

**Transferring the Egyptian Electricity Authority Into An Egyptian Joint Stock
Company**

Official Journal - Issue No. 24-bis - Dated 18th June 2000

Law No. 164 of the Year 2000

**Transferring the Egyptian Electricity Authority
Into an Egyptian Joint Stock Company**

In the Name of the People,
The President of the Republic,
The People Assembly passed the following bill and we promulgate it into law:

Article: 1

The Egyptian Electricity Authority shall be changed into an Egyptian Joint Stock Company by the name: "Egyptian Electricity Holding Company", effective the date the present law comes into force. All corporal and personal rights of the former Authority shall devolve to this Company and it shall bear all the Authority's obligations. It shall be vested with the juridical personality, and be considered one as a private law person.

Article: 2

The name "Egyptian Electricity Authority", whenever it is mentioned shall be substituted by the name "Egyptian Electricity Holding Company".

The provisions of the Law on Joint Stock Companies, Partnerships Limited by Shares, and Limited Liability Companies, as promulgated by law No. 159 of the year 1981, and the Capital Market Law as promulgated by law No. 95 of the year 1992, shall apply to the company where no special provision is prescribed therefore, and so shall apply articles (2 and 7), as well as article (11) (except item 11 thereof), of law No. 12 of the year 1976 concerning the establishment of the Egyptian Electricity Authority, and law No. 18 of the year 1998 concerning certain provisions on power distribution companies, power generating stations and transmission grids, and amending certain provisions of law No. 12 of the year 1976.

Article: 3

The capital of the company shall be determined as the net value of the Egyptian Electricity Authority's assets on the day preceding the date the present law comes into force. The validity of this estimation shall be ascertained by a committee to be formed by virtue of a decree of the Minister of Power and Energy under a counselor from one of the judiciary bodies, to be chosen by its President, and the membership of four persons having their economic, accounting, legal and technical experience, and a representative for each of the Central Audit Agency, the Ministry of Finance, the National Bank of Investment and the company. The affiliate electricity companies shall be economically revalued before floating their shares for subscription.

The committee shall submit its report to the Minister of Electricity and Power, within a period not exceeding sixty days from the date the papers are referred to it. The estimation shall not become final except after its approval by the Minister.

Article: 4

The Company's capital shall be divided into shares of equal value. The Company's articles of association shall determine the nominal value of each share. The company's capital shall be owned in full by the State and the public juridical persons representing it.

Article: 5

The Company's articles of association shall determine its period. These articles shall be issued by virtue of a decree from the Minister of Power and Energy following approval of the company's general assembly, and shall be published in the Egyptian Wakayeh/Government Bulletin.

Article: 6

The company's administration shall be assumed by a board of directors to be formed by a resolution of the general assembly, upon the proposal of its chairman, for a period of three years.

The Board shall be formed of a full-time chairman and a number of not less than nine and not exceeding fourteen members, providing its formation shall reflect the ownership rights, and shall include representatives of the ministries of power and energy, finance, planning, and oil, as well as a representative of the Central Bank of Egypt and a number of not less than three persons assigned for their experience, and a representative of the General Federation of Egyptian Workers' Trade Unions.

The Assembly's resolution concerning the formation of the board shall determine the number of full-time managing members, and the lump sum salaries charged by the Board chairman and full-time members. The resolution shall also determine the board sessions attendance allowance payable to each of the chairman and board members. The Company's articles of association shall determine the annual bonus payable to them.

The present board chairman and members of the Egyptian Electricity Authority shall continue to manage the new company until its general assembly is formed, its capital is determined, its articles of incorporation are approved, and its board of directors is formed, according to the provisions of this law.

Article: 7

The general assembly of the company shall be formed under the Minister of Power and Energy as its chairperson. The number of its members shall not exceed fourteen to be chosen by virtue of a decree of the Prime Minister, upon the proposal of the Minister of Power and Energy, providing the assembly's formation shall reflect the ownership rights and shall include the representative of the General Federation of Egyptian Workers Trade Unions. Such Assembly's resolution shall determine the session attendance allowance payable to them.

The Company's board chairman and members, as well as the auditors at the Central Audit Agency shall attend the general assembly meetings without having a counted vote.

Article: 8

The workers of the Egyptian Electricity Authority who are in its service at the date the present law comes into force shall be transferred to the company with their very functional conditions, wages, allowances, leaves and vacations, as well as their monetary and in kind benefits. These workers shall continue to be treated with all the systems and rules regulating their position affairs until the regulations organizing personnel affairs in the Company are issued.

The provisions of Labor Law as promulgated by Law No. 137 of the year 1981 shall apply to the workers of the company where no special provision is prescribed in the regulations to be set by the board of directors and approved by the Minister of Power and Energy. These regulations shall comprise in particular the system of their payroll, pay increases, allowances, vacations and leaves, until an organizational structure and a table for personnel positions and jobs is set.

Article: 9

Courts of all types and degrees shall continue to hear the actions and contestations to which the Egyptian Electricity Authority is party until they are decided by virtue of peremptory ruling according to the rules currently in force, without need for any other procedures, once they are brought before enforcing the provisions of the present law.

Article: 10

Articles no 1, 3, 4, 5, 6, 8, 9, 10, 11 (item 11), 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, and 25 of law no. 12 of the year 1076 concerning the establishment of the aforementioned Egyptian Electricity Authority shall be superseded. All provision contradicting the provisions of the present law shall also be superseded.

Article: 11

The present law shall be published in the official journal and shall come into force effective the First of July 2000.

The present law shall be stamped with the seal of the state and enforced as one of its laws.

Issued at the Presidency of the Republic on 15 Rabie al Awal 1421 (Hejira Year),
corresponding to 18 June, 2000 (calendar year).

Hosni Mubarak