



AMWAJ ISLANDS CENTRAL OWNER'S ASSOCIATION

Articles of Association

Name of the Central Owner's Association	Amwaj Islands Central Owner's Association
Registered Address of The Central Owner's Association	To be assigned
Title Deed reference for Common Parts	Base Plot No. [02022153] registered in SLRB Title Deed No. 124221
Name of Registered Developer	OSSIS B.C.S (C) P.O. Box 11990, Kingdom of Bahrain Tel: +973 16030500 – Fax: +973 16033101 Website: www.amwaj.bh

1. Article 1 - DEFINITIONS

In this Articles of Association, the capitalized words shall have the following meanings:

1.1.	Affiliates:	Means with respect to any Person, any other Person, directly or indirectly, Controlling, Controlled by, or under Control with such Person;
1.2.	Allowable Built-up Area	Means the maximum Gross Built-up permissible in a Plot as calculated and determined by the Competent Authorities, and as specified in the Sales Documentation and/or the Approved Plans and Regulations;
1.3.	Applicable Laws:	Means all Laws, Decrees, Resolutions, decisions, notices, rules, regulations, directions, guidance, permissions, consents or licenses issued by a Relevant Authority applicable to the Owners Associations, Layered Owners Association, the Owners and/or the Occupiers:
1.4.	Approval:	Means for any particular set of circumstances, the prior approval in writing from the Central Owner's Association / the Board, the TIO or the Association Manager under the Governance Documents, which may be subject to conditions, and " Approved " and " Approving " have a corresponding meaning;
1.5.	Articles of Association	Means this document, which contains the rules and regulations that govern the Central Owner's Association, issued in accordance with the provisions of Law 27 of 2017.
1.6.	Assets	Means a physical component of the common use assets which has value and enables the services to be provided and that have an economic life greater than twelve (12) months. Assets are plant, machinery, property, buildings, infrastructure, utilities and other fixtures, fittings and equipment that are to be Operated and Managed by the Central Owner's Association;
1.7.	Association Manager	Means the Manager appointed by the Central Owner's Association;
1.8.	Base Plot	The Plot No. [02022153], which Amwaj Islands are developed on and was divided into sub-Plots as shown in the Property Location Plan.

1.9.	Benefiting Owner	Means with respect to each Central Owner's Association Common Parts or Facility, an Owner that benefits from the use of that Central Owner's Association Common Parts and Facilities and contributes to the cost of its Operation; or pay against the use of it in the case of the Common Facilities;
1.10.	Board	Means the Board of Directors of the Central Owner's Association, appointed/elected in and by a General Assembly in accordance with the Applicable Laws from time to time;
1.11.	Budget	Means an annual financial Plan that is made for the purpose of ensuring that the Central Owner's Association can carry out its obligations and functions according to best practice and including items that relate to the Operational Account and the Reserve Account, generally to estimate the Central Owner's Association's Expenses and Revenue for a Financial Year;
1.12.	Building	Means a building or other structure intended for occupation or use on a Plot, including all Improvements made to it, and " Buildings " has a corresponding meaning;
1.13.	Building Owner	Means the Owner of a Building including his heirs, successors-in-title and permitted successors and assigns and in the case of a Building with a Joint Property, a reference to the Building Owner is a reference to the Owners Association formed with respect to that Building and the Units' Owners within such Building;
1.14.	Business days	Means any day other than <ul style="list-style-type: none"> a) a Friday and Saturday or b) a public holiday in the Kingdom of Bahrain for the private sector;
1.15.	By-Laws	Means in respect of a Joint Property Owners Association, the documents and related rules and regulations governing the formation and operation of the Joint Property Owners Association in accordance with the Real Estate Sector Laws, the Resolution No. 7 of 2018 and the principles set out in the Central By-Laws;

1.16.	Central Owner's Association (COA)	Means Amwaj Islands Central Owners Association (COA), an Association established by a group of Main Owners Associations, Joint Property Owners Association, Single Owned Plots and other Owners of Amwaj Islands as explained in the Layered Joint Property Scheme and in accordance with the provisions of Law 27 of 2017;
1.17.	Central By-Laws	Means the set of terms and conditions, which regulate the Amwaj Islands Central Owner's Association and the management of its Common Parts;
1.18.	Clearance Certificate	Means a certificate or letter issued by the Association Manager or the Chairman confirming that the relevant Owner has paid the Central Owner's Association all monies due and payable under the Central By-Laws;
1.19.	Common Parts	Means the Parts within the Amwaj Islands held in common that are Owned or to be owned by the Central Owners Association, and are allocated for common use by all Members and occupiers of the Central Owner's Association;
1.20.	Core Services	Means those services which may be Managed by the Association Manager on behalf of the Central Owner's Association as a whole;
1.21.	Defaulting Owner	Means an Owner which fails to comply with a notice (including a Payment Notice) under this Articles of Association;
1.22.	Disposal	Means any sale, transfer , assignment, or other disposal of the whole or any part of a Property or any interest in a Property (including the grant of an option over the whole or any part of a Property) whether directly or indirectly (but excludes any Mortgage) or any agreement to do the same and, where the Owner is an entity, includes any Change of Control of that entity , and "Dispose" shall have a corresponding meaning;
1.23.	Dispute	Means any dispute, controversy, disagreement or difference between the Owners or Occupiers or between the Master Developer/The Central Owner's Association and the Owners and Occupiers about: <ul style="list-style-type: none"> a) the formation , performance. interpretation, nullification, termination or invalidation of the

		<p>Central By-Laws;</p> <p>b) the rights or obligations of the Master Developer, an Owner or an Occupier under the Central By-Laws;</p> <p>c) amounts which the Association Manager proposes for Central Owners Association Fees; and/or</p> <p>d) the Operation of a Central Owners Association Common Parts and/or Facilities</p> <p>Or arising therefrom or related thereto in any manner whatsoever;</p>
1.24.	Entitlement	The percentage allocated to each Plot in the Common Parts and used to determine the undivided share of Common Parts and the value of Votes at the Central Owner's Association General Assemblies;
1.25.	Financial Year	Means, a period commencing on 1 January and expiring on 31 December of the same year, or such other twelve (12) month period as determined by the COA, from time to time;
1.26.	Governance Documents	Means those Governance Documents and management regulations applicable Control and Management and Regulation of the Central Owner's Association, registered, or intended to be registered, which include the Central By-Laws, this Articles of Association and the Sales Documentation, and " Governance Document " has a corresponding meaning;
1.27.	Invitee	<p>Means any person or entity using or occupying a Property including</p> <p>the Owner's or Occupier's Suppliers, Visitors, servants, agents and</p> <p>employees;</p>
1.28.	Joint Property	Means Plot of Land or Building Development with Common Areas, or group of Buildings with Common Areas, or Compound of Villas or Townhouses with common Areas, A reference to Joint Property in the Central By-Laws includes a reference to a Main Central Owners Association or a Subsidiary Central Owners Association or a Joint Property Building;
1.29.	Joint Property By-Laws	Means the document that is in the form required by the Authority and published on the RERA website that includes the

		By-Laws referred to in Law 27 of 2017, which regulate the formation and management of a Joint Property Plot;
1.30.	Liabilities	Means all actions, claims, costs (including the costs of professional advisors), damages, demands, expenses, liabilities, losses, proceedings or other liability whatsoever;
1.31.	Main Owners Association	Means an Owners Association formed by a group of Single Owners Associations, and other Single Owned Plots of a Property Development Project in accordance with the provisions of Real Estate Sector Law;
1.32.	Maintenance	Means the maintenance, cleaning, redecorating, painting, landscaping (if applicable), inspections, tests, insurance, repair, updating, refurbishment, renewing, replacement, and rebuilding, and " Maintain " and " Maintaining " have a corresponding meaning;
1.33.	Management	Means the management, administration, control, operation, and " Manage " and " Managing " have a corresponding meaning;
1.34.	Master Developer	Means Osis B.S.C Closed and or its affiliate, nominees, assigns, transferees. successors or successors-in-title or any other entity or Relevant Authority as may assume responsibility for the development, management or control of the Central Owner's Association from time to time;
1.35.	Master Plan	Means the Master Plan for the Central Owner's Association prepared by or on behalf of the Master Developer and approved by the Relevant Authorities;
1.36.	Occupier	Means any occupier, tenant, licensee or person with any other right of possession or occupation (including any mortgagee in possession) of a Property;
1.37.	Operational Fund	Means the Bank account(s) opened and maintained by the Central Owner's Association for the purpose of holding the Operational and applying such funds in payment of the Central Owner's Association Expenses or otherwise in accordance with this Articles of Association;
1.38.	Operation	Means the use, administration, control, operation, management, maintenance, repair, refurbishment, replacement and (where necessary) renovation and renewal and " Operate ",

1.39.	Order to Pay	<p>"Operating" and "Operational" shall have corresponding meanings;</p> <p>Means the order by the Association Manager or the Central Owner's Association to an Owner to pay arrears in Fees prior to an action in the competent court;</p>
1.40.	Ordinary Resolution	<p>A resolution of the General Assembly passed with simple majority vote of those present or participating by proxy, legal representative or whether the voting is by voting paper or electronically and the voting may be by a show of hands;</p>
1.41.	Plot	<p>Means a Single-Owned Plot or a Joint Property Plot, or Undeveloped Plot within Amwaj Islands;</p> <p>For clarity, a Main Owner's Association is considered as One Plot as the context permits:</p> <ul style="list-style-type: none"> a) In regards of membership of the Central Owner's Association b) In regards of Entitlement and Voting at the Central Owner's Association General Assemblies
1.42.	Plot Owner	<p>Means the Owner of a Plot including his heirs, successors-in-title and permitted successors and assigns and "Plot Owners" has a corresponding meaning;</p> <ul style="list-style-type: none"> a) in respect of a Joint Property Plot, where a Plot is subdivided in accordance with the Real Estate Sector Laws, a Plot Owner refers to the Subsidiary Owners Association formed in respect of that Plot. b) In respect of a Main Owner's Association, a Plot Owner is referred to the Main Owner's Association as a whole.
1.43.	Real Estate Sector Laws	<p>Means Law No. 27 of 2017 with respect to Promulgating the Real Estate Sector Regulation Law in the Kingdom of Bahrain, and any other laws and regulations enacted (or to be enacted) in the Kingdom of Bahrain to regulate the Real Estate Sector and any regulations, directions, notices, circulars and other documentation issued in support of such law, including any Resolution issued (or to be Issued) by RERA Concerning the Regulation of Central Owner's Associations, Joint Properties and Owners Associations;</p>
1.44.	RERA	<p>The Real Estate Regulatory Authority established in implementation of the provisions of Article (3) of Law 27 of 2017;</p>

1.45.	Relevant Authority	Means as the context requires: a) RERA b) The SLRB c) The Government of Bahrain d) Any other ministry, department, local authority or entity having jurisdiction over Amwaj Islands; and e) Any Service Provider approved by the Master Developer and having jurisdiction over the Central Owner's Association (including but not limited to the Electricity and Water Authority and/or the Central Owner's Association, Association Manager;
1.46.	Representative	Means a natural person appointed by an Owner as a representative of that Owner: and " Proxy " has a corresponding meaning;
1.47.	Reserve Fund	Means the fund established by the Central Owner's Association into which the Fees relating to the Reserve Fund are deposited;
1.48.	Reserve Fund Forecast	Means a study of the reserve funds required to be collected from the Owners and deposited into the Reserve Fund over a rolling ten (10) year period from the date of the forecast in order to pay for the capital repair, maintenance and replacement of the Central Owner's Association Common Parts;
1.49.	Sales Documentation	Means the sales documentation (including documentation in respect of the sale of a Leasehold Interest) entered into between the Master Developer (or its affiliate) and the first Owner of a Plot and any subsequent Transferee of the same (as the case may be);
1.50.	Single Owned Plot	Means a Plot, including any Buildings or Villa or Townhouse constructed on it, registered or intended to be registered as a single title;
1.51.	SLRB	Means the Survey and Land Registration Bureau;
1.52.	Special Fess	Means a service charge raised by the Central Owner's Association and or the Association Manager to cover the cost of Emergency Maintenance;
1.53.	Special Resolution	The General Assembly-approved resolution by the Owners entitled to vote and voting in person, by proxy or legal representative, or voting by voting paper or electronically,

		supported by Owners having at least 60% of the total entitlement in Amwaj Islands.
1.54.	Strata Plan	Means the Strata Plan of Subdivision of a Building or a Lot registered at the SLRB under the Strata Title Law showing the Lots and Common Property within the Building or the base Plot;
1.55.	Strata Scheme	Means the complex of Lots and Common Property (together with the system of administration and management) created on the registration of a Strata Plan as further defined in the Real Estate Sector Law;
1.56.	Subdivided	Means the Subdivision of a Plot, Building or Base Plot, into further Plots and Common Property in accordance with the Real Estate Sector Law, and the term " Subdivision " shall have a corresponding meaning;
1.57.	Transferee	Means any person or entity that receives or is to receive any whole or partial interest in a Property including any purchaser, transferee or the like and includes any person or entity that will receive a controlling interest in the Owner following a Change of Control of such Owner;
1.58.	Unit	Means any unit of real estate in the Central Owner's Association intended for private ownership, including a Plot, a Building, or a unit on a Plot or in a Building, and " Units " has a corresponding meaning;
1.59.	Visitors	Means an Owner's or Occupier's invited visitors to the Central Owner's Association including an Owner's or Occupier's customers, guests and family members;
1.60.	Year End Statement	Means an audited financial Statement reflecting the actual Central Owner's Association Income and Expenses incurred for an Operating Year.

2. Article 2 - Legal Personality

Amwaj Islands Central Owner's Association shall have a separate legal personality from its Owners and has the right to sue in this name as a Central Owner's Association and may be represented by the Central Owners Association Manager and if there is no Central Owners Association Manager by the chairman before the courts, administrative entities and when dealing with third parties.

Where the Central Owner's Association is liable to make a payment under a judgment to compensate for a breach of its obligations the Owners shall contribute to the payment in shares determined by the Entitlement of their units.

3. Article 3 - Functions of the Central Owner's Association

The functions of the Central Owner's Association are:

- 3.1. to supervise, manage and control the Common Parts and Assets for the collective benefit of Owners and in ways that promote positive environmental outcomes;
- 3.2. to manage and regulate the relationship between the Central Owner's Association and members including the Main Associations and the upper-level Subsidiary Associations;
- 3.3. to ensure that Amwaj Islands, including the Common Parts, are maintained in good conditions;
- 3.4. to properly repair, maintain, refurbish and replace the Common Parts and Assets of the Central Owner's Association;
- 3.5. to provide Core Services to members in accordance with the Governance Documents;
- 3.6. to evenly and fairly enforce the Central Joint Property By-Laws including the Rules and Regulations, and any other rules and regulation required by the Laws;
- 3.7. to promote harmony and a sense of belonging among Owners and Occupiers of Plots;
- 3.8. to maintain records and produce statements and other documents as required by this Constitution or the Department;
- 3.9. to comply with all Laws, Regulations and Resolutions by which it is bound.

4. Article 4 – Power of the Central Owner's Association

In addition to the powers in the Law, the powers of the Central Owners Association include the power to:

- 4.1. enter into the utility supply and service agreement;
- 4.2. remedy defective work in relation to Common Parts;
- 4.3. carry out work required by Law, the Joint property By-Laws or this Articles of Association where the Owner has failed, after reasonable written notice, to carry out that work in accordance with his obligations;
- 4.4. collect Service Charges from Members to recover the cost of implanting the role of managing, operating, maintaining, and repairing the Central Common Parts.
- 4.5. own movable and non-movable assets;
- 4.6. sue and take action to enforce monetary claims in its own name;
- 4.7. effect insurances as required by the Law;
- 4.8. set appropriate measures and mechanisms against Owners for a breach of the Articles of Association or Joint Property By-Laws or of any notice to the Owner requiring the Owner or the Owner's tenant, guest or occupier to comply with Owner's Association requirements.
- 4.9. do anything else for the purpose of carrying out its duties and functions under the law or this Articles of Association.

5. Article 5 - Leasing Common Parts

The Central Owners Association shall have the right to lease any common Parts provided the same does not materially impede the use and enjoyment of the Common Parts by the Owners and is approved by the General Assembly by Ordinary Resolution and any rent received shall be paid into and form part of the Operational Account.

6. Article 6 - Insurance:

- 6.1. The Central Owner's Association must insure in its own name:
 - a) assets, machineries and other improvements within the Central Owner's Association's Common Parts under a comprehensive insurance policy against damage or destruction by explosion, fire, lightning, storm, tempest and water;
 - b) effected with a reputable insurer of sound financial standing duly licensed to underwrite the relevant risks in the kingdom of Bahrain; and

- c) for the full replacement value of the Central Owner's Association's Common Parts, including a specific allowance for the removal of debris (or as otherwise recommended by the insurers appointed by the Central Owner's Association)
- 1.2. Duplicate or certified copies of the Central Owner's Association Insurance and all renewal certificates and endorsement slips shall be held by the Association Manager and copies made available for inspection by Owners upon request.
- 1.3. The cost of insurances shall be apportioned among the Members of the Central Owner's Association by means of the Service Charge.
- 1.4. If the way in which a Plot is being used by an Owner or Occupier has the effect of increasing the premium payable by the Central Owners Association, then the Central Owners Association may recover as a debt the amount of increased premium from the Owner/s concerned.
- 1.5. An Owner or Occupier shall be responsible for insuring their own Property or Plot to the extent that they are not covered by any insurance affected by the Central Owners Association.
- 1.6. The Central Owners Association shall obtain an assessment every five years by a certified engineer or valuer to ensure the insurance policies adequately cover the above items.

7. Article 7 – Records

- 7.1. The Central Owners Association must keep the following records:
 - a) a minute book for meetings of the Board;
 - b) a minute book for the General Assembly;
 - c) a file for official Government communications;
 - d) a file containing current copies of:
 - i. this Articles of Association;
 - ii. the Joint Property By-Laws;
 - iii. the Community Rules and Regulations
 - iv. insurance policies;
 - e) each Main Association and upper-level Subsidiary Association's Board, Association manager (if any) and authorized representative;
 - f) the association's accounting records and statements of account for each financial year;
 - g) notices given in relation to the layered scheme by an Authority
 - h) order made orders made against the association, or in relation to the scheme, by a judicial or administrative authority;

- i) documents evidencing each engagement of an association manager or service contractor, and each authorisation of a letting agent;
 - j) correspondence received by the association, and correspondence sent by the association;
 - k) any reconciliation statement prepared for an account kept for the sinking or administrative fund and the associated financial institution statement and invoices;
 - l) a register of Owners and their address.
 - m) a register of contracts and agreements;
 - n) a register of the annual budget;
 - o) a register of Assets;
- 7.2. The Central Owner's Association's records may be kept in paper or electronic form or any other way specified by the Law.
- 7.3. The Central Owner's Association's records, whether in paper or electronic form, are the property of the COA and must be returned to the COA by the Central Owners Association Manager or Board Members at the end of their tenure. All records must be kept for at least seven (7) years.

8. Article 8 – Finances

- 8.1. As soon as practical after its formation the Central Owners Association must establish two Funds:
- a) An Operational fund; and
 - b) a Reserve Fund
- 8.2. Income into the Operational Fund shall comprise:
- a) Service Charges imposed on Owners for that Fund;
 - b) penalties for non-payment of those Service Charges;
 - c) investment income related to that Fund, including without limitation (proceeds from utilization of Common Parts for commercial advertising or leasing);
 - d) proceeds of insurance claims; and
 - e) any other income that is not properly payable into the Reserve Fund.
- 8.3. Income into the Reserve Fund shall comprise:
- a) Service Charges levied on Owners for that Fund;
 - b) penalties for non-payment of those Service Charges;
 - c) investment income related to that Fund, which should be approved by an Ordinary Resolution of the General Assembly in compliance with the Applicable Laws.

- 8.4. Expenditure from the Operational Fund shall comprise:
- a) costs of maintaining the Common Parts and Assets;
 - b) insurance premiums;
 - c) costs (including capital costs) of reinstating the Common Parts following receipt of the proceeds of an insurance claim;
 - d) costs (including capital costs) of repairing or replacing an Asset following receipt of the proceeds of an insurance claim; and
 - e) other expenditure of a recurrent nature.
- 8.5. Expenditure from the Reserve Fund shall comprise expenditure of a capital or non-recurrent nature and other expenditure that should reasonably be met from capital.
- 8.6. Moneys in the Reserve Fund must not be used to pay for expenses that are intended to be met from the Operational Fund except for emergencies, and moneys in the Operational Fund must not be used to pay for expenses that are intended to be met from the reserve fund.
- 8.7. Moneys in the Operational Fund and Reserve Fund must be kept in a Bank account in the name of the Central Owners Association with a Bank or other financial institution licensed by the Central Bank of Bahrain, which shall decide the conditions and requirements for the operation of the account.
- 8.8. The Operational Fund and the Reserve Fund must be accounted for and reported on separately, although the moneys to the credit of each Fund may be kept in the same Bank account as current and saving account.
- 8.9. The Financial Year of the Central Owners Association shall be the year commencing on the date of its establishment and ends in 31st December of the same year, provided the new financial year for the Central Owner's Association on the first of January and expires on 31 December of each year.
- 8.10. The Association Manager must prepare, and the Board must approve a Budget for each Financial Year and submit that budget, including full details of the proposed Service Charges, for the review of the Annual General Assembly. The Budget for the Operational Fund must be for a one-year period, while the Budget for the Reserve Fund must be based on a study of the costs of renewing and replacing the Common Parts and Assets over a minimum 10-year period. Such study must be carried out in accordance with any directions issued by RERA
- 8.11. The Service Charges are payable Yearly in advance, unless the General Assembly decide to make the payment of the Service Charges quarterly or semi-annually.
- 8.12. Once the Budgets and Annual Service Charge have been approved by the Board and reviewed by Annual General Assembly (with or without amendment) the Association Manager must raise the Annual Service Charge by serving written notice in the name of the Central Owner's Association on each Owner showing:

- a) the name of the Owner or the Subsidiary Association
- b) the Plot to which the charge relates;
- c) details of the total Annual Service Charge approved by the Central Owners Association to each of the Operational Fund and Reserve Fund;
- d) the proportion of the total Annual Service Charge payable by the Owner in respect of each of the Operational Fund and Reserve Fund;
- e) if the Annual Service Charge is payable by installments, particulars of each installment;
- f) the amount of any arrears, including penalties applied in respect of those arrears;
- g) the date by which the Annual Service Charge, or installments, are payable; and
- h) the amount of any discount that will be allowed if the Annual Service Charge, or installments, are paid by the due date.

8.13. An Owner cannot avoid liability for payment of a validly made Service Charge, or any item covered by a validly made Service Charge, for any reason.

8.14. **Discounts for timely payment**

- a) The Central Owner's Association may, by Ordinary Resolution, fix a discount to be given to Owners of Plots if the Annual Service Charge, or an instalment of the Annual Service Charge, is received by the COA by the date for payment fixed in notices of Annual Service Charge given to the owners.
- b) The discount cannot be more than 10% of the amount to be paid.

8.15. **Penalties for late Payment:**

- a) The Central Owner's Association may by Ordinary Resolution, fix a penalty to be paid by Owners of Plots if The Annual Service Charge, or instalment of the Annual Service Charge, is not received by the COA by the date for payment fixed in notices of Annual Service Charge given to the owners.
- b) The penalty must consist of simple (Administrative Fees) at a stated rate for each month or part of a month, the Service Charge or instalment is in arrears.
- c) The stated rate of such (Administrative Fees) must not exceed 10% of the amount to be paid.

8.16. **Order to Pay:**

- a) For the purposes of Article 68B of the Law, the Central Owners Association Manager, or the Chairman in the case where there is no Manager may serve an Order to Pay on an Owner by registered post or by email, under the seal of the Central Owner's Association, requiring the Owner to pay the Annual Service Charges within 90 days. A copy of the original notice to pay Annual Service Charges and any subsequent notices shall be attached.

b) For the purposes of Article 68B of the Law, the Order to Pay may include:

- i. any arrears in Annual Service Charges;
- ii. any administrative fee imposed by the COA for late payment pursuant to Article 59;
- iii. financial obligations imposed on an Owner by the COA pursuant to this Articles of Association.

8.17. **Special Service Charges**

If at any time during the Operating Year the Central Owner's Association determines that an amount on account of the COA is or will become due and payable but cannot be paid because the amounts held in the Operational Fund or Reserve Fund (as applicable) are insufficient to allow the payment of such amount or such payment will result in the COA being unable to pay other Association Expenses when due and payable, then the Board may instruct the Association Manager to raise a Special Service Charges from the Owners to fund the shortfall.

9. **Article 9 – The Central Owner's Association Board**

- 9.1. The Central Owners Association shall have a board of not less than (5) not more than (12) members and 3 reserve members, which is responsible for the conduct of the affairs of the Central Owner's Association, subject to limits imposed by this Articles of Association or an Ordinary Resolution of the Central General Assembly.
- 9.2. The Board shall be made up of owners of plots, or a nominated person from the Main and Subsidiary Associations, elected at the General Assembly of the Central Owner's Association.
- 9.3. No Owner, including the Master Developer, a Sub-Developer, a Main Association or an upper-level Subsidiary Association shall be represented on the Board by more than one member.
- 9.4. A Main Association and an upper-level Subsidiary Association may nominate one (1) person to stand for election on the Board of the Central Owner's Association, the nominee should be appointed by Ordinary Resolution of a General Assembly, if such Main or upper-level Subsidiary Association fails to nominate a person, then the Chairman of such Association can be nominated without the need for a General Assembly resolution.
- 9.5. The Central Owner's Association Board Members shall be registered with and approved by RERA, the later may issue a Board Certificate that shows the name of the Board Members and the Reserve members.
- 9.6. A Board Member may resign within his membership period without any obligation to appoint a new member provided that the remaining member shall be at least Five (5) members, failing which the COA must call an extraordinary General Assembly to choose the rest of the Board members.

10. Article 10 - Board Members Conditions:

These are the conditions of the board members:

- 10.1. Should be an Owner of a Plot within Amwaj Islands or an authorized representative of a Main or upper-level Subsidiary Association
- 10.2. A resident in Bahrain
- 10.3. An Owner should not be represented by more than one member on the board
- 10.4. Should not be a convicted bankrupt in the five years before the nomination.
- 10.5. Any other criteria required by RERA
- 10.6. should disclose potential conflicts of interest that may arise if appointed to the board.

11. Articles 11 - Voting and Term of The Board

- 11.1. The term of office of a Board member is for two years starting from the date of election and expiring at the next General Assembly meeting two years later. Voting on nominees for election to the Board shall take place at General Assembly. Each Member shall have one vote in respect of each Plot they own or represent, the values of each vote is measured by the number of Entitlements of the Plots as stated in the Central Joint Property By-Laws. Voting may be in person, by proxy, by legal representative by voting paper or by electronic means. Board members may serve successive terms.
- 11.2. In addition to the voting procedures for Board Members set out in this Articles ,the General Assmbely may by Ordinary Resoluation add to the Articales of Assoiacation another Voting process. The Ammendmet to be effective must follow the proceduers for registration in the resolution.

12. Article 12 - Board Powers and Functions

- 12.1. The Board Shall have full power and Authority to perform the functions and powers delegated by the Central Owner's Association except for the following:
 - a) Amending this Articles of Association or the Central Joint property By-Laws
 - b) Approving Remuneration for Board members
 - c) Other Restrictions imposed by the Central Owner's Association
- 12.2. In Particular, The Board is responsible for:
 - a) Ensuring that the Central Owner's Association carries out its functions under the Law and the Governance Documents
 - b) Setting, in conjunction with the Association Manager, the strategic direction of the Central Owner's Association
 - c) Monitoring and directing the performance of the Association Manager.
 - d) Approving the Budget

13. Article 13 - Disclosing conflict of interests

A Board member must disclose any conflict of interests to the other Board members and where appropriate to the COA. If the other Board members so require then the Board member with the conflict of interest will refrain from voting on any issue related to the conflict of interests.

14. Article 14 – Board Obligations

The Board must work to achieve the Central Owner’s Association benefits using reasonable diligence to ensure that the COA fulfils its obligations under the Law and the Resolutions issued by RERA.

15. Article 15 - Board Liability

The Board will be responsible for any losses that the Central Owner’s Association will face in the following circumstances:

- 15.1. Due to any loss sustained by the COA due to any fraud or dishonesty of the Board member.
- 15.2. Where a Board member knowingly breaches any aspect of the Law or the Resolutions issued by RERA resulting in damage to the COA.
- 15.3. If the Board member fails to disclose any conflict of interests in any matter prior to a vote on the issue resulting in a loss sustained by the COA.
- 15.4. Subject to the above, Board members shall not be personally liable for any act or omission in their role as Board member for any action taken in good faith.

16. Article 16 - Board Meetings

The Board Shall meet regularly or as frequently as necessary and half of its members, rounded up to the nearest whole number, shall comprise a quorum for meetings

- 16.1. At least 14 days’ notice in writing of a proposed Board meeting must be sent by the Association Manager, or the Secretary to members of the Board. The notice period may be reduced if majority members of the board agree in writing or if the Chairman requests for an urgent Board Meeting
- 16.2. The Notice Must include a detailed agenda for the meeting.
- 16.3. The Board shall at its first meeting after its election appoint a Chairman, a Treasurer and a Secretary. The Chairman and the members shall communicate and liaise with the Association Manager.
- 16.4. Board resolutions shall be taken by the majority of votes, in the case of a tied, the chairman shall be the casting vote.
- 16.5. The Board may meet wholly or partly by electronic means.

17. Article 17 - Functions of the secretary and the treasurer:

- 17.1. The functions of the Secretary include the preparation and distribution of notices including notices of meeting, notices to comply with the Joint Property By-Laws, notices to Owners to pay Annual Service Charge and notices of Board meetings and issuing Clearance Certificates.
- 17.2. The functions of the Treasurer include approving and issuing Statements of Annual Service Charges, preparing financial statements and Annual Budgets.
- 17.3. The Association Manager may carry out the functions of the Secretary and Treasurer at the request of the Board.

18. Article 10 - The General Assembly

- 18.1. The General Assembly shall consists of:
 - a) The Representatives of the Main Associations
 - b) The representatives of the upper-level Subsidiary Associations or Joint Properties
 - c) The Owners of the Single Owned Properties / Plots
- 18.2. An Annual General Assembly (other than the first General Assembly) must be called and held within 3 months after the end of each of the Central Owner's Association Financial years.

19. Articles 19 - Chairing General Assembly

- 19.1. The Chairman must chair all General Assemblies at which the Chairman is present.
- 19.2. The Secretary or the Association Manager may chair the meeting if:
 - a) the Chairman is absent from the meeting; or
 - b) there is a vacancy in the office of Chairman.

20. Article 20 - Notice of General Assembly:

At least 28 days' notice of a proposed Annual General Assembly must be given by the Association Manager to all Members with a written notice or be email, and the Notice must:

- 20.1. State the date, the time and place of the proposed General Assembly;
- 20.2. Contain an agenda for the meeting; including:
 - a) an item for confirmation of the previous General Assembly

- b) an item for adoption of the Annual Report of the Association Manager;
- c) an item for acceptance of the Annual Financial Statements
- d) an item for appointment of an auditor for the next financial year
- e) an item for the election of the Board (if the Board term is over)
- f) an item of any motions proposed to be passed by the Assembly as a Special Resolution; and

20.3. the notice to be accompanied by the following:

- a) a copy of the minutes of the previous meeting
- b) a copy of the annual report of the Association Manager
- c) A copy of the Annual Financial Statements
- d) A copy of the Proposed Budget, including Proposed Annual Service Charges
- e) A copy of any other documents reasonably required for the Assembly to consider the various agenda items, and
- f) a Proxy form;

20.4. A notice of a General Assembly maybe accompanied by a voting paper in the form approved by RERA on which an owner may cast a written vote on the motions appearing on that paper. If a voting paper accompanies a notice of a General Assembly, then that voting paper must contain all the motions to be considered at the General Assembly and be accompanied by a description of the motion and recommendation of the Board.

20.5. A notice of a General Assembly that is accompanied by a voting paper may also be accompanied by a link to a web site that accesses an electronic voting system approved by RERA and an Owner may cast a vote on the motions on that voting paper using the electronic voting system.

21. Article 21 - Quorum for General Assembly:

21.1. A voter is taken to be present at a General Assembly if the voter is present at the meeting personally, by proxy or by voting paper or legal representatives. Proxy and Voting Paper must be in a form approved by RERA

21.2. A quorum at a General Assembly is at least 50% of the number of Entitlements of the Central Owner's Association

21.3. If there is not a quorum within (1) hour of the time scheduled to start the meeting, the meeting shall stand adjourned until the same time and place 7 days later.

21.4. Those persons present personally by voting paper, by legal representative or by approved proxy at the adjourned General Assembly shall constitute a quorum for that motion or General Assembly and no further notice of the adjournment need be given, RERA may approve other ways in which a General Assembly may meet.

22. Article 21 - Voting at a General Assembly:

- 22.1. Each Owner shall have one vote in respect of each plot they own or represent, the values of each vote is measured by the number of Entitlements/Voting Power of the plot as stated in the Central Joint Property By-Laws
- 22.2. A voter for a General Assembly of the Central Owner's Association is an individual:
- a) whose name is entered on the Association's roll as:
 - i. the Owner of a Plot
 - ii. the Representative of the Owner of a Plot
 - b) who's the nominee or the Chairman of a Main or upper-level Subsidiary Association, the name of which is entered on the Central Owner's Association's roll as the representative of a Plot
- 22.3. Where a Unit is owned by more than one person:
- a) if a voting paper accompanied the notice of General Assembly, they may vote using the voting paper signed by all of them;
 - b) if both a voting paper and a link to a web based electronic voting system accompanied the notice of General Assembly, they may register to vote and then vote using the electronic voting system; or
 - c) they shall decide amongst themselves who shall exercise their vote and such vote must be exercised by proxy.
- 22.4. Where a Plot is owned by a company:
- a) if a voting paper accompanied the notice of General Assembly, the company may vote by completing and signing the voting paper under its seal or stamp;
 - b) if both a voting paper and a link to a web based electronic voting system accompanied the notice of General Assembly, the company may register to vote, provided voting is made by the duly authorized person using the electronic voting system; or
 - c) the vote must be exercised by a proxy appointed by the company.
- 22.5. A proxy must be in the form approved by the RERA, properly completed and received by the Central Owners Association 48 hours before the scheduled time of commencement of the General Assembly.
- 22.6. A proxy expires 1 years after the date on which it was given.
- 22.7. No one person may exercise multiple proxy votes where the number of plots represented by the proxy is greater in number than 10% of the total number of Entitlements.
- 22.8. If Service Charges are owing and overdue with respect to a Plot, no vote may be cast in respect of that plot at the Central General Assembly.

- 22.9. Voting on motions at a General Assembly, other than motions for a Special Resolution, shall be decided by simple majority of those present and entitled to vote and voting on a show of hands. However, any Owner may, before or after a vote is taken, request a poll, in which event the motion shall be decided by simple majority of the value of all the votes cast on the motion. The value of a vote is equivalent to the Entitlement of the plot; this will also apply to electing Board members.
- 22.10. For a motion for a Special Resolution at a General Assembly to be approved it must be passed by Owners holding together 60% of all Entitlements in the Central Owner's Association
- 22.11. If an Owner has voted on a motion using:
- a) a voting paper in the approved form, completed and submitted in accordance with the instructions on that form; or
 - b) an electronic voting system in accordance with the instructions for use of that system,
- then that vote shall be counted, on both a show of hands and a poll, as if it had been cast in person at the meeting.

23. Article 23 – Extraordinary General Assembly

- 23.1. Extraordinary General Assemblies may be called and convened by the Association Manager at the direction of the Board
- 23.2. An Extraordinary General Assembly must be convened by the Association Manager upon receipt of a petition from Owners of not less than 25% of the total Entitlements of Amwaj Islands.
- 23.3. At least 30 days' notice in writing of a proposed Extraordinary General Assembly must be given by the Association Manager to all Owners and the notice must:
- 23.4. include a detailed agenda, including:
- a) an item for confirmation of the minutes of the previous General Assembly;
 - b) any item requested in the petition (if any) for the meeting;
 - c) items required by the Board;
 - d) an item requested by an Owner (in writing) to be included on the agenda; and
 - e) the wording of any motions proposed to be passed by the General Assembly as special resolutions; and
- 23.5. be accompanied by the following:
- a) a copy of the minutes to be confirmed;
 - b) a copy of any other documents reasonably required for the General Assembly to consider the various agenda items; and
 - c) a proxy form.

- 23.6. A notice of an Extraordinary General Assembly may be accompanied by a voting paper in the form approved by RERA on which an Owner may cast a written vote on the motions appearing on that paper. If a voting paper accompanies a notice of a General Assembly, then that voting paper must contain all the motions to be considered at the General Assembly.
- 23.7. A notice of an Extraordinary General Assembly that is accompanied by a voting paper may also be accompanied by a link to a web site that accesses an electronic voting system approved by RERA and an Owner may cast a vote on the motions on that voting paper using the electronic voting system.
- 23.8. The Quorum of the Extraordinary General Assembly:
- a) An Extraordinary General Assembly shall be called for matters that requires an Ordinary Resolutions only; if the matter requires a Special Resolution, then the process of an ordinary General Assembly shall prevail.
 - b) A voter is taken to be present at an Extraordinary General Assembly if the voter is present at the meeting personally, by proxy or by Voting paper or legal representatives.
 - c) Those persons present personally by voting paper, by legal representative or by approved proxy at the Extraordinary General Assembly shall constitute a quorum for that motion or the Extraordinary General Assembly

24. Article 24 – The Central Owner’s Association Manager

- 24.1. The General Assembly of the Central Owner’s Association shall by Ordinary Resolution:
- a) Appoint an Association Manager who is a Company or a person licensed and registered by RERA and engaged professionally on a contract; or
 - b) Delegate the power to appoint an Association Manager to the Board.
 - c) The appointment decision shall indicate the functions of the manager.
- 24.2. RERA may appoint the Association Manager pursuant to Article 62/D of Law No 27 of 2017
- 24.3. The Association Manager shall be responsible for:
- a) working with the Board to develop strategies for management of the Central Owner’s Association, including the creation of a sense of harmony within Amwaj Islands;
 - b) implementing strategies and plans set by the Board;
 - c) negotiating, supervising and recommending the entry into contracts, including Supply Agreements such as but not limited to (security, cleaning, maintenance of Common Parts, and

landscaping) on behalf of the Central Owners Association, and presenting recommendations to the Board;

- d) supervising the performance of contractors and suppliers to the Central Owners Association;
- e) supervising defect repairs and warranty claims in relation to the Common Parts;
- f) preparing annual Budgets (based on information provided by contractors and suppliers to the Central Owners Association);
- g) issuing Annual Service Charge notices and collecting service charge payments for the Central Owners Association in the account specified for that purpose;
- h) taking such action, as it determines, to enforce the payment of any fees due under this Articles of Association and as instructed by the COA;
- i) for every and all technical and management matter and financial report related to common Parts services. To submit reports on a regular basis to the Board and General Assembly related to the previously mentioned issues.
- j) communicating and considering the complaints and requests of Owners in relation to Common Parts and dealing with the same;
- k) coordinating insurances and dealing with insurance claims in relation to Common Parts;
- l) coordinating and attending Board meetings and meetings of the General Assembly of Owners;
- m) preparing minutes of meetings of the Board and the General Assembly;
- n) responsibility for Owner Association correspondence and electronic communications;
- o) keeping the books and records required to be kept by law;
- p) Attending to day to day operational matters on behalf of the Central Owners Association.
- q) Follow up on behalf of the Owner's Association for all Legal Matters related to any dealings, transactions and contracting.
- r) Implementing the decisions of the General Assembly
- s) Representing the Central Owner's Association in meetings with the governmental authorities

24.4. The Association Manager shall be responsible before the Association in the event of any errors or negligence by him, and the Central Owners Association may claim indemnity for the damages resulting therefrom.

- 24.5. The Association Manager shall be appointed pursuant to a Simple Resolution and delegated by written instrument or contract.
- 24.6. The appointment and delegation of an Association Manager may only be terminated or varied by a Simple Resolution by the General Assembly.
- 24.7. The Association Manager must not be appointed for more than a 3-year term but may be reappointed at the end of that term or any renewed term.
- 24.8. The Association Manger must observe the Association Manger's code of Conduct as set out by RERA.

25. Article 25 - Supply Agreements

- 25.1. The Central Owners Association must enter into a Supply Agreement with supply companies and entities which are licensed in the Kingdom of Bahrain
- 25.2. The Association Manager may not delegate his powers and responsibilities to another party.
- 25.3. A Supply Agreement must not have a term exceeding 3 years but may be reagreed at the end of that term or any renewed term.
- 25.4. Agreements must be made in the name of the Central Owners Association, and they shall be executed directly with the Chairman and two (2) Board members through the Association Manager.

26. Article 26 - Owners Obligation to Supply Address for Service

- 26.1. The Owner must supply to the Central Owners Association Manager if appointed or the Board for the purposes of notices:
 - a) an email address; and
 - b) a postal address.
- 26.2. If the address of the owner changes, the Owner is responsible for ensuring that the Central Owners Association records are updated.

27. Article 27 - Indemnity

Owners indemnify the Central Owner's Association against any costs, claims or financial liabilities including costs or enforcement arising from any failure by the Owners or their Occupiers or invitees to comply with the Law, the Resolution and the Governance Documents.

28. Article 28 – Operating the Bank Account

- 28.1. Any bank account for the Central Owner's Association may be operated on behalf of the Association by:
- a) the Association Manager and two (2) Board members;
 - b) Three board members jointly provided one of them is the Chairman, secretary or treasurer.

29. Article 29 – Notices

- 29.1. The address for service of any notice on an Owner shall be that email or other address provided by the Owner pursuant to Article 63 of the Law.
- 29.2. The address for service of any notice on the Central Owner's Association shall be the address specified in the Central By-Laws or the address of the Association Manager.
- 29.3. The address for service of the Association Manager shall be the registered office of the Association Manager.

30. Article 30 – Service of Notices

- 30.1. Notices will be deemed served upon confirmation of receipt of the server if it was sent by email or upon confirmation of receipt if it was sent by other means.

31. Article 31 – Alternative Service Methods

In any case where no address is provided by the Owner or where the Owner fails to acknowledge service within a reasonable time determined by the Central Owner's Association, the COA shall be entitled to effect service by attaching any notice to the main entrance of the property within the Plot.

32. Article 32 - Cancellation of Joint Properties

- 32.1. A Joint Property may be terminated as follows:
- a) By a resolution of the Owners at a General Assembly with a voting percentage of not less than 90% of the total Entitlement for the Joint Property;
 - b) By a court order;
 - c) Under a mechanism set by the Authority for the termination of the Joint Property.
- 32.2. The Central Owners Association shall follow any procedures for termination of a Joint Property specified by the Authority.

33. Intellectual Property

Intellectual Property rights exclusively reserved for BCS Management Co. W.L.L. and Amwaj Property Development B.S.C. under Decree Law Copy Right Protection No 22 of 2008 and any amendment.