Directors leaves his Organisation during the period of Board Membership, then such member shall be required to rectify his situation and join an Organisation that is a Partner or one that becomes a Partner of the Group. If the said member does not rectify his situation within 3 month then the position on the Board of Directors which the member occupies becomes vacancy and the DED shall have to appoint another Member for this position, as described above. The Board must notify all Members of such retirement and appointment within 10 days from the date of the appointment.
- 4) All Board Members will be issued visiting cards with period of the tenure mentioned prominently in Arabic / English in red colour . Also the retiring Board Members will surrender all the unused visiting cards for destruction by administration.

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e-mail : info@dqg.org

Fax : + 971 4 343 1970

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5) In the event the Chairman of Dubai Quality Group resigns during the current elected term for any reason, DED will appoint new Chairman as it deems fit.

Article (27)

The Board of Directors is considered as resigned if more than half of its members submit a group or individual resignation at the same time or within 30 days following the first resignation. The Chairman or successor shall continue to discharge the responsibility of the Chairman till the new Board of Directors is elected.

Section (3) Board of Directors Meetings

Article (28)

The Board of Directors shall meet at least once every month upon request of the Chairman, General Secretary or 3 of its' members. The meeting is considered valid if attended by more than half of its members. If the quorum is not reached another meeting is to be held within 15 days following the date of the first meeting and members should be notified. The second meeting is considered valid if attended by at least 3 members. In such case, decisions shall be reached by unanimous consensus.

Decisions of the Board of Directors shall be adopted by a simple majority of votes of those present. In the case of an equality of votes the Chairman shall have a second or casting vote.

The Secretary General shall maintain Minutes of the Board of Directors meetings and in his absence the Chairman shall appoint another member to record the Minutes. The Minutes shall be reviewed at the following meeting and must be signed off by the Chairman and all Board of Directors ”.

The Secretary General shall have the custody of signed Minutes of meeting and files and shall be circulated only to the Board of Directors. The files containing minutes of the board of directors shall be handed over to the next elected Group Secretary General.”.

Section (4) Duties of the Board of Directors

Article (29)

The Board of Directors shall be responsible for carrying out the following duties:

- Managing the Group's affairs;
- Executing and promoting the Aims & Objectives of the Group;
- Setting up of internal regulations and systems in carrying out the administration, financial and technical business of the Group;
- Setting Up sub-committees to facilitate its duties and, when needed, approving the decision and recommendations issued there from;
- Setting Up Focus Groups as necessary;



- (f) Undertaking the necessary actions to hold the General Assembly meetings and to implement its resolution as per these Articles of Association;
- (g) Preparing the yearly budget and the administrative, technical and financial reports for submitting them to the General Assembly;
- (h) Authorising the expenditures required to run the business of the Group in conformity with the approved financial system of the Group;
- (i) Representing the Group towards third parties and signing contracts on its' behalf;
- (j) Recruiting employees and determining their duties, Annual KPI's as per Business Plan, salaries, remuneration indemnities, bonuses, etc., and take disciplinary action(s) as deemed appropriate on them in accordance with the approved regulations;
- (k) Recommending financial auditors and preparing annual reports;
- (l) Issuance of a Responsibility and Authority Manual (Administrative & Financial) detailing the line of responsibilities and the extend of authorities of the Chairman, Board members and the Manager in line with these Articles of Association;
- (m) Imposing penalties on Members and/or DQG staff breaching these Articles or the directives of the Board of Director's or Group resolutions;
- (n) Cancelling membership of any of the Group Members, or any member of the Board of Directors as per these Articles of Association;
- (o) Resolving complaints and objections submitted by Members or others in relation to the Group and issuing the resolution in conclusion thereof; and
- (p) Generally doing whatever is necessary for, arising from or incidental to the Aims & Objectives of the Group;
- (q) Abide by, conform to and protect these Articles of Association.(r) Lay down and implement a Code of Conduct for Board Members , Management Team containing Ethics Policy and Vendor's & Consultants selection in a transparent manner.
- (r) Approval of DQG selection criteria for Awards, Competitions and appointment of Panel of Assessors. The freelancers and consultants will be selected based on one time registration fees of AED 5,000 per person or per firm for using DQG logo.

Article (30)

The Members of the Board shall carry out the following duties:

1. The Chairman:

- (a) Representing the Group within the Emirate and beyond, or delegating the representation after authorisation from the Board of Directors.

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30, Emarat Atrium

e-mail : info@dqg.org

Fax : + 971 4 343 1970

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- (b) Presiding over the Board of Directors meetings and the General Assembly meetings;
- (c) Concluding and signing contracts and agreements after proper authorisation from the Board of Directors;
- (d) Signing in conjunction with the Secretary General on Minutes of the meetings;
- (e) Signing in conjunction with the Director of Finance or authorised personnel as approved by the Board of Directors on financial transactions relating to the Group;
- (f) Signing correspondence as seen required by the Board of Directors;
- (g) Inviting the Members to General Assembly meeting in accordance with these Articles of Association; and
- (h) Supervising the administration and personnel functions of the Group.

Article (31)

2. The Vice Chairman:

Shall practice the duties of the Chairman in his absence, on his (the Chairman's) instructions or when the Chairman is unable to perform his duties for any reason.

Article (32)

3. The Secretary General:

- (a) Preparing the agenda for the Board of Directors and General Assembly meetings;
- (b) Forwarding invitations to the Board of Directors & the Members of the General Assembly for meetings and preparing minutes of these meetings;
- (c) Corresponding on behalf of the Group and signing thereof;
- (d) Implementing and following up the Board of Directors' resolutions;
- (e) Keeping the Group's files and records;
- (f) Ensuring the adherence of the Board of Directors to the these Articles of Association and that all decisions taken are in conformity with them;
- (g) Practising the role of Chairman when the Chairman or the Vice Chairman are unable to carry out their duties, however only on request of the Chairman and/or the Vice Chairman;
- (h) Assisting the Director of Finance in preparation of the budget for the Group;
- (i) Participating in different sub-committees and forwarding their recommendation to the Board of Directors;
- (j) Preparing the Annual Management Report;

P.O.Box : 9278, Dubai, U.A.E

Sheikh Zayed Road

30, Emarat Atrium

e-mail : info@dqg.org

Fax : + 971 4 343 1970

Tel : + 971 4 343 1950



- (k) Signing, together with the Director of Finance, on financial transactions and exercising the Director of Finance duties in his absence as authorised by the Board of Directors.
- (l) Assisting the Chairman & the Vice Chairman of the Board in supervising the Strategic & Operational matters of the Group, as required; and
- (m) Looking after the Group's Staff performance towards execution of their duties and responsibilities, as required by the Chairman & the Vice Chairman.

Article (33)

4. The Director of Finance:

- (a) Following up the Group revenue collection process;
- (b) Monitoring the Group's funds in the bank(s) chosen by the Board of Directors;
- (c) Implementing the Board of Directors resolutions on financial issues;
- (d) Signing, together with the Chairman, the Vice Chairman, or the Secretary General, on the Group's financial transactions as authorised by the Board of Directors;
- (e) Preparing the annual financial reports and financial statements for the year then ended and preparing the budget for the coming year with the participation of the Group' Manager to be presented to the Board of Directors for authorisation and then presentation to the General Assembly for approval;
- (f) Supervising all financial and accounting matters of the Group in accordance with local regulations; and
- (g) Undertaking the duties of the Secretary General in his absence.

Article (34)

5. General-Board-Member:

- a) Undertaking special projects as determined by the Board of Directors; and
- b) Supervising and monitoring the activities of the Focus Groups and reporting their activities and recommendations to the Board of Directors.

Article (35)

6. The Past Chairman

- a) Assisting and advising initially the incoming Chairman of the Board;
- b) Undertaking special projects as determined by the Current Board of Directors; and

Article (36)

7. The Ex - Officio Former Chairman:

- a) Advising and assisting the Board based on specific requests by the current Board of Directors as requested by the current Board of Directors.

P.O.Box : 9278, Dubai, U.A.E

Sheikh Zayed Road

30, Emarat Atrium

e-mail : info@dqg.org

Fax : + 971 4 343 1970

Tel : + 971 4 343 1950



- c) Undertaking special projects as determined by the current Board of Directors;

Article (37)

8. DED representative:

- a) To monitor and ensure the adherence to these Articles of Association;
- b) To review , agree and preauthorize any amendments or modifications proposed to be made to these Articles of Association prior to submission to the General Assembly for ratification;
- c) To monitor that the General Assembly are held properly and to ensure that the elections are conducted in accordance to these Articles of Association;
- d) To carry out the role of DED wherever mentioned in these Articles of Association;
- e) To Coordinate between DED and the Group in respect to joint functions;
- f) To be the principal liaison between DED and the Group.
- g) DED representative shall approve the nominated candidate by the Board of Directors for the position of Manager for the Group.

Article (38)

Section (5) The Group Manager:

The Board of Directors shall appoint / reappoint a Manager for the Group, (title as Manager) of the Group based on yearly review of performance set by the Board of Directors, who will have the following responsibilities:

- (a) The Manager shall ensure effective compliance to the requirements of the Governance Committee as set up by the Board of Directors.
- (b) Implementation of the Group's programme of activities in accordance with the Strategies and policies determined by the Board of Directors
- (c) Development of the Group's programme of activities in accordance with the Strategies and policies determined by the Board of Directors;
- (d) Receiving membership applications to the Group and presenting them to the Board of Directors, complete with the necessary data and documents as per these Articles of Association;
- (e) Recommending the staffing reports to effectively carry out the Group's Aims and Objectives to the Board of Directors and managing the administrative affairs;
- (f) Managing the Group's Membership roster, Members relations, and the Group's vendors & suppliers management;
- (g) Business development and enhancing the operational effectiveness of the Group; and

P.O.Box : 9278, Dubai, U.A.E

Sheikh Zayed Road

30, Emarat Atrium

e-mail : info@dqg.org

Fax : + 971 4 343 1970

Tel : + 971 4 343 1950





- (h) Supervising routine administration matters of the Group.
- (i) Arrange for sponsorship packages and sponsorships (Financial and Non-Financial) for Group's Events , Conferences , Seminars , Workshops & all Focus Group's activities and Member's Meetings.
- (i) Ensure achievement of all Revenue generating departments performances as laid out in yearly business plans on a monthly basis as well as report to Board of Directors on Cash Flow situations present & Expected every 3 months and ensure achievement of Strategic Plan objectives and targets as laid out by the Board of Directors.
- (j) To ensure adoption and compliance of Group's code of conduct , Ethics Policy on an equitable and transparent basis and report any violations to Board of Directors in advance before the event and incident.

Chapter 6 –Termination of Membership in the Board of Directors

Termination

Article (39)

- 1) The membership of the Board of Directors may be terminated by resolution of the Board of Directors in the following situations:
 - a) Death or resignation of the Board member;
 - b) Absence without justified excuse from the Board for (3)three consecutive meetings or (5) five meetings within one fiscal year;
 - c) Failure to comply with any one of the membership conditions stated in these Articles of Association; or
 - d) If an existing Board Member resigns from the Organisation he represents, such Member shall be required to rectify his situation and join an Organisation that is a Partner or one that becomes a Partner of the Group. If the said Member does not rectify his situation within 3 month then the vacancy becomes permanent and the DED shall have to appoint another Member for this position, as described in Article (26) above.
 - e) If sentenced by a court for a criminal act.
- 2) By resolution of the Extraordinary General Assembly in accordance with these Articles of Association in the following cases:
 - a) Official request for termination from the Board submitted by 30% of the voting Members on conditions that the request should include an explanation for such termination;
 - b) By request of the Board of Directors if the Member commits an act that may offend the Group or that makes him/her ineligible for membership, provided that it is proved through investigation of the Board of Directors.

P.O.Box : 9278, Dubai, U.A.E

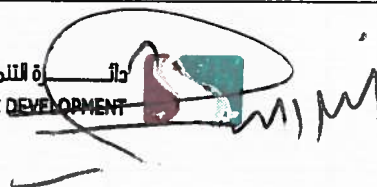
Sheikh Zayed Road

30, Emarat Atrium

e-mail : info@dqg.org

Fax : + 971 4 343 1970

Tel : + 971 4 343 1950





- c) The terminated member of the Board of Directors shall have the right to appeal to the current chairman of the Board of Directors explaining the reasons for appeal. The Chairman may assign a new committee from the current Board of Directors for investigating into the matter.
- d) The investigation committee will comprise of 3 members from the current Board of Directors.

Chapter 7 – Advisory Board

Composition, Role

Article (40)

- 1) The Group shall have an Advisory Board composed of the following:
 - a) The CEO(s) and MD(s) of the Investor Partner(s);
 - b) The Honorary Member(s);
 - c) Representative(s) of DED
- 2) The role of the Advisory Board shall be to discuss matters and issues related to the Aims & Objectives of the Group, and to provide non-binding recommendations to the Board of Directors.
- 3) Quorum comprising of 50% of CEO(s) and MD(s) of the Investor Partners is required for the meetings of the Advisory Board; Should convene at least once a year by invitation from the Chairman of the Group and recommendations that have been incorporated since the last Advisory Board meeting.
- 4) The Chairman should make a presentation detailing the achievements of the Group.
- 5) The recommendations and suggestions presented at the meeting should be recorded and discussed at the Board of Directors meeting for possible implementation.

Chapter 8 – Focus Groups / Subgroups

Setup, Function

Article (41)

The Board of Directors may setup Focus Groups / Subgroups made up of Members to discuss and address issues related to the Aims & Objectives of the Group, and / or any critical business or professional issues impacting on quality and standards.

- a) Focus Groups / Subgroups of the DQG approved by the Board of Directors shall act and carry out their Focus Group/ subgroups activities in a manner consistent with the overall Aims & Objectives of the Group;
- b) Activities of all Focus Groups / Subgroups shall be reported to the Board of Directors by Governance Committee appointed to represent the Board on such Focus Groups / Subgroups. It shall also be the responsibility of each Focus Group / Subgroups Chairman to report on the activities of the Focus Group/ Subgroups for

P.O.Box : 9278, Dubai, U.A.E

Sheikh Zayed Road

30, Emarat Alrijum

e-mail : info@dqg.org

Fax : + 971 4 343 1970

Tel : + 971 4 343 1950



which such Chairman is responsible to the Governance Committee in time for the Board Meeting;

c) Any negotiations by any Focus Group / Subgroups or the Chairman thereof with any third party in respect of the supply of any goods or services or any other matter shall be conducted in the presence of the duly appointed Subcommittee (as mentioned in b) above of the Board of Directors. An agenda in this respect shall be prepared and submitted to the Board, prior to the meeting. All minutes of the meeting/decisions shall require the endorsement and approval of the Board of Directors.

d) No Focus Group / subgroups or the Chairman thereof shall be entitled to enter into any contract, agreement, or arrangement that seeks to bind the Group contractually, financially or otherwise. It is only within the authority of the Board of Directors pursuant to the provisions of these Articles to sign for and bind the Group legally, contractually, financially or otherwise.

e) The Focus Group / Subgroup members shall be elected every 4 years for one term only. A yearly review of the Focus Group / Subgroup performance will be carried out and the activity results will be presented to the BOD.

Chapter 9 – The Group Finance

Resources, Liquidation, Fiscal

Article (42)

The financial resources of the Group shall consist of:

- 1) Partnership fees and subscriptions;
- 2) Revenues resulting form Group activities as per rules and regulations;
- 3) Subsidy, donations, gifts and money in wills, as approved by the Board of Directors; and
- 4) Surplus of previous years.

The Group shall not incur any expenses except for advancing and executing the objectives and goals of the Group.

Except as pursuant to the prior approval of the Board of Directors, the Group shall not donate cash or in kind to any individual, establishment, society or group.

The assets and properties of the Group, whether moveable or immoveable are the property of the Group and no Member shall have any rights thereon.

The cash funds of the Group shall be deposited in bank(s) in the Emirate as specified by the Board of Directors



In case the Group is liquidated, all its assets and properties shall be transferred to charity institutions as decided by DED. Liquidation shall be carried out under the supervision of the Group's appointed Auditors.

The Group's fiscal year starts on January 1 every year and shall end on December 31 of every year.

Chapter 10 – The Group Accounts & Auditors

Accounts of the Group and the Group Auditors

Article (43)

1. The Auditors shall prepare for every year & submit to the Board of Directors the following:
 - a) The balance sheet of the Group for the preceding fiscal year, including details of the assets and liabilities of the Group;
 - b) The income and expenses statement;
2. The Auditors shall have the right of access at all times to the books and records of the Group and to require any information they may deem necessary. The Auditors are authorized to verify the assets and liabilities of the Group.
3. The Auditors may not at any time be a member of the Board of Directors or serve in any technical, administrative, financial or advisory capacity.
4. The Auditors shall submit to the Annual General Assembly a report of their findings in respect of the financial status of the Group and whether its financial transactions in the year ended have been in accordance with the generally acceptable accounting practice.
5. The following shall, every year, be deducted from the gross revenue of the Group:
 - a) General expenses;
 - b) A percentage to be fixed by the Board of Directors to be set aside for making provisions for the depreciation of the Group's assets. Such amounts shall be utilized for the purchase of materials, machines and equipment;
 - c) A percentage to be approved by the Board of Directors to meet the liabilities of the Group under the applicable labour law;
 - d) A suitable percentage to be decided by the Board, shall be set aside as a reserve. This appropriation may be discontinued by a decision of the Annual General Assembly on a proposal of the Board of Directors;
 - e) The rest of the revenue shall be carried forward upon a proposal of the Board of Directors to the following year or be transferred to another

P.O.Box : 9278, Dubai, U.A.E

Sheikh Zayed Road

30, Emarat Atrium

e-mail : info@dqg.org

Fax : + 971 4 343 1970

Tel : + 971 4 343 1950



reserve fund for contingencies or unusual depreciation.

Chapter 11 – Group Liquidation

Liquidation

Article (44)

If any reasons occur that prevent the Group from performing its activities for (2) two consecutive years, then by request of DED or the absolute majority of Members, an Extraordinary General Assembly meeting shall be held to decide on the liquidation of the Group and passing of a decision in accordance with Article (33) hereafter. To this effect the Group shall be liquidated by the Group’s appointed auditors.

Article (45)

A decision to liquidate the Group shall be passed by DED or two-thirds of the Group’s total voting membership by circulation. However, in order to be valid and enforceable, such decision must be approved by the DED. This process shall be conducted by the Group’s appointed auditors.

In case two-thirds of the Group’s total voting Members is not able to pass a decision to liquidate the Group, then, in case the need arises, the DED shall pass such decision.

The Group’s auditors shall undertake to release all employees of the Group, close all open files with concerned authorities and all accounts with the bank(s), settle all dues and liabilities of the Group (if any) & transfer funds (if any) to the Department of Economic Development for appropriation & donation to charity organisations operating in the Emirate.

Chapter 12 - Corporate Governance, Transparency and Code of Conduct

Article (46)

The Current Board members and past Chairman, the Group Manager, the management team and other employees of the Group shall not have any direct or indirect interest in any revenue transaction, contract, appointment, project or undertaking made with the Group or for its account. This shall include but not be limited to involvement of relatives up to third degree in such transactions, employment of such relatives as employees of the Group, and involvement in such transactions through any degree of partnership, company or establishment participation.

The Board shall adopt a policy on Corporate Governance and a Code of Conduct and Ethics that ensures that all Current Board members and Past chairman, management team members and other employees are not involved in any revenue transaction, do not have related party interests, and that shall not involve relatives up to third degree in financial or other Group transactions.

P.O.Box : 9278, Dubai, U.A.E

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30, Emarat Atrium

e-mail : info@dqg.org

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All Current Board members and past Chairman, the Management Team and other employees must execute an annual Declaration of Conflict of Interests ensuring that they abide by this rule in particular and these Articles of Association and the Code of Conduct and Ethics of the Group. Such declaration shall be signed on the first day of the Financial Year and submitted to the current Chairman of the Group.

The Board of Directors shall set up a Governance committee consisting of 2 General Board Members and Secretary General to ensure compliance to the corporate Governance , and code of conduct as set by the Board of directors according to DQG Article of Association.

The Governance Committee shall be vested authority by the Board of Directors to ensure compliance of corporate governance on following DQG areas:

- a. Sub Group activities.
- b. MOU & DQG business partners relations
- c. Media and Public Relations
- d. DQG Awards, Conference & Technical reviews
- e. Consultancy and Freelancers selection
- f. Human Resources related matters
- g. Finance & Audit related matters

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دائرة التنمية الاقتصادية
DEPARTMENT OF ECONOMIC DEVELOPMENT

