

Egyptian Resorts Company (ERC)
Related Party Transactions Policy

The Board of Directors of ERC, acting upon the recommendation of its Audit Committee, has adopted the following policy with regard to Related Party Transactions to ensure the balance of interests of ERC stakeholders and to eliminate any risk of conflicts of interest.

Policy

- Related Party Transactions, which are limited to those described in this policy, shall be subject to the approval of the Audit Committee and the Board before being approved by the GA.

Background

- Our Code of Ethics, which applies to all employees and Directors, provides that all conflicts of interest should be avoided. According to the law certain transactions between the issuer and certain related persons need approval of the General assembly before execution.
- The Board has to assess whether relationships or transactions that exist may impair the independence of directors. This policy is intended to provide guidance and direction on Related Party Transactions.

Definition

- A "Related Party Transaction" is any transaction, arrangement or relationship in which ERC is a participant with a related person having a direct or indirect interest. "Related Party Transaction" also includes any material amendment or modification to an existing Related Party Transaction. In order for the transaction, arrangement or relationship to be subject to this policy, there must be a financial aspect to the transaction.
- "Related Party" means any of the following:
 - All board members and employees (which, when used herein includes any board nominee);
 - The father, mother, sons, daughters, husband or wife of any of the natural persons listed in the previous clause;
 - Executive Officers;
 - A person known by the Company to be the beneficial owner of more than 5% of the Company's common stock (a "5% stockholder");
 - A person known by the Company to be an immediate family member of any of the foregoing;
 - Or subsidiaries and affiliated companies.

Identification of Potential Related Party Transactions

- Each of our board members and executive officers is instructed and periodically reminded to inform the Audit Committee of any transaction or relationship that may constitute a related party transaction.
- Any potential Related Party Transactions that are brought to our attention are analyzed by the Audit Committee, in consultation with Management and with outside counsel, as appropriate, to determine whether the transaction or relationship does, in fact, constitute a related party transaction requiring compliance with this Policy.

Review and Approval of Related Party Transactions

- At each of its meetings, the Audit Committee will be provided with the details of each new, existing or proposed Related Party Transaction, including the terms of the transaction, the business purpose of the transaction, and the benefits to the company and to the relevant related party.
- In determining whether to approve a Related Party Transaction, the Committee will consider, among other factors, the following factors to the extent relevant to the Related Party Transaction:
 - Whether the terms of the Related Party Transaction are fair to the Company and formed on the same basis as would apply if the transaction did not involve a Related Party;
 - Whether there are business reasons for the Company to enter into the Related Party Transaction;
 - Whether the Related Party Transaction would impair the independence of an outside director;
 - Whether the Related Party Transaction would present an improper conflict of interest for any Director or executive officer of the company, taking into account the size of the transaction, the overall financial position of the Director, executive officer or Related Party, the direct or indirect nature of the director's, executive officer's or Related Party's interest in the transaction and the ongoing nature of any proposed relationship, and any other factors the Committee deems relevant.
- Any member of the Committee who has an interest in the transaction under discussion will abstain from voting on the approval of the Related Party Transaction, but may, if so requested by the chairperson of the Committee, participate in some or all of the Committee's discussions of the Related Party Transaction.
- Upon completion of its review of the transaction, the Committee may determine to permit or to prohibit the Related Party Transaction.
- In case of permission , the committee shall submit to the board for approval a summary of the related part transaction including among other details:
 - Name of the related party and the details of its relation to ERC
 - Brief description of the Related Party Transaction
 - Related Party Transaction amount

- The other bidder's names and the value of their offers (as the case may be)
 - The contract duration
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- Respective contracts will be available for review if requested by any board member.
 - Any member who has an interest in the transaction under discussion will abstain from voting on the approval of the Related Party Transaction.

Failure to Follow the Approval Process

- Any related person who is an executive officer or Director of ERC and who is found to have violated this policy will be subject to corrective action up to and including termination of employment or directorship.

RELATED PARTY TRANSACTION POLICY ACKNOWLEDGEMENT FORM

I hereby acknowledge and agree:

1. That I have received and read a copy of the Related Party Transaction Policy and agree to abide by this policy.
2. That I will comply with the rules and regulations outlined in this policy.

Name of Director/Employee (printed)

Director/Employee signature

Date