

SHARCI L. 2 ee 17 Diseember 1979, Habaynta Sharciga «Somali Airlines»

MADAXWEYNAHA J. D. S.

ISAGOO ARKAY: Dastuurka Jamhuuriyadda Dimoqraadiga Soomaaliya;

ISAGOO ARKAY: Dastuurka iyo Xeer Nidaamiyaha oo lagu dhisay Sharikadda sahmiyada leh ee «**SOMALI AIRLINES**» iyo heshiiskii ka dhexeeyey Dawladda Soomaaliyeed iyo Sharikadda Dayuuradaha ee «**ALITALIA**» ee lagu meel mariyey Sharciga L. 19 ee 9.2.1975;

ISAGOO AQOONSADAY: Inay tahay lagama maarmaan in Maamulka Sharikadda «**SOMALI AIRLINES**» lagu habeeyo sharci kaddib markii sharikadda «**SOMALI AIRLINES**» loo aqoonsaday in ay tahay sharikad dan qarameed leh iyo iyadoo Sharikadda «**ALITALIA**» ay ka baxday Sharikadda «**SOMALI AIRLINES**» oo ay sahmiile wadaag kala ahayd Dawladda Soomaaliyeed;

ISAGOO TIXGELIYEY: Go'aankii Guddiga Siyaasadda iyo Golaha Dhexe ee Xisbiga Hantiwadaagga Kacaanka Soomaaliyeed;

WUXUU SOO SAARAYAA: Sharciga soo socda:

Qod. 1aad

Sahmiga Sharikadda

Laga bilaabo 1da Jannaayo 1978 Dawladda Soomaaliyeed, keli ahaan, waxay yeelatay dhammaan sahmiyada Sharikadda «**SOMALI AIRLINES**», kaddib markii Sharikadda «**ALITALIA**» oo sahmiile wadaag la ahayd Dawladda Soomaaliyeed, ay ka baxday Sharikadda «**SOMALI AIRLINES**», oo sahmiyadeedii ay la wareegtay Dawladda Soomaaliyeed.

Qod. 2aad

Heshiis Dhaqan Beelay

Isbeddelka ka dhashay lahaanshada sahmiyada Sharikadda «**SOMALI AIRLINES**», ee ku xusan Qod. 1aad ee sharcigan, wuxuu keenay in heshiiskii ka dhexeeyey Dawladda Soomaaliyeed iyo Sharikadda «**ALITALIA**», taariikhdiisuna ahayd 24.1.1974,

laguna meel mariyey sharciga L. 19 ee 9.2.1975, uu noqday mid dhaqan beelay.

Qod. 3aad

Madax-bannaanida Sharikadda

1. Laga bilaabo taariikhda ku xusan Qod. 1aad ee sharcigan, Sharikadda «SOMALI AIRLINES», oo ah Sharikad Madax bannaan oo shaqsiyad qaynuuna leh, oo sharcigan loogu' aqoonsaday in ay tahay Sharikadda «Dan Qarameed», waxay ku habaysan tahay sharcigan iyo Xeerka Madaniga, Qaybta Ganacsiga.
2. Hantida (Patrimonio) Sharikaddu waa Shiling So. 62.000.000,-.
3. Sahmiyada Sharikadda «SOMALI AIRLINES», waxay u furan yihiin cid kasta oo doonaysa in ay sahmi ku yeelato, sida uu dhigaayo Qod. 2346 iyo Qodobbada la xiriira ee Xeerka Madaniga, Qaybta Ganacsiga, hase yeeshee sahmiga Dawladdu kama yaraan karo 51%.
4. Habka ka qayb galka sahmiga Somali Airlines iyo awoodda maamulka sharikadda oo ay yeelan doonaan sahmiilayaasha ka duwan Dawladda, waxaa lagu cad-dayn doonaa Xeer Madaxweyne, iyadoo ay mar waliba la raacayo Xeerka Madaniga

Qod. 4aad

Xarunta Sharikadda

Xarunta Sharikaddu waxay ahaan doontaa Magaalada Muqdisho, waxayna, haddii loo baahdo, ku yeelan doontaa Laano Gobbollada iyo Degmooyinka Jamhuuriyadda Dimuqraadiga Soomaalia, iyo dalalka dibedda.

Qod. 5aad

Ujeeddada iyo Awoodda Sharikadda

1. Ujeeddada Sharikadda «SOMALI AIRLINES» waxay tahay:
 - 1) Maamulka duulimaadka gudaha, la xiriira qaadista rakaabka, alaabta iyo boostada;
 - 2) Duulimaadka dibedda oo ah Soomaaliya iyo waddamada dibedda dhexdooda iyo Maamulka hawlaha la xiriira oo dhan;

- 3) Gargaarka farsamada iyo ganacsiga, iyo hawlaha la xiriira «Handling» oo ay u fidiso Sharikaad Dayuuradaha kale, sida sahay siinta (Catering) oo ay u fidiso Sharikaadka Dayuuradaha aan soo sheegnay;
 - 4) Dhismaha, qandaraaska, maamulka; qalabka iyo hawlaha guud oo leh ujeeddo gargaareed iyo raaxada raakaabka iyo shaqaalaha Sharikadda.
2. Sharikaddu waxay awood u leedahay waxyaabaha soo socda:
- 1) Inay qaban karto hawlaha dayuuraduhu uga baahan yihiin Gegooyinka iyo sahay siinta dayuuradaha ee Gegooyinka «Catering», ha ahaadeen kuwo ayadu u baahan tahay ama la xiriira Sharikado kale oo dayuuradeed;
 - 2) Inay soo gadan karto, dhisan karto ijaaran karto hangarro, hoosoyin, guryo iyo qalab kasta oo loogu talagalay hawlaha duulimaadka;
 - 3) Inay abaabuli karto, qaban karto hawl kasta oo si toos ah ama si dadban ugu xiran ujeeddada Sharikadda;
 - 4) Inay dhisi kasto, maamuli kartana dugsiyo farsamo iyo duuliyeyaal dayuuradeed;
 - 5) Inay qabato hawl kasta, abuurta ilo dhaqaale; warshadeed, ganacsi, maaliyadeed, bankiyeed guurto iyo ma guurto oo si toos ah ama si dadban loogu horumarin karo hawlaha Sharikadda.

Qod. 6aad

Xuquuq gaar ah Sharikadda

1. Sharikaddu, waxay keli ahaan, xaq u leedahay inay maamusho isu-duulimaadka gudaha iyo dibedda, ha ahaadeen duulimaad caadi ah ama kuwo weydiisasho ah.
2. Sharikaddu waxay ka qaadan kartaa dayuudaraha shi-sheeyaha xaquuqda «royalties».

Qod. 7aad

Canshuur dhaafid iyo tas-hiilaat

1. Sharikadda waxaa laga dhaafay canshuuraha soo socda.
 - 1) Bixinta canshuuraha Furdadda, xuquuqda iyo canshuur kasta oo ku saabsan keenidda dayuuradaha, alaabta dayactirka iyo wixii qalab farsamo ah oo ku saabsan duulimaadka iyo hawlaha dhulka «di volo o di terra» iyo shidaalka dayuuradaha.
 - 2) Waxyaalaha kale ee canshuurta laga dhaafay Shari-kadda waxaa ka mid ah: cuntada, cabbitanka iyo alaabta in laga iibiyo rakaabka looga baahan yahay duulimaadka caalamiga ah.
1. Sharikaddu waxay yeelanaysaa tas-hiilaatka (Privileges) soo socda:
 - b) Isticmaalid lacag la'aaneed raadiyaasha xiriiriyaha ah, raadiyaha ah kaaliye duulimaad iyo hawsha hawada, ha ahaadeen kuwo hadda jira ama kuwo mustaqbalka la dhisi doono;
 - t) Isticmaalid lacag la'aaneed Gegooyinka Dayuuradaha iyo saldhigyadooda ee dalka;

Qod. 8aad

Xubnaha iyo dhismaha Sharikadda

1. Sharikaddu waxay yeelanaysaa xubnaha iyo dhismaha hoos ku tilmaaman:

- 1) Guddi Maamul
- 2) Guddoomiye
- 3) Guddoomiye ku xigeen
- 4) Guddi Baaris Xisaabeed

Xubnaha uu ka kooban yahay Guddiga Maamulka, xilkiisa iyo awoodiisu waa kan ku tilmaaman qodobada soo socda, waxayna ku habaysan yihiin sharcigan iyo Xeerka Madaniga.

Qod. 9aad

Guddiga Maamulka

1. Guddiga Maamulka ee ku sheegan qod. 8aad ee sharci-gan, wuxuu ka kooban yahay xubnaha hoos ku qoran:

- 1) Guddoomiyaha Sharikadda — Guddoomiye
- 2) Guddoomiye ku xigeenka Sharikadda — Xubin
- 3) Wakiil ka socda Wasaaradda Gaadiidka — Xubin
- 4) Wakiil ka socda Wasaaradda Maaliyadda — Xubin
- 5) Wakiil ka socda Guddiga Qorsheynta Qaran — Xubin
- 6) Wakiil ka socda Bankiga Dhexe — Xubin

2. Wakiilada Hay'adaha ee xubnaha ka ah Guddiga Maamulka waxaa lagu soo magacaabayaa go'aan uu soo saaro Wasiirka Wasaaradda Gaadiidka Dhulka iyo Cirka, isagoo dhegeystey talada Madaxda Hay'adaha ay ka tirsan yihiin xubnahaasu.

3. Xubnaha Guddiga Maamulka ee kor ku tilmaamani waxay yeelanayaan, ugu yaraan, laba fadhi sannad kasta.

4. Fadhiga Guddigu wuxuu ku ansaxayaa marka ay ka soo qayb galaan xubnaha intooda badan.

5. Guddigu wuxuu go'aankiisa ku gaarayaa cod hal dhée-raad ah. Haddii cododku is le'ekaadaan, codka Guddoomiyaha ayaa go'aan ku raacaya.

QODOBKA 10AAD

Xilka Guddiga Maamulka

1. Guddiga Maamulka, marka laga reebo awoodda xeerka madaniga ama sharcigan u xilsaaray xubno gaar ah ee Sharikadda, waxaa xilkiisu yahay inuu qabto hawlaha la xiriira maamulka caadiga ah iyo mid aan caadi ahayn, ee la xiriira fulinta ujeeddada Sharikadda. Gaar ahaan, Guddiga Maamulku wuxuu, sharci ahaan, xilkiisa u Wakiilan karaa Guddoomiyaha, isagoo caddaynaaya xuduudda awoodad.
2. Guddiga Maamulka waxaa xilkiisa iyo awooddiisa ka mid ah inuu :
 - 1) Dejiyo qorshaha iyo barnaamijyada la xiriira hawlaha Sharikadda, iyadoo hala socodsii naayo Wasiirka Wasaaradda Gaadiidka, Dhulka iyo Cirka;
 - 2) Hubiyo fulinta qorshaha iyo ujeedooyinka loo dhisay Sharikadda;
 - 3) Go'aan ka gaaridda xiriirka Miisaaniyadda ee sanadka, iyadoo la raacayo sharcigan iyo Xeerka Madaniga.

QODOBKA 11AAD

Magacaabidda Madaxda Sharikadda

1. Guddoomiyaha, Guddoomiye ku xigeenka Sharikadda iyo Maareeyayaasha Waaxyaha ee Sharikadda, waxaa lagu magacaabaa xeer uu soo saaro Madaxweynaha, isagoo tixgeli naaya talada uu soo jeediyo Wasiirka Wasaaradda Gaadiidka Dhulka iyo Cirka.

2. Madaxda Qaybaha waxaa magacaabaya Wasiirka Gaadiidka Dhulka iyo Cirka, isagoo tixgelinaya talada Guddoomiyaha Sharikadda.

QODOBKA 12AAD

Xilka Guddoomiyaha Sharikadda

Guddoomiyaha Sharikadda, wuxuu matilayaa Sharikadda, ha noqoto Maxkamada horteeda, ta maamulka iyo cid kasta, wuxuuna leeyahay, isagoo raacaya sharcigan Xeer Nidaamiyaha la xiriira iyo Xeerka Madaniga Qaybta Ganacsiga, inuu :

- 1) Guddoomiyo Shirka Guddiga Maamulka;
- 2) Fuliyo go'aannada Guddiga Maamulka iyo wixii hawl ah oo ay u xilsaaraan;
- 3) Mas'uul ka yahay maamulka lacagta ee Sharikadda;
4. In uu saxiixo heshiisyada ay Sharikaddu dhinac ka tahay isagoo oggolaansho ka haysta Guddiga Maamulka, haddii heshiisku aanu galaynin Maamulka caadiga ah, qorshaha iyo barnaamijkana aanu ku jirin.
- 5) Saxiixo heshiisyada degdegga ah ee ay dhinac ka tahay Sharikaddu soona hordhigo Guddiga Maamulka.

QODOBKA 13AAD

Xilka Guddoomiye ku-xigeenka Sharikadda

Xilka Guddoomiye ku-xigeenka Sharikaddu waa sida hoos ku tilmaaman :

- 1) Sii wado hawlaha caadiga ah ee Guddoomiyaha marka ay jiraan waxyaabo jooqto ah oo ka reebay gudashada xilkiisa;
- 2) Inuu gacan buuxda ku siiyo Guddoomiyaha, hawlaha loo xilsaaray;
- 3) Inuu fuliyo hawlaha Guddoomiyuhu u xilsaaro.

QODOBKA 14AAD

Guddiga Baarista Xisaabaadka

- 1) Guddiga Baarista Xisaabaadka ee Sharikadda oo ka kooban saddex xubnood oo joogto ah iyo laba aan joogto ahayn, waxa magacabaya Wasiirka Wasaaradda Gaadiidka Dhulka iyo Cirka, isagoo dhegeystey Wasiirka Wasaaradda Maaliyadda.
- 2) Xilka iyo awoodda Guddiga Baarista Xisaabaadka, waxay ku habaysan yihiin Xeerka Madaniga, Qaybta Ganacsiga.

QODOBKA 15AAD

Muddada ay xilka haynayaan Guddiga Maamulka iyo Guddiga

Baarista Xisaabaadka ee Sharikadda

- 1) Xubnaha Guddiga Maamulka iyo Guddiga Baarista Xisaabaadka muddada ay xilka haynayaan waa saddex sannadood oo laga bilaabo Taariikhda la magacaabo Guddiga. Hase yeeshee magacaabiddaas waa la cusboonaysiin karaa.
- 2) Xubnaha Guddiyada Maamulka iyo Baarista Xisaabaadka magacaabiddooda waa lagala noqon karaa, iyadoo la raacayo habka magacaabidda.

QODOBKA 16AAD

Matilaha Sahniga Dawladda ee Sharikadda

Sahniga Dawladda Soomaaliyeed ay ku leedahay Shari-kadda «SOMALI AIRLINES», waxaa matilaaya Wasiirka Wasaaradda Gaadiidka Dhulka iyo Cirka oo ay Sharikaddu hoos timaado, sida u tilmaamayo Xeerka Madaniga, Qaybta Ganacsiga.

QODOBKA 17AAD

Awoodda Wasiirka Wasaaradda Gaadiidka Dhulka iyo Cirka

- 1) Wasiirka Wasaaradda Gaadiidka Dhulka iyo Cirka, waxaa awooddiisa saldhiga u ah sharcigan.
- 2) Wasiirku, waxaa uu ku leeyahay Sharikadda awood iyo mas'uuliyad buuxda dhanka kormeerka iyo ilaalinta, fulinta dan qarameedka loo dhisay Sharikadda.

QODOBKA 18AAD

Habka Maamulka shaqada iyo shaqaalaha Sharikadda

Sharikadda «SOMALI AIRLINES» waxay yeelanaysaa qaab habaynaaya habka maamulka shaqada iyo shaqaalaha Sharikadda, oo caddaynaaya xuquuqda iyo waajibaadka shaqada iyo shaqaalaha, gaar ahaan, mushahaaradooda, gunnooyinkooda, liiltirkooda iyo hawlgabkooda.

QODOBKA 19AAD

Miisaaniyadda

- 1) Sannadka Lacagta ee Sharikaddu wuxuu bilaabanayaa 1da Jannaayo, wuxuuna dhammaanayaa 31da Diisambar ee sannad walba.
- 2) Guddiga Maamulku, ugu dambayn, 31ka Maarso ama inta ka horraysa Sannad kasta, waa in uu isku dubbaridaa xiritaanka miisaaniyadda ee sannadka la soo dhaafay, isagoo isku haggajiyeey xisaabihii sannadkaa iyo bandhiggii macaashka iyo khasaaraha, wuxuuna u gudbinayaa Wasiirka Wasaaradda Gaadiidka Dhulka iyo Cirka si uu u oggolaado una gudbiyo Wasiirka W. Maaliyadda.
- 3) Faa'iidada ka soo baxda hawlaha ay qabato Sharikadda, kuna cad miisaaniyadda sannadka ee Sharikadda, ka dib markaa laga gooyo xisaabta kaydka ah (Fondo di Riserva), waxaa loo qaybinayaa sahmiilayaasha, iyadoo ay qaybta Dawladdu noqonayso mid lagu kordhinaayo sahmiiga Dawladdu ku leedahay Sharikadda.

- 4) Haddii khasaare miisaaniyadeed ku timaaddo Shari-kadda, waxaa khasaarahaas qaybsanaya sahmiilayaa-sha, hadba inta uu le'egyahay sahmiga cidda ku leh Sharikadda, iyadoo ay qaybta Dawladda bixinayso Wasaaradda Maaliyadda lana raacaayo oggolaanshaha miisaaniyadda, Wasiirka Wasaaradda Gaadiidka Dhulka iyo Cirkuna qaadaayo xilka doonista iyo kabidda khasaarahaas Qaybta Dawladda.

QODOBKA 20AAD

Xeerka Nidaamiye

Madaxweynaha J. D. S. wuxuu awood u leeyahay, isagoo tixgelinayaa talada uu soo jeediyo Wasiirka Wasaaradda Gaadiidka Dhulka iyo Cirka, inuu soo saaro Xeer Nidaamiye Guud ee Sharikadda.

QODOBKA 21AAD

Burin Sharci

Sharci kasta ama Xeer kasta oo ka soo horjeeda ama aan la socon karin sharcigan, waa la buriyey.

QODOBKA 22AAD

Dhaqan gelid

Sharcigani wuxuu dhaqangelayaa isla maalinta uu saxiixo Madaxweynuhu, waxaana lagu soo saari doonaa Faafinta ras-miga ah ee Dawladda.

Muqdisho. 17 Diseember. 1979

JAALLE MAXAMED SIYAAD BARRE

MADAXWEYNAHA J. D. S.

TRANSLATED FROM SOMALI

Law No. 2 on 17th December 1979 Organisation of
the Somali Airlines

THE PRESIDENT OF THE SOMALI DEMOCRATIC REPUBLIC

HAVING SEEN : The Constitution of the Somali Democratic Republic;

HAVING SEEN : The Constitution and the Decree in which the shareholding company known as Somali Airlines was established and the Agreement between the Somali Government and the company known as ALITALIA ratified by Law no. 19 of 9. 2. 1975;

HAVING REALIZED : The necessity for a law to reconstitute the SOMALI AIRLINES having been recognized as a Company of National Interest, and as a result of the withdrawal of M/S ALITALIA the Co-Shareholders in the company from its participation therein;

TAKIN NOTE : of the approval of the Political Council and the Central Committee of the Somali Socialist Revolutionary Party;

HEREBY PROMULGATES

THE FOLLOWING LAW :

ARTICLE 1

COMPANY SHARES

With effect from 1st January 1978, the Somali Government has become the sole owner of all the shares of the Somali Airlines Company, after Alitalia Company which was the Co-Shareholder in the Company with the Somali Government withdrew from the Somali Airlines Company, and its shares were taken over by the Somali Government.

ARTICLE 2

ANNULLED AGREEMENT

As a result of the ownership of the shares of the Somali Airlines Company referred to in Article 1 of this Law, the Agreement between the Somali Government and ALITALIA Company dated 24.1.1974 which was ratified by Law no. 19 of 9.2.1975 became null and void.

ARTICLE 3

AUTONOMY OF THE COMPANY

- 1) With effect from the date referred to in Article 1 of this Law, the Somali Airlines Company, which is an autonomous Company possessing juridical personality and recognized as a company of national interest, is constituted in conformity with this Law and the Commercial Section of the Civil Code.
- 2) The capital of the Company is Sh. 52.000.000
- 3) The shares of the Somali Airlines Company shall be available to all those who wish to subscribe to it as shareholders, in accordance with Article 2346 and other relevant provisions of the Commercial Section of the Civil Code, provided that the shares of the Government shall not be less than 51%
- 4) The manner of acquiring the shares of the Somali Airlines Company and the status of the various shareholders, other than the Government, in the administration of Company, shall be determined by Presidential Decree, in compliance with the Civil Code.

ARTICLE 4

COMPANY'S HEAD OFFICE

The Company shall have its head office in Mogadishu and may, whenever necessary, establish branches and secondary offices in the Regions and Districts of the Somali Democratic Republic, as well as abroad.

ARTICLE 5

OBJECTIVES AND POWERS OF THE COMPANY

- 1) The objectives of the Somali Airlines Company are as follows :
 - a) Operation of the internal flights, in respect of carriage of passengers, cargo and mail;
 - b) Operation of international flights between Somalia and the foreign countries, and the execution of all the activities relevant thereto;
 - c) Rendering auxiliary technical assistance and sales facilities, and handling services to other airlines, such as catering;
 - d) Undertaking constructions, tenders, management, equipment and general activities for the purpose of assistance to and the comfort of the passengers and the company personnel.
- 2) The Company shall have the following powers :
 - a) To render the services required by the Airlines in the airdrome and catering services whether required by it or by other airlines.
 - b) To purchase, build, or rent hangars, workshops, buildings and any equipment considered necessary for the conduct of the air service.
 - c) To organize, undertake any activity directly or indirectly connected with the objectives of the company;
 - d) To establish and run technical and pilot training centres;
 - e) To perform any task, and create sources of economic, industrial, commercial, financial, banking, movable and immovable properties which could be directly or indirectly used to promote the objectives of the Company.

ARTICLE 6

EXCLUSIVE RIGHTS OF THE COMPANY

- 1) The Company shall have the exclusive right to operate both domestic and international flights.
- 2) The Company may collect royalties from foreign Airlines.

ARTICLE 7

TAX EXEMPTION AND PRIVILEGES

- 1) The Company shall be exempt from the following taxes and duties :
 - a) Customs duties, charges, and any tariffs and import taxes on aircrafts, spareparts and all technical materials related to the air services at flight or on ground, as well as aircraft fuel;
 - b) Other items which are within the tax exemption of the Company shall include food and beverages as well as items required for the free duty shop on board international flights.
- 2) The Company shall also have the following privileges :
 - a) The use, free of charge, of radio communication facilities, as well as aircraft auxiliary radio and navigation aids whether existing or to be installed in the future;
 - b) The use of airdromes and airfields in the Country, free of charge;
 - c) The use of hangars free of charge.

ARTICLE 8

ORGANS AND STRUCTURE OF THE COMPANY

- 1) The Company shall have the structure and organs set out below :
 - a) Board of Directors;
 - b) President of the Company;
 - c) Vice President;
 - d) Board of auditors.
- 2) The membership of the Board of Directors, its functions and powers are prescribed in the subsequent articles, and are in accordance with this Law and the Civil Code.

ARTICLE 9

BOARD OF DIRECTORS.

- 1) The Board of Directors referred to in Article 8 of this Law, shall consist of the following members :
 - a) The President of the Company — Chairman;
 - b) The Vice President of the Company — Member;
 - c) A representative of the Ministry of Air & Land Transport — Member;
 - d) A representative of the Ministry of Finance — Member;
 - e) A representative of the State Planning Commission — Member;
 - f) A representative of the Central Bank — Member.
2. Members of the Board of Directors who are representatives of the various organizations shall be appointed by Decree of the Minister of Air & Land Transport, having heard the Heads of the Organizations these Members represent.
3. The Members of the Board of Directors referred to above shall meet at least twice a year.

4. The meeting of the Board shall be valid only when the majority of the Board Members are present at the meeting.
5. The decision of the Board shall be taken by majority vote. In the case of split decision, the Chairman shall have the casting vote.

ARTICLE 10

RESPONSIBILITIES OF THE BOARD OF DIRECTORS

1. With the exception of matters falling within the exclusive competence of particular organs of the Company in accordance with this Law and the Civil Code, the Board of Directors shall be responsible for the routine administration of the Company as well as other activities related to the execution of the objectives of the Company. The Board of Directors may delegate its functions to the President, setting out the limits there of.
4. The functions and powers of the Board of Directors shall include:
 - a) Laying down the plan and programme related to the activities of the Company, in keeping the Minister of Air & Land Transport informed.
 - b) Ensuring the proper implementation of the programme and objectives for which the Company was constituted;
 - c) Determining the annual budget, in accordance with the provisions of this Law and the Civil Code.

ARTICLE 11

APPOINTEMENT OF OFFICERS OF THE COMPANY

- 1) The President, Vice President and Heads of Departments of the Company shall be appointed by Decree of the President of the Republic, having taken note of the advice of the Minister of Air & Land Transport.
- 2) The Heads of Service shall be appointed by Decree of the Minister of Air & Land Transport, having taken due note of the advice of the President of the Company.

ARTICLE 12

THE RESPONSIBILITY OF THE PRESIDENT OF THE COMPANY

The President of the Company shall be the legal representative of the Company before the Courts, the Administration and before every one else, and shall have the following powers and obligations in accordance with the provisions of this Law, the Regulations related thereto, and the Commercial Section of the Civil Code:

- 1) To preside over the meeting of the Board of Directors;
- 2) To implement the decisions of the Board of Directors and to perform any duties as may be delegated to him by the Board;

3) Be responsible for the financial matters of the Company, Directors and the Board of Auditors shall be three members of office of the members of the Board of

4) To sign the Agreements to which the Company shall be a party; having received prior authorization of the Board of Directors, if the same do not fall within the scope of the routine administration or within the plans and work programmes.

5) To sign urgent Agreements to which the Company shall become party, submitting them to the Board of Directors for approval.

THE REPRESENTATIVE OF THE GOVERNMENT SHARES

ARTICLE 13

The shares of the Small Government in the Small Air-Transport Company shall be represented by the Minister of Land and Air Transport to whose Ministry the Company is attached, in accordance with the provisions of the Commercial Section of the Civil Code.

The responsibility of the Vice President of the Company shall be as follows:

- a) To perform temporarily the routine functions of the President in cases of permanent disability, barring the latter from carrying out his duties.
- b) To give the President maximum assistance in the execution of his responsibilities.
- c) To carry out the duties which may be assigned to him by the President.

ARTICLE 14

THE BOARD OF AUDITORS

- 1) The Board of Auditors of the Company, consisting of three regular members and two ad hoc members, shall be appointed by the Minister of Air & Land Transport, having heard the Minister of Finance.
- 2) The responsibility and powers of the Board of Auditors shall be governed by the provisions of the Commercial Section of the Civil Code.

ARTICLE 15

TENURE OF OFFICE OF THE BOARD OF DIRECTORS AND THE BOARD OF AUDITORS

- 1) The tenure of office of the members of the Board of Directors and the Board of Auditors shall be three years commencing from the date of their appointment, subject to renewal.
- 2) The members of the Board of Directors and the Board of Auditors may have their appointment withdrawn following the procedure of their appointment.

ARTICLE 16

THE REPRESENTATIVE OF THE GOVERNMENT SHARES

The shares of the Somali Government in the Somali Airlines Company shall be represented by the Minister of Land and Air Transport to whose Ministry the Company is attached, in accordance with the provisions of the Commercial Section of the Civil Code.

ARTICLE 17

THE POWERS OF THE MINISTER OF AIR & LAND TRANSPORT

- 1) The powers of the Minister of Air & Land Transport shall be based on this Law.
- 2) The Minister shall have full powers and responsibilities

ty over the Company in respect of the supervision, control in carrying out its objectives as a Company of National Interest.

ARTICLE 18

ORGANISATIONAL ESTABLISHMENT OF THE COMPANY

1) The Somali Airlines Company shall have a system of organisations of the work and the personnel of the company setting out their rights and obligations in respect of their work, and in particular their salaries, allowances; gratuity and pension.

ARTICLE 19

FINANCIAL PROVISIONS

- 1) The Financial Year of the company shall commence on 1st January, and shall end on 31st December each year.
- 2) The Board of Directors shall review, not later than 31st March of each year, arranging them in a Balance Sheet indicating the Profit and Loss Accounts, and shall submit the same to the Minister of Air & Land Transport for approval and transmission to the Minister of Finance.
- 3) The profits realized from the Company's activities, as shown in the annual accounts of the Company, after setting aside the reserve funds, shall be distributed among the shareholders, provided that the profit accruing to the Government from its holding shall be reinvested in the Company to augment its shares and enhance its development.
- 4) If the budgetary loss is sustained by the Company, the loss shall be borne by the shareholders, according to their shareholdings in the Company. The amount of the loss payable by the Government shall be paid by the Minister of Finance, in compliance with the approval of the budget. The Minister of Air and land transport shall be responsible for the recovery of and the making up for the loss of the Government Portion.

ARTICLE 20

REGULATIONS

The President of the Somali Democratic Republic shall have the power to issue Regulations for the Company, having taken note of the advice of the Minister of Air & Land Transport.

ARTICLE 21

ABROGATION

Any provision contrary to or inconsistent with this Law is hereby abrogated.

ARTICLE 22

ENTRY INTO FORCE

This Law shall come into force on the day of signature and it shall be published in the Official Bulletin.

Mogadishu, 17 December 1979

The President of the
Somali Democratic Republic
(MOHAMED SIYAD BARRE)