



شركة مصادر الجزيرة التجارية
Masade Al-Jazeera Trading Co.

Capital 100000000 ريال المال Closed Contribution شركة مساهمة

Internal Audit Guide for Masader Al-Jazeera Trading Company 2024

Masader Al-Jazeera Trading Company

Email: info@masader-j.com

Tel: +9668001240474

Website: <https://masader-j.com>

Al-Shefa, Riyadh, Kingdom of Saudi Arabia

المملكة العربية السعودية - الرياض - الشفا

Kingdom of Saudi Arabia - Riyadh - Al Shafaa

رقم المبنى 3166 | الرمز البريدي 14724 | الرقم الإضافي 6356

00966505732722
0096611284000

info@masader-j.com

<https://masader-j.com/>



شركة مصادر الجزيرة التجارية
Masade Al-Jazeera Trading Co.

رأس المال 1000000 Capital 1000000 Closed Contribution مساهمة مغلقة

Table of Contents

Introduction	3
Definitions	3
Purpose of the Regulations	3
Composition and Tenure of the Committee	3
Duties of Committee Members	3
Powers and Responsibilities of the Audit Committee	4
Procedures for Holding Audit Committee Meetings	5
Participation of Committee Members	5
Duties of the Committee Secretary	5
Powers of the Audit Committee	6
Termination of Membership	6
Committee meeting controls	6
Annual Report of the Committee	6
Conflict between the Committee and the Board of Directors	6
Mechanisms for Employees' Feedback	7
Compensation for Committee Members	7
Effect and Publication	7

المملكة العربية السعودية - الرياض - الشفا

Kingdom of Saudi Arabia - Riyadh - Al Shafaa

رقم المبنى 3166 | الرمز البريدي 14724 | الرقم الإضافي 6356

00966505732722
0096611284000

info@masader-j.com

<https://masader-j.com/>



- c. Adhere to the Company's policies and regulations regarding conflicts of interest and disclosure.
d. Maintain objectivity, impartiality, and neutrality in all endeavors.

Article 5

Powers and Responsibilities of the Audit Committee

The Audit Committee is tasked with overseeing the Company's operations, verifying the integrity of financial reports and statements, internal control systems, and its responsibilities include, in particular, the following:

a. Financial Reports:

1. Reviewing the Company's financial statements and expressing its opinion before they are presented to the Board of Directors to ensure their integrity, fairness, and transparency.
2. Providing technical opinion, upon request from the Board of Directors, on whether the Board's report and the Company's financial statements are fair, balanced, and include information enabling shareholders to assess the Company's financial position, performance, business model, and strategy.
3. Examining any significant or unusual issues contained in the financial reports.
4. Conducting a thorough examination of any concerns raised by the Company's CFO or their equivalent, compliance officer, or auditors.
5. Verifying accounting estimates on material matters in the financial reports.
6. Reviewing the accounting policies adopted by the Company and providing opinion and recommendations to the Board of Directors thereon.

b. Internal Audit:

1. Studying and reviewing the internal control and financial management systems and risk management in the Company.
2. Reviewing internal audit reports and monitoring the implementation of corrective actions based on the observations therein.
3. Supervising and overseeing the performance and activities of the internal auditors and the internal audit unit or department in the Company, if any, to ensure the availability of necessary resources and their effectiveness in performing their duties. If the Company does not have an internal auditor, the Committee shall recommend to the Board of Directors the need to appoint one.
4. Recommending to the Board of Directors the appointment of the head of the internal audit unit or department or the internal auditor and proposing their compensation.

c. External Auditors:

1. Recommending to the Board of Directors the nomination, removal, determination of fees, and evaluation of the performance of auditors, after verifying their independence, reviewing their scope of work, and terms of engagement.
2. Verifying the independence, objectivity, and fairness of the external auditors, and the effectiveness of their audit work, considering relevant rules and standards.
3. Reviewing the Company's audit plan and activities, ensuring they do not provide technical or managerial services beyond the scope of audit work, and providing feedback thereon.
4. Addressing queries from the Company's auditors.
5. Studying the auditors' report and their observations on the financial statements and monitoring actions taken thereon.



d. Compliance Assurance:

1. Reviewing the results of regulatory reports and ensuring that the Company takes necessary actions thereon.
2. Verifying the Company's compliance with relevant laws, regulations, policies, and instructions.
3. Reviewing contracts and proposed transactions with related parties, and providing feedback to the Board of Directors.
4. Bringing to the attention of the Board of Directors matters that require action and providing recommendations on the actions to be taken.

Article 6

Procedures for Holding Audit Committee Meetings

- a. The Audit Committee shall meet at least every six months, and whenever necessary, and minutes of meetings shall be prepared including discussions and recommendations.
- b. The Audit Committee shall regularly meet with the company's auditor and internal auditor, if any.
- c. The internal auditor and external auditor may request a meeting with the Audit Committee whenever necessary.
- d. A committee meeting shall not be valid unless a majority of its members are present.
- e. Each committee member shall receive an invitation to the meeting at least five days prior, accompanied by an agenda, documents, and necessary information, unless the situation requires an emergency meeting, in which case the invitation may be sent with less than five days' notice.
- f. If a committee member expresses reservations or a dissenting opinion to the committee's decision, it must be documented in the meeting minutes.

Article 7

Participation of Committee Members

No member may appoint substitutes on the committee, and each member shall have:

- a. Access to all matters that may affect their independence and ability to fulfill their responsibilities.
- b. The authority to execute tasks assigned by the committee.
- c. The option to delegate voting to another committee member in case of personal inability to attend via teleconference.

Article 8

Duties of the Committee Secretary

- a. Document committee meetings and prepare minutes including discussions, committee recommendations, voting results, and maintain them in a special and organized register, stating the names of attending members and any reservations expressed, if any.
- b. Send draft minutes of meetings to committee members within ten working days from the date of the meeting for review and to provide their comments, if any, within ten working days from the date of sending.



Article 9

Powers of the Audit Committee

The Audit Committee is entitled to perform the following tasks:

- Access the company's records and documents.
- Request any clarification or explanation from the members of the Board of Directors or the executive management.
- Call for a meeting with any employees of the company as deemed necessary.
- Request the Board of Directors to convene the General Assembly if the Committee's work is obstructed or if the company suffers significant damage or losses.
- Request the Board of Directors to convene the company's General Assembly if the Board obstructs its work or if the company suffers significant damage or losses.

Article 10

Termination of Membership

- Membership in the committee terminates upon the expiration of its term or in any of the following cases:
 - Death
 - Resignation
 - Expiration of the member's eligibility for committee membership according to any regulations or instructions applicable in the Kingdom.
 - Removal by the General Assembly without prejudice to the right of anyone removed to compensation if the removal occurs for an unacceptable reason or at an inappropriate time.
- Upon the termination of a committee member's membership for any of the reasons specified in the regulations, the Board of Directors may appoint a temporary alternative member to the committee, provided that the appointed member meets the membership requirements and that their appointment is presented to the General Assembly at its nearest meeting for approval. The appointed member shall complete the term of their predecessor.

Article 11

Committee meeting controls

- If a committee member expresses reservations or a dissenting opinion to the committee's decision, it must be documented in the committee meeting minutes.
- The committee approves its agenda upon its convening, and if any member objects to this agenda, it must be documented in the committee meeting minutes.
- Each member of the committee has the right to propose adding any item to the agenda.

Article 12

Annual Report of the Committee

The committee prepares an annual report on its opinion regarding the adequacy of the company's internal control system and any other activities it has undertaken within its jurisdiction. Sufficient copies of this report are deposited with the Board of Directors at the company's headquarters before the scheduled date of the General Assembly meeting (at least ten days in advance) to provide any interested shareholders with it, and the report is read during the General Assembly meeting.



Article 13

Conflict between the Committee and the Board of Directors

In the event of a conflict between the committee's recommendations and the decisions of the Board of Directors, or if the Board refuses to accept the committee's recommendation regarding the appointment, dismissal, determination of fees, and evaluation of the performance of the company's auditors or the appointment of the internal auditor, the Board's report must include the committee's recommendation and its justifications, as well as the reasons for not accepting it.

Article 14

Mechanisms for Employees' Feedback

The committee shall establish a mechanism that allows employees of the company to submit feedback regarding any irregularities in financial reports or otherwise in confidentiality. The committee shall verify the implementation of this mechanism through an independent investigation commensurate with the magnitude of the error or irregularity and adopt appropriate follow-up measures.

Article 15

Compensation for Committee Members

Without prejudice to the relevant regulatory requirements and the company's articles, the compensation for committee members shall be as follows:

- An annual allowance of SAR 100,000 (one hundred thousand Saudi Riyals) for each committee member.
- Attendance fees of SAR 3,000 (three thousand Saudi Riyals) per committee member for each meeting attended.

Article 16

Effect and Publication

The regulations shall come into effect, and any subsequent amendments to them - based on the Board of Directors' proposal - from the date of their approval by the General Assembly. The company shall publish them for shareholders and the public through its website and in accordance with any regulatory requirements imposed by regulatory authorities.

Allah is the Arbiter of Success



شركة مصادر الجزيرة التجارية
Masader Al-Jazeera Trading Co.

Preparation and update	
Document Type	Policy
Ref. No.	PO-GOV-02
Version No.	1
Issue Date	01/10/2023
Review No.	0
Review Date	

Approved		
Name	Title	Signature
Mr. Wael Al-Yousifi	Managing Director	//Signature//
Mr. Tarek Al-Ghannam	Governance Officer	//Signature//
Mr. Mohamed Hamza	Legal Affairs Director	//Signature//
Mr. Tamer Al-Sheikh	Head of ISO Department	//Signature//



شركة مصادر الجزيرة التجارية
Masade Al-Jazeera Trading Co.

About the Company

Masader Al-Jazeera Trading Company specializes in trading trailer and tank spare parts, aiming to meet the needs of national companies and institutions that own fleets of trucks and tanks for spare parts at competitive prices. It also aims to fulfill the needs of individuals for these products in the same manner. Additionally, Masader Al-Jazeera Trading Company provides maintenance services for all trailers and tanks. It aims to serve its customers in the Kingdom, enhance their experience, and reach them everywhere.

+9668001240474

+966112712100

info@masader-j.com

<https://masader-j.com/>

Al-Shefa, Riyadh, Kingdom of Saudi Arabia

Building No.3166, Postal Code 14724, Additional No. 6356

المملكة العربية السعودية - الرياض - الشفا

Kingdom of Saudi Arabia - Riyadh - Al Shafaa

رقم المبنى 3166 | الرمز البريدي 14724 | الرقم الإضافي 6356



00966505732722

0096611284000



info@masader-j.com



<https://masader-j.com/>