

SAUDI ELECTRICITY COMPANY

(a joint stock company incorporated under the laws of the Kingdom of Saudi Arabia)

Commercial Register Number 1010158683

Application for purchase of Sukuk (issued in denominations of SAR 100,000 of Saudi Electricity Company (the "Issuer"))**1. Instructions for the completion of this form**

- Application Forms will be accepted during normal banking hours from 20/6/1430H (corresponding to 13/6/2009G) (Day 1).
- Any Application Form received after 5:00 p.m. on 5/7/1430H (corresponding to 28/6/2009G) (Day 1 + 12 business days) as may be extended (as advised by the Issuer and the Lead Manager via their respective websites) (the "Final Submission Date") may be rejected.

Applicants must complete this Application Form in full. Application Forms must be signed, dated and deposited at, or in the case of Institutional Investors only and/or faxed to, the address set out below by the Final Submission Date. Any Application Form that is not in compliance with the Offering Circular and/or is not completed in full may be rejected. In the case of any Application Form sent by facsimile by any entity, you must submit or send by express courier an original hard copy of the signed and completed Application Form as soon as possible and in any event no later than two business days after the Final Submission Date.

HSBC Saudi Arabia Limited

 Olaya Road, P.O. Box 9084, Riyadh 11413, Kingdom of Saudi Arabia
 Tel: 966 1 299 2438 Fax: 966 1 279 2444, Attn: Mr. Fahad Al-Saif

Samba Capital & Investment Management Company

 Kingdom Building, P.O. Box 220007, Riyadh 11311, Kingdom of Saudi Arabia
 Tel: 966 1 211 7447 Fax: 966 1 211 7438, Attn: Mr. Ahmed Al Munifi
2. Defined Terms

The following terms and expressions have the following meanings when used in this Application Form:

"**Applicant**" means the individual or entity specified in section 4;

"**Application Form**" means this application form;

"**Application Terms and Conditions**" means the terms and conditions attached to this Application Form;

"**Bank Account**" means the bank account of the Applicant specified in section 4;

"**Closing Date**" means the date falling 10 calendar days after the Final Submission Date, unless notified otherwise by the Issuer and the Lead Managers;

"**Contact Manager**" means the Lead Manager ticked off in section 3 of this Application Form;

"**Declaration of Agency**" has the meaning given to it in the Offering Circular;

"**Final Submission Date**" means the date specified in section 1;

"**Lead Managers**" means HSBC Saudi Arabia Limited and Samba Capital & Investment Management Company;

"**Offering Circular**" means the Offering Circular dated 10 June 2009, as amended, in relation to the Sukuk;

"**SAR**" means Saudi Arabian Riyals, the lawful currency of the Kingdom of Saudi Arabia;

"**SEC Sukuk Account**" means a Saudi Riyal bank account named as follows: "Samba Capital", Swift: "SAMBSARI", account number: 55000665, in Samba Financial Group – Riyadh; Details: SEC-SUKUK (Customer Name & Application Number);

"**Sukuk**" means the Sukuk to be issued by the Issuer in accordance with the terms described under the Offering Circular (issued in denominations of SAR 100,000);

"**Sukuk Documents**" has the meaning given to it in the Terms and Conditions, except for the Registry Agreement (as defined in the Terms and Conditions); and

"**Terms and Conditions**" means the terms and conditions of the Sukuk as set out in the Offering Circular, as the same may be amended and completed prior to the Closing Date.

Capitalized terms not otherwise defined in this Application Form shall have the same meaning as is given to them in the Offering Circular.

3. Contact Manager

Who have you been approached through (please tick one)?

HSBC Saudi Arabia Limited

Samba Capital & Investment Management Company

4. Applicant Information

Please provide the information requested below in either the "Saudi Individual" section (if you are applying for Sukuk yourself) or in the "Entity" section (if you are applying for Sukuk on behalf of an entity and you are an authorised representative of that entity).

Investor Category (please tick) Saudi Individual Entity

The offer of the sukuk is an offer into the Kingdom of Saudi Arabia only and made under the Offers of Securities Regulations and the Listing Rules (as amended) issued by the Capital Market Authority of Saudi Arabia. The offering, sale and delivery of the sukuk is limited to persons who are Qualified Persons (as defined in Condition 1 (Definitions) in "Terms and Conditions" in the Offering Circular)). In addition, the primary distribution of the sukuk will be only to Institutional Investors (as defined in "Subscription and Sale" in the Offering Circular), for a more detailed description of these and other restrictions on offers, sales and deliveries of sukuk and on the distribution of offering material relating to the sukuk, see the "Subscription and Sale" section of the Offering Circular. The distribution of the Offering Circular and the offering, sale and delivery of the sukuk in any jurisdictions other than the Kingdom of Saudi Arabia may be restricted by law. Any person who comes into possession of the Offering Circular or this application is required by the issuer and the lead managers to inform themselves about and to observe any such restrictions.

Terms and Conditions of this Application Form

Each Applicant for the purchase of Sukuk applies on the understanding that such Applicant agrees with the Issuer on the following application terms and conditions (the "Application Terms and Conditions"):

Offer to purchase Sukuk

By completing and delivering an Application Form, you, as the applicant, and, if you sign this Application Form on behalf of another person or an entity, that person or entity:

1.1 offer to purchase the number of Sukuk specified in this Application Form (or such lesser number for which your application is accepted) in denominations of SAR 100,000 on the terms, and subject to the conditions, set out in the Offering Circular and these Application Terms and Conditions;

1.2 agree that your application may not be revoked by you;

1.3 agree that you are not applying on behalf of any other person, other than as disclosed in this Application Form, including a person engaged in money laundering.

1.4 undertake to do all things necessary to effect the purchase of the Sukuk allocated to you and to execute and/or complete any document required to effect the sale and purchase of such Sukuk;

1.5 agree, on the request of the Issuer or the Lead Managers, to disclose promptly in writing to any of them such information as the Issuer or the Lead Managers may request in connection with your application and authorise the Issuer or the Lead Managers to disclose any information relating to your application which they may consider appropriate;

1.6 undertake to ensure that, in the case of an application signed by someone else on your behalf, the original of the relevant power of attorney or authorisation to sign (or a complete copy of such documents, certified by a notary) is enclosed with your Application Form; and

1.7 authorise the Sukukholders' Agent to send a money transfer at your risk for any moneys returnable to your Bank Account.

Acceptance of your offer

2. The Issuer and the Lead Managers may accept your offer to purchase (if your application is received, valid (or treated as valid), processed and not rejected) by way of the Contact Manager notifying acceptance to you by personal delivery, facsimile, or e-mail. Any notice of acceptance, if personally delivered shall be deemed to have been given when left at the address set out in this Application Form, if sent by facsimile shall be deemed to have been given when confirmation of its transmission has been recorded on the sender's fax machine or if sent by e-mail, shall be deemed to have been given when confirmation of transmission has been recorded on the sender's computer.

3. The basis of allocation of the Sukuk will be determined by the Issuer and the Lead Managers. The right is reserved notwithstanding the basis so determined to reject in whole or in part and/or scale down any application. The right is reserved to treat as valid any application not complying fully with these Application Terms and Conditions or not in all respects completed or delivered in accordance with the instructions accompanying this Application Form. In particular, but without limitation, the Issuer and the Lead Managers may accept an application made otherwise than by completion of an Application Form where you have agreed with the Issuer and the Lead Managers in some other manner to apply in accordance with these Application Terms and Conditions. Each of the Issuer and the Lead Managers reserves the right (but shall not be obliged) to accept Application Forms received after the date and time originally specified for applications to be submitted.

4. You authorise the Contact Manager to debit the Bank Account for the aggregate face value of the Sukuk applied for up to the amount described above and warrant that the remittance in respect of your Application Form will be honoured on first presentation and agree that if such remittance is not so honoured you will not be entitled to receive the Sukuk applied for or to enjoy or receive any rights or payments in respect of such Sukuk unless and until you make payment in cleared funds for such Sukuk and such payment is accepted by the Issuer (which acceptance shall be in its absolute discretion and on the basis that you indemnify the Issuer against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of your remittance to be honoured on first presentation) and the Issuer may (without prejudice to any other rights it may have) avoid the agreement to allot the Sukuk and may allot them to some other person, in which case you will not be entitled to any refund or payment in respect thereof (other than the refund to you at your risk of any proceeds of the remittance which accompanied your Application Form).

Return of application moneys

5. If any application is not accepted in whole, or is accepted in part only, or if any contract created by acceptance does not become unconditional, the application moneys or, as the case may be, the balance of the amount paid on

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application, will be returned without charges by transfer to the Bank Account from which the monies were received as set out in the Application Form.

Representations

6. By completing an Application Form, you:

6.1 represent and warrant to the Issuer and the Lead Managers that:

6.1.1 you are entitled to hold and deal in the Sukuk in accordance with the Terms and Conditions;

6.1.2 you have the right, power and authority, and have taken all action necessary, to execute, deliver and exercise your rights, and to perform your obligations, as part of the Application Form and to purchase any Sukuk; and

6.1.3 your obligations under the Application Form and each document to be executed in connection hereto are, or when the relevant document is executed will be, enforceable in accordance with their terms.

6.2 warrant that, if you sign this Application Form on behalf of somebody else or on behalf of an entity, you have disclosed so in this Application Form, you have due authority to do so on behalf of that other person or entity and that such other person or entity will be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these Application Terms and Conditions and undertake to enclose your power of attorney or other authority or a complete copy thereof duly certified by a notary public;

6.3 if the laws of any territory or jurisdiction outside the Kingdom of Saudi Arabia are applicable to your application, warrant that you have complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action or omitted to take any action which will result in the Issuer, the Lead Managers or any of their officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the Kingdom of Saudi Arabia in connection with your application;

6.4 confirm that in making an application you are not relying on any information or representations in relation to the Issuer, the Lead Managers or the Sukuk other than those contained in the Offering Circular (on the basis of which alone your application is made) and accordingly you agree that no person responsible solely or jointly for the Offering Circular or any part thereof shall have any liability for any such other information or representation;

6.5 agree that, having had the opportunity to read the Offering Circular (including the Terms and Conditions) in full and the opportunity to inspect drafts of all of the Sukuk Documents, you shall be deemed to have had notice of all information and representations contained therein and as a Sukukholder, agree to be bound by all of the terms, conditions, undertakings and representations set out in the Offering Circular (including the Terms and Conditions contained therein) and the Sukuk Documents;

6.6 acknowledge that no person is authorised in connection with the offer of Sukuk to give any information or make any representation other than as contained in the Offering Circular and, if given or made, any information or representation must not be relied upon as having been authorised by the Issuer or any Lead Manager;

6.7 agree to the appointment of the Sukukholders' Agent and the Custodian as your agent in relation to the Sukuk on the terms and conditions set out in the Declaration of Agency and the Terms and Conditions;

6.8 ratify and agree with the entry by the Sukukholders' Agent and the Custodian into the Sukuk Documents to which it is a party;

6.9 agree that all documents sent by post to you, by or on behalf of the Contact Manager, will be sent at your risk and in the case of documents to be sent to your address (or, in the case of joint applicants, the address of the first named applicant) as set out in section 4 of this Application Form;

6.10 acknowledge that, in connection with the offering of the Sukuk, the Lead Managers are acting for the Issuer and for no one else and agree that the Lead Managers will not be responsible for providing the protections afforded to their clients; and

6.11 confirm that an investment in the Sukuk involves certain risks and uncertainties, including the possible loss of your entire investment.

Offering Circular

7. If you receive a copy of the Offering Circular or this Application Form in any territory other than the Kingdom of Saudi Arabia you may not treat it as constituting an invitation or offer to you, nor should you, in any event, use an Application Form. It is your responsibility to satisfy yourself as to full observance of the laws of any relevant territory or jurisdiction in connection with your application, including obtaining any requisite governmental or other consents, observing any

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other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.

8. You acknowledge that the Offering Circular may not be distributed outside the Kingdom of Saudi Arabia and that neither Issuer nor the Lead Managers shall incur any legal responsibility or liability for any violations by the Applicant of any restrictions in relation to the distribution of the Offering Circular in any jurisdiction.

Miscellaneous

9. The Issuer and the Lead Managers reserve the right to delay the Final Submission Date, the Closing Date and/ or amend any other dates and times referred to in this Application Form at their entire discretion, having regard to any requirements of the Capital Market Authority. In this event, the revised the Final Submission Date, Closing Date or other date or time, as the case may be, will be published on the websites of the Issuer and the Lead Managers.

10. The Issuer may terminate the offer of Sukuk in its absolute discretion at any time prior to the Closing Date. If such right is exercised, the offer of Sukuk will lapse and any moneys will be returned to you without any profit and/or penalty.

11. You authorise Tadawul as registrar, or any person authorised by Tadawul as registrar, to do all things necessary to effect registration of any Sukuk allocated to you in your name(s) and authorise any representatives of the Issuer or any of the Lead Managers to execute and/or complete any document required therefor. You agree that you will only be treated as a holder for the purposes of the Terms and Conditions upon completion of the registration in your name(s) of the Sukuk allocated to you in accordance with the applicable rules and procedures of Tadawul.

12. In the event any provision of these Application Terms and Conditions is found to be inconsistent with or void under the applicable law, the validity of the remaining provisions will not be affected. In such case, the parties agree to renegotiate in good faith the ineffective provision and to replace it as closely as possible with a provision affording the same rights, duties and obligations.

Governing Law and Jurisdiction

13. The Application Form is governed by the laws of the Kingdom of Saudi Arabia.

14. Each party shall use its best efforts to settle amicably any dispute arising out of, or in connection with, the Application Form.

15. Any dispute that cannot be settled amicably within fourteen (14) days after receipt by one party of the other party's request for such amicable settlement may be submitted by either party to the Capital Market Authority Committee for the Resolution of Securities Disputes (the "**Committee**"). The Committee shall have exclusive jurisdiction to hear and decide any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Application Form (respectively, "**Proceedings**" and "**Disputes**") and, for these purposes, each applicant irrevocably submits to the jurisdiction of the Committee.

16. All parties irrevocably waive any objection which they may at any time have to the Committee being nominated as the forum to hear and decide any Proceedings and to settle any Disputes and agree not to claim that the Committee is not a convenient or appropriate forum.

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