

The Executive Bylaws
Module One

Glossary



هَذَا كِتَابٌ أَنْبَأُ بِأَسْمَاءِ الْمَلَائِكَةِ

Introduction to the Glossary of Definitions

- 1- This Module includes the set of definitions as used in all Modules of the Executive Bylaws. Expressions used in the Modules that are defined in the Glossary appear in capitalized and underlined text. An expression that is not shown in capitalized and underlined text has its natural meaning.
- 2- This Glossary includes all definitions mentioned in the CMA's Law and other related laws.
- 3- Terms in the Glossary shall be interpreted as follows:
 - a. The singular includes the plural, and the plural includes the singular; and
 - b. The masculine includes the feminine.

Accumulative Voting	a method of voting that grants each shareholder a voting ability pro rata to the number of Shares owned, where the shareholder is entitled to vote his Shares in favour of one Nominee to the company's Board of Directors or to distribute his votes amongst Nominees.
Acquisition Manager	a person licensed by the Authority to carry out the activity of Investment Portfolio Management who is engaged for the purpose of accumulating the Shares of those wishing to participate in an Acquisition.
Acquisition Offer	an offer to acquire or a solicitation to procure the acquisition of Shares which would contribute to achieving Effective Control of a Company Listed on an Exchange, or of an unlisted company in the event of Reverse Acquisition, to which the provisions and rules of Module Nine (Mergers and Acquisitions) apply.
Acting in Concert	<p>persons who, pursuant to an agreement or understanding (whether oral or written), co-operate, directly or indirectly, to obtain 30% or more of the Shares of a Listed Company admitted to trading, or to frustrate an Acquisition Offer for a Listed Company.</p> <p>Without prejudice to the general application of this definition, the following persons will be presumed to be persons Acting in Concert with other persons unless proven otherwise:</p> <ol style="list-style-type: none"> 1. a Parent Company with members of its Group and Associate Companies and Associate Companies thereof in addition to companies that consider these companies to be their affiliates. 2. a company with any of its directors and their Relatives. 3. a Collective Investment Scheme manager along with the Collection Investment Schemes that it manages on a discretionary basis where the Collective Investment Scheme manager exercises voting rights attached to the shares available in such scheme. 4. an Investment Portfolio manager together with any client of such portfolio if the Investment Portfolio manager exercises voting rights attached to the Shares available in such portfolios.
Agreement to Arbitrate	an agreement incorporated in a contract or a standalone agreement agreeing to the referral of a dispute or disputes to an Arbitral Tribunal.
Ally	a person who is affiliated with another person(s) or is subject to their control.
Anti-Money Laundering and Combating Financing of Terrorism Law	Law No. 106 of 2013 regarding Anti-Money Laundering and Combating Financing of Terrorism, and its Executive Bylaws.
Arbitral Tribunal	a body formed in accordance with the Arbitration Rules, in charge of deciding disputes arising from obligations related to the Law or any other law if the dispute is related to capital markets transactions.

Arbitration Application	a pleading filed by a party requesting the referral of a dispute to Arbitration which includes the information that must be contained in an initial pleading filed before courts.
Arbitration Defendant	the disputed party in the Arbitration.
Arbitration Fees	the amount paid by the Arbitration Plaintiff in accordance with the fees schedule filed with the Authority.
Arbitration Plaintiff / Arbitration Applicant	the Party requesting the referral of a dispute to Arbitration
Arbitration Rules	the Capital Markets Authority Arbitration Rules referred to in the Law and Chapter Seven of Module Three (Enforcement of the Law) of these Bylaws.
Arbitrators Fees	the amount paid by the parties to the Arbitration Tribunal in accordance with the schedule prepared in this regard and which is filed with the Authority.
Arbitrators Schedule	the schedule of arbitrators registered with the Authority.
Ask Offer	an expression of interest to dispose of a Security listed in the Exchange and through the Exchange for cash consideration.
Asset of Significant Value	for the purpose of applying the provisions of Chapter Three of Module Nine (Mergers and Acquisitions), Assets of Significant Value means assets that have a significant effect on a Listed Company. Accounting standards adopted by the Authority shall be applied in determining the definition of transactions of significant effect.
Asset Valuator	a corporate entity licensed by the Authority to carry out the activity of valuation of assets and Shares in kind, provided that one of its partners is an Auditor registered in the Authority's register. It shall abide by the provisions of the Companies Law and its Executive Bylaws.
Asset-backed Bonds	the structure of Bonds where these are based on various elements including: <ol style="list-style-type: none"> 1. Bondholders' right of recourse (directly or indirectly) on the Bonds assets, as the case may be. 2. the Bond Assets are ring-fenced or securitised in a manner which protects them from claims from other creditors. 3. Bondholders' reliance on the assets of those Bonds as the principal source for servicing periodic distributions and redemption. 4. Bondholders' bearing the risk of losses in the value of the Bond assets.

Asset-based Sukuk	the <i>Sukukholders</i> of asset-based Sukuk are able to seek recourse from an Obligor, which recourse shall be dependent on the ability of the Obligor to meet that obligation.
Asset-backed Sukuk	the structure of Asset-backed <i>Sukuk</i> where these are based on various elements including: <ol style="list-style-type: none"> 1. <i>Sukukholders</i>' right of recourse (directly or indirectly) on the <i>Sukuk</i> assets, as the case may be; 2. the <i>Sukuk</i> Assets are ring-fenced and securitised in a manner which protects them from claims from other creditors; 3. <i>Sukukholders</i>' reliance on the assets of those <i>Sukuk</i> as the principal source for servicing periodic distributions and redemption; 4. <i>Sukukholders</i> bearing the risk of losses in the value of the <i>Sukuk</i> assets.
Associate Company	a company is deemed an Associate when another company owns, directly or indirectly, more than 20% and less than 50% of its share capital, or has a Significant Influence over its decisions.
Auditor	a natural person registered with the Authority in the Auditors' register who gives an independent technical opinion on whether the financial statements of a company present a true and fair view of the company's affairs to the Clients mentioned in Article (3-4-1) of Module Five of these Bylaws, and are prepared in accordance with the accounting rules and principles adopted and registered with the Authority.
Authority	the Capital Markets Authority.
Authority for the Protection of Competition	the Authority set up in accordance with the Protection of Competition Law.

Bid Offer	an expression of interest to acquire ownership of a Security listed in the Exchange and through the Exchange for cash consideration.
Board of Directors' Secretary	a person appointed by the Board of Directors from amongst the company's employees to record, register and note all minutes of meetings, and to perform any other duties assigned to him by the Board in this respect.
Board/Board of Commissioners	the Board of Commissioners of the Capital Markets Authority.
Bond/Sukuk Term	the term from the date of issuing the <i>Sukuk</i> or Bonds until expiry due to the occurrence of a specific event or the expiry of the term that leads to the redemption of the <i>Sukuk</i> or Bonds.
Bondholder	any natural or corporate entity whose name is registered in the Bondholder's register.
Bondholders Association or Sukukholders Association	an association formed by the Bondholders or <i>Sukukholders</i> for each Bond Issue or <i>Sukuk</i> Issue to protect the mutual interests of its members. It also has a legal representative appointed from its members or a third party.
Bonds	a financial instrument that represents an indebtedness due from the Issuer to a Bondholder, pursuant to which a Bondholder receives periodic distributions during the Bond's Term or one payment or more of the redemption or both which when matured leads to the expiry of the Bond.
Bond Assets	in the case of Asset-backed Bonds, the assets or a class of assets which are used to determine the value and returns of those Bonds.
Bonds Redemption Payment	a repayment of an amount entirely or partially, as determined in accordance with the Prospectus during or on the expiry of the Term of the Bond.
Broker	a corporate entity who purchases and sells Securities for the account of a third party against a commission.
Business Day	an official business day at the Authority.
Bylaws	the Executive Bylaws to the Law.

Candidate	a natural person nominated to fill a registered position or job.
Central Bank	the Central Bank of Kuwait.
Central Counterparty	an entity that interposes itself between counterparties to contracts, becoming the buyer to every seller and the seller to every buyer.
Central Securities Depository	an entity that provides securities accounts, central safekeeping services, and asset services, which may include the administration of corporate actions, and plays an important role in helping to ensure the integrity of securities issues (that is, ensuring that securities are not accidentally or fraudulently created or destroyed or their details changed).
Chief Executive Officer / Executive Member	a person appointed by the company's Board of Directors from amongst the members of the Board or others, who shall be directly under the Board of Directors, who is in charge of managing all executive works relating to the company's main activities, in accordance with the responsibilities and authorities granted to him. This includes the general manager of a limited liability company.
Clearing Agency	any entity that conducts settlement and clearing operations of Securities, and one which provides the central custody of Securities, and one which provides other related services.
Clearing Agency Members	a Licensed Person with whom a Clearing Agency agrees to interact in the performance of its duties.
Client	a Person who is provided, or purported to be provided, services by a Licensed Person within the scope of the Securities Activities which it is licensed to carry out. A client shall include any potential client, it shall also include the endowment (Waqf) and charity will, in addition to Persons to whom a registered Auditor provides its services, and who are mentioned in Article (3-4-1) of Module Five of these Bylaws, or Persons to whom a registered External Sharia Auditing Office provides its services.
Client's Assets	all non-cash money and Securities and other assets held or received by a Licensed Person for or on behalf of a Client in the course of any Securities Activity.
Client's Funds	all cash monies and all funds held or received by any Licensed Person for and on behalf of a Client in the course of any Security Activity. When a Client designates a certain amount for the purpose of covering present or future, actual or contingent or prospective obligations, such money shall not be regarded as Client Funds.
Closed Shareholding Company	a company where Subscription in its issued Shares is limited to its founders.
Close-ended Fund	a Fund of limited capital. Its units can only be redeemed at the expiry of the term of the Fund. Its capital may be increased or decreased in accordance with its Articles of Association.

Collection Period	the period from opening registration in the Acquisition Manager's portfolio for participation in the Acquisition until closing the registration in the Acquisition Manager's portfolio.
Collective Investment Scheme	an entity that employs investors' money in various investment instruments.
Collective Investment Scheme Assets	all cash or non-cash or real estate and any other money owned by the Collective Investment Scheme.
Collective Investment Scheme Manager	a person licensed by the Authority to practice the activity of a Collective Investment Scheme Manager, and to establish and manage Collective Investment Schemes.
Companies Law	Law No. 1 of 2016 on the Promulgation of the Companies Law and its amendments, or any subsequent law that replaces it.
Company Contract	the company's memorandum of association or memorandum and Articles of Association, if any.
Compliance Officer	a senior executive officer and employee in charge of ensuring the Licensed Person's compliance with all laws and legislations issued by the relevant regulatory authorities, and its compliance with the rules specified by the Exchange, Clearing Agencies and clients' contracts. He is also in charge of preparing and executing plans related to the position of compatibility and compliance to ensure that the regulatory requirements of a Licensed Person are met and its contractual obligations are met, in addition to other legal requirements of relevance. He shall be in charge of executing the requirements of the Anti-Money Laundering and Combating Terrorism Financing Law.
Competent Court	the Capital Markets Court provided for in the Law.
Competent Minister	the Minister of Commerce and Industry.
Competitive Acquisition Offer	a Voluntary Acquisition Offer for a Competitive Acquisition made by an Offeror which contains a material addition or revision to a condition in the Original Acquisition Offer. The Offeror of a Competitive Acquisition must state its objectives for making the offer, to be submitted before five Business Days from the closing of the Collection Period of the Original Acquisition Offer.
Competitive Offer Period	A written agreement that includes the terms and conditions regulating the Contractual Collective Investment Scheme and that governs the contractual relationship between the Collective Investment Scheme manager and the unitholders participating in the same Scheme in accordance with the conditions and requirements issued by the Authority.

Contractual Collective Investment Scheme	a Collective Investment Scheme formed to collect money from two or more Professional Clients for the purpose of investing it on their behalf in various fields according to the fundamentals of professional management of collective investment and in accordance with the Contractual Collective Investment Scheme Contract, and managed by a Collective Investment Scheme Manager for a specific fee.
Contractual Collective Investment Scheme Contract	A written agreement that includes the terms and conditions regulating the Contractual Collective Investment Scheme and that governs the contractual relationship between the Collective Investment Scheme manager and the unitholders participating in the same Scheme in accordance with the conditions and requirements issued by the Authority.
Control	any condition, agreement, shareholding (whether individual holding or through Subsidiaries or Acting in Concert) exceeding 30% of the Traded Shares of a Company Listed on the Exchange.
Controller	any person, natural or corporate, who has Control.
Convertible Bond	a type of Bond that gives its holder the right to convert such Bond into ordinary Shares
Convertible Preferred Share	a type of Preferred Share that gives its holder the right to convert such Preferred Shares into ordinary Shares in the share capital of the Issuer
Convertible Sukuk	a type of <i>Sukuk</i> that gives the holder the right to convert such <i>Sukuk</i> into ordinary Shares in the share capital of the Issuer.
Credit Enhancement	enhancing the credit-worthiness of a Bond or <i>Sukuk</i> by adding collateral or guarantees.
Credit Rating Agency	a corporate entity licensed to carry out the activity of credit rating or the activity of rating credit information.
Custodian	a corporate entity licensed by the Authority to hold in custody Clients' Funds and Clients' Assets including those constituting a Collective Investment Scheme in accordance with the provisions of the Law and these Executive Bylaws.
Care of a Prudent Person	care undertaken by a Person of sufficient experience and commitment to perform his duties.

Database	The database of the information or data available to the Authority regarding the natural persons subject to the Authority's supervision according to the Law and these Bylaws.
Dealing Days	the days on which one can subscribe in, or redeem units of, a Collective Investment Scheme.
Dealing in Securities	a person's dealing in securities for his account or on behalf of a third party by sale, purchase, submitting an offer of sale or purchase or Acquisition in respect thereof, issuance, public offer for Subscription, waiver of the right to subscribe, promoting, marketing, undertaking to cover a Subscription, custody, listing, depositing, settling, financing the dealing of, lending, short sale, pledge, waiver of securities, or any other transaction which the Authority deems as dealing in Securities.
Debt Instruments	mid-term and long-term investment instruments such as convertible and non-convertible Bonds and <i>Sukuk</i> with fixed or variable return, treasury bonds or any other debt instrument approved by the Authority.
Debt Instruments Fund	an Investment Fund with the main objective of investing in mid-term and long-term debt instruments issued by governments, government or semi-government companies or private institutions and companies or any other body approved by the Authority which is regulated by supervisory authorities and classified by a recognized international Rating Agency or a local Rating Agency licensed by the Authority, ensuring the Fund's continued performance as provided for in its Articles of Association.
Default Event	<p>Occurrence of an urgent factual or legal event for the Licensed Person that may lead to the inability to continue performing business, or meeting obligations, or losing its administrative capacity, thereby jeopardizing the safety of Clients' funds and assets in his possession.</p> <p>The Default Events are divided into two parts which are: Primary Default Event and Secondary Default Event.</p>
Delegate	a licensed Custodian to whom rights, obligations and the authority of a Trustee have been assigned under a Trust Deed, who does not have a direct or indirect interest in the Trust.
Financial Derivatives	financial instruments, the value of which is derived from the value of the relevant assets such as Shares, Bonds, commodities and currencies, which are purchasable, sellable and tradable similarly to Shares or other financial assets.
Direct Issue	a Bond or <i>Sukuk</i> issue made by the Obligor directly and not through a Special Purpose Vehicle Company.
Disciplinary Board	the Disciplinary Board which is set up at the Capital Markets Authority pursuant to Article 140 of the Law.
Draft Merger Contract	the terms and conditions proposed in a draft agreement between companies that are party to a Merger to execute the same in accordance with the procedures set out by the Law.

Effective Control	every condition, agreement or shareholding, no matter what the amount, that leads to controlling the appointment of the majority Members of the Board of Directors, the resolutions issued by it or the general assembly of the relevant company.
Entitlement of Shares	measures taken by the Listed Company, which may result in rights, obligations or changes to the issued Shares such as cash dividends, bonus Shares, right to subscribe, capital decrease, mergers, division, or change in nominal value of Shares.
Exchange	a market licensed by the Authority and designated for matching bid and ask offers for Securities which follows specific trading procedures and performs the functions usually performed at securities markets.
Executive Bylaws of the Companies Law	the Executive Bylaws to the Companies Law, as amended.
Executive Committee	a committee duly appointed to be in charge of managing a Fund which shall consist of two or more of the Fund Manager's employees who are duly qualified to be its Representatives and one of whom shall be a Senior Executive in accordance with the provisions set out in Article 2-14-1 of Chapter Two of Module Thirteen (Collective Investment Schemes) of these Bylaws.
Executive Positions	positions related to the core activities of a Financial or Banking Institution directly subordinate to the Chief Executive Officer in accordance with the organizational structure adopted by the Institution, such as a representative or an assistant to the Chief Executive Officer.
Executive Team	The team managing a Contractual Collective Investment Scheme is composed of two or more of the Collective Investment Scheme manager's employees, who meet the conditions of the Representatives of Collective Investment Scheme manager, and one of whom shall be a Senior Executive or the Chief Executive Officer of the Collective Investment Scheme Manager.
Experts Fees	the amount paid by the party requesting the services to the expert appointed by the Arbitration Tribunal.
Experts Schedule	the schedule of experts registered with the Authority.
External Sharia Auditing Office	an independent institution (individual or corporate license) specialized in auditing the commercial and financial transactions of a Licensed Person or Collective Investment Scheme to ensure their compatibility with Sharia standards and the Authority's relevant resolutions.

Face Amount	the par value, the face amount or outstanding face amount of any Bond or <i>Sukuk</i> .
Financial Manager	a person in charge of supervising accounting and financial procedures at a Licensed Person.
Financial or Banking Institution	a Licensed Person or a unit subject to the control of the Central Bank, or foreign institute or company licensed by a controlling authority to work in Securities Activities, a bank or a financing company, or a government entity that works in activities relating to the financial or banking sector or supervision thereof, except for any Financial Institution which invests its own capital solely for its own account.
Financial Promotion	an invitation or an inducement to enter into an agreement, the making or performance of which by either party constitutes a Security Activity, including exercise of a right conferred by a Security to acquire, dispose of, underwrite or convert a Security.
Financing Company	shall have the meaning provided for in Ministerial Resolution No. 38 of 2011 issued by the Ministry of Finance regarding regulating the Central Bank of Kuwait over financing companies.
Foreign Issuer	a corporate entity established abroad that has issued or intends to issue Securities.
Fund	a Collective Investment Scheme formed to collect money from investors for the purpose of investing it on their behalf in different fields in accordance with professional management principles of Collective Investment and to be managed by a Fund Manager for a specific fee.
Fund Manager	a person licensed by the Authority to practice the activity of a Collective Investment Scheme Manager, and to establish and manage Funds.
Fund of Funds	a Fund with the main objective of investing in other Investment Funds licensed by the Authority or by a foreign supervisory authority in accordance with regulatory standards and conditions no less than those applied by the Authority.
Fund's Assets	all cash and all other assets other than cash, including real estate, owned by a Fund.

Government Bodies	ministries, public authorities and institutions and government departments.
Government Bonds	bonds issued by the government, ministries, public authorities or public institutions whether through a direct or an indirect issue or any secured entirely by those authorities.
Government Sukuk	<i>Sukuk</i> issued by the government, ministries or public authorities and institutes whether through a direct or indirect Issue or secured entirely by those authorities.
Group	a Parent Company that has direct or indirect control of a company, a Subsidiary of a company and a Subsidiary of a Parent Company.
Guaranteed Issue	a Bond or <i>Sukuk</i> issue guaranteed by a Guarantor.
Guarantor	a person other than the Obligor who guarantees with his entire net worth the settlement of obligations arising from <i>Sukuk</i> whilst the Obligor remains obliged to settle such obligations.
Guarantor in Kind	a person other than the debtor who mortgages a real estate or movable asset to secure the settlement of a debtor's debt.

Indirect Issue	a Bond or <i>Sukuk</i> issue made through a Special Purpose Vehicle Company and not directly by the Obligor.
Initial Agreement	an agreement that contains general principles and initial steps to present a Voluntary Acquisition Offer or enter into a Merger between two companies or more.
Insider	any person, in view of his position, has access to information or data of material effect on a Listed Company that is not available to the public.
Inside Information	information and data not announced to the public which if announced would influence the price or trading of a Security.
Instant Transaction	a direct sale or purchase of Bonds or <i>Sukuk</i> between two parties outside the Exchange.
Interested Person	a Person with an interest amounting to 5% or more in the share capital of a Listed Company, whether directly or indirectly or as a Group or in Alliance with others.
Internal Audit Officer	a person in charge of independently evaluating and inspecting a Licensed Person's internal operational systems, in addition to determining and analysing risks of potential operations in the Licensed Person in accordance with the professional rules and standards of internal audit, and providing recommendations and reports to the senior management and auditing committee or Board of Directors.
Internal Sharia Audit Unit	an administrative unit, answering to the Audit Committee, specialized in supervising a company's commercial and financial transactions to ensure their compatibility with the Islamic principles and standards and the Authority's relevant resolutions.
Investment Advisor	a corporate entity that provides investment advice relating to Securities for remuneration.
Investment Controller	a corporate entity licensed to carry out the activity of controlling and supervising Collective Investment Schemes.
Investment Portfolio	cash, Securities or other assets owned by a Client the ownership of which is recorded in an account opened in favour of the Client by a company licensed to manage Investment Portfolios, in accordance with the requirements set out by the Authority. The Investment Portfolio shall either be a custody portfolio or be managed by a Portfolio Manager or by the Client.
Investment Portfolio Manager	a person who manages discretionary or non-discretionary Investment Portfolios on behalf of Clients or who manages the assets of the Company by whom he is employed.
Investor in Omnibus Account	The beneficial owner of assets and funds in the Omnibus Account.
Issue Manager	a person licensed to carry out the activity of a Subscription Agent in accordance with the relevant provisions set out in Module Eleven.

Issued Shares	shares in the subscribed capital of a shareholding company, whether fully or partially paid.
Issuer	a corporate entity entitled to issue Securities.

Key Middle Management Positions

positions related to the core activities of a Financial or Banking Institution directly subordinate to an Executive Position in accordance with the organizational structure adopted by the Institution.

Law	Law No. 7 of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities, and its amendments.
Licensed Person	a natural or corporate entity that has a license from the Authority to practice one or more of the Securities Activities provided for in Article 1-2 of Module Five (Securities Activities and Registered Persons) of these Bylaws.
Listed Company	means: a. a shareholding company, the Shares of which are listed on an Exchange. b. an Issuer or Obligor that lists on an Exchange Bonds and Sukuk it has issued or is the Obligor thereof. c. a Fund, the units of which are listed on an Exchange.
Listing Advisor	a person licensed to carry out the activity of an Investment Advisor in accordance with the provisions set out in Module Twelve.
Listing Application	an application to list Securities on an Exchange or a Non-Kuwaiti Exchange.
Local Bank	any Kuwaiti bank, or a branch of a foreign bank, licensed by the Central Bank of Kuwait.

Major Shareholders	any shareholder holding 5% or more of the Shares of a shareholding company in accordance with the provisions of Module Ten (Disclosure and Transparency) of these Bylaws.
Mandatory Acquisition Offer	an offer to acquire or a solicitation to procure the acquisition of the remaining Shares of the Offeree Company which the Offeror is obliged to make to all of that company's shareholders as a result of possessing together with its Subsidiaries and any party Acting in Concert 30% or more of the Securities of a Listed shareholding company.
Market Maker	a Person who ensures the availability of supply and demand for one or more Securities according to such controls as may be issued or approved by the Authority.
Market Maker Portfolio	an account that includes cash or Securities that is specialized in the activity of Market Making.
Marketer	A person licensed by the Authority to practice the activity of a Collective Investment Scheme Manager or Subscription Agent (selling) who markets a foreign Collective Investment Scheme's Units in the State of Kuwait after a permission granted from the Authority.
Material Information	any information concerning a Listed Company, Listed Fund, Issuer or Obligor, as the case may be, relating to its activity, a person, its financial position or its management which is not available to the public and which relates to its assets, liabilities, financial position or general course of business, which may lead to a change in the price or volume of trading in a relevant Listed Security, or affect the willingness or unwillingness to acquire or divest an interest in such a Security, or may affect the Issuer's ability to meet its obligations.
Merged Company	a company whose legal entity is wound up following an agreement to transfer its financial liabilities and assets in whole or in part to one or more other companies, or to one or more New Companies founded for the purpose, in accordance with the procedures specified by law.
Merger	an agreement that leads to the merger of one company or more into another or into a different legal entity, whether through amalgamation, consolidation, or division and amalgamation.
Merger by Amalgamation	the liquidation of one company or more (the Merged Company) and transfer of its financial assets and liabilities into an existing company (the Merging Company).
Merger by Consolidation	the liquidation of two companies or more (the Merged Companies) and formation of a New Company into which the merged companies' financial assets and liabilities are transferred.

Merger by Division and Amalgamation	the division of a company's financial assets and liabilities into two parts or more and the transfer of each part into an existing company (the Merging Company).
Merging Company	a company that assumes the financial assets and liabilities or part thereof of one or more companies which are then to be wound up in accordance with the procedures specified by law.
Member of a Board of Directors	a natural or corporate entity elected or appointed to membership of a company's Board of Directors. This includes a representative of a corporate entity, who shall be a natural person. The fit and proper rules shall apply to each natural person who is a member of a Board of Directors whether directly elected to the Board or appointed to represent a legal entity.
Ministry	the Ministry of Commerce and Industry.
Money Market Instruments	short term investment instruments such as deposits or its equivalent in Islamic banking, government bonds, Bonds issued by banks or companies, whether in Kuwaiti Dinars or other foreign currency, bank deposit certificates, repurchase agreements, <i>Sukuk</i> or any other monetary instrument approved by the Authority.
Money Market Fund	a Fund with the main objective of investing in money market instruments as provided for in its Articles of Association.

New Company	a company set up to combine the financial liabilities and assets of two companies that have been Merged by Merger by Consolidation in accordance with the procedures specified by law.
Non-Cash Voluntary Acquisition Offer	an offer to acquire, or a solicitation to procure the acquisition of, Shares of one or more classes of Shares of an Offeree Listed Company other than Shares owned by the Offeror, its Subsidiary or those Acting in Concert with it on the date of Offer Submission, in exchange for shares issued by the Offeror company or for a combination of cash and Shares issued by the Offeror company.
Non-Convertible Preferred Shares	a type of Preferred shares that do not give its holders the right to convert into ordinary Shares in the Issuer's share capital.
Non-Executive Member of the Board of Directors	a member of a Board of Directors who is not fully engaged in full-time management of the company and does not receive a salary from it. The remuneration received as a Member of the Board of Directors is not deemed a salary.
Non-Kuwaiti Exchange	a person licensed by a Non-Kuwaiti Regulatory Body to carry out Securities activity outside the State of Kuwait.
Non-Redeemable Preferred Shares	a type of Preferred Shares that the Issuer cannot redeem during the term of the company specified in the Company Contract. The value of these Shares shall be paid upon the liquidation of the Issuer.

Obligor	a corporate entity that benefits from the revenues of the issuance of Bonds or <i>Sukuks</i> who is the main person in charge of paying out regular distributions and redemption pursuant to those Bonds or <i>Sukuks</i> . Further, this is the Issuer in the case of a Direct Issue, and uses a Special Purpose Vehicle Company to become the Issuer in the case of an Indirect Issue.
Of Interest	a person with an interest provided for by the Law. A potential interest shall suffice if the purpose of a request for information is to prevent an imminent harm or to document a right, the evidence of which is feared to disappear upon dispute.
Offer Document	a document that contains details of an Acquisition Offer addressed by the Offeror to the shareholders of the Offeree Company in accordance with the information and guidelines provided for in these Bylaws.
Offer Period	the period from disclosing an Acquisition Offer until announcing the execution of the Acquisition transaction.
Offeree	any Listed Company on the Exchange in respect of which an Acquisition offer is made. In the event of a Reverse Acquisition, any unlisted Company in respect of which a Reverse Acquisition is offered to its shareholders.
Offeror	a person, natural or corporate, that submits an Acquisition Offer. In the event of a Reverse Acquisition, any Listed Company that issues new Shares and offers them to the shareholders of an unlisted Company.
Offeror of an Original Acquisition	any person, natural or corporate, that submits an Acquisition offer to an Offeree Company, before another person offers a Competitive Acquisition Offer.
Offeror of Competitive Acquisition	any party or parties that offer a Competitive Acquisition Offer other than an Original Acquisition Offer.
Offeror of Partial Purchase	any person, natural or corporate, that offers Partial Purchase Offer.
Offeree of Partial Purchase	any Listed Company on the Exchange in respect of which a Partial Purchase Offer is made.
Official Announcement	registration in the Commercial Register or Collective Investment Schemes register and publication in the Official Gazette.
Omnibus Account	An account containing collective assets and funds belonging to more than one investor, and not containing the funds and assets of the Omnibus Account Operator.

Omnibus Account Operator	<p>A person who opens and registers the Omnibus Account in his name at the Clearing Agency, managing and monitoring the account operations on behalf of investors before any other party. The Omnibus Account Operator is not the beneficial owner of the funds and assets within the Omnibus Account.</p> <p>The Omnibus Account Operator represents all investors in the Omnibus Account in dealing with the Clearing Agency or third parties.</p>
Open-ended Fund	<p>a Fund of a variable capital, with a capital that increases with the issuance of new investment units or decreases with the redemption of any of its units during the period specified in its articles.</p>
Option Contracts	<p>a contract or agreement that gives a person the right, and not an obligation, to purchase or sell a Security or Securities, but such right does not bear the right to own Securities.</p>
Original Acquisition Offer	<p>an Acquisition offer submitted to an Offeree by a Person before another Person submits a Competitive Acquisition Offer.</p>
Original Offer Document	<p>an Offer Document before revision.</p>
Originator	<p>a corporate entity that acts, directly or indirectly, in person or through Related Parties to transfer the ownership of assets to the Issuer of Asset-backed Bonds or <i>Sukuk</i>, or who, directly or through Related Parties, is a party to an original agreement which creates an Issuer's obligations and leads to the creation of the Bonds and <i>Sukuks</i> founded on those assets, or who purchases a third party's assets for its own account and then disposes of the same in the Issue of Asset-backed Bonds or <i>Sukuks</i>.</p>

Parent Company	a company is a parent company of another if it owns more than 50% of its share capital or has the right to appoint or dismiss most of the Members of the Board of Directors, or has an influence in directing the company's decisions in a manner that realizes its interests.
Participating Preferred Shares	a type of Preferred Shares that grants its holders the right to participate in the surplus profit of the issuer along with holders of ordinary shares following the distribution of dividends at a specified rate have been paid to those shareholders.
Partial Purchase Offer	an offer to acquire or a solicitation to procure the acquisition of at least 30% and not more than 50% of the company's share capital of the partial purchase offer - after execution, provided that the percentage to be obtained is not less than 5% of the total capital of the Offeree of the Partial Purchase. The Offeror shall be obliged to submit his offer to all the shareholders of the company. The shares of the Offeree company shareholders that are participating in the Partial Purchase Offer process shall be distributed Pro Rata.
Partial Purchase Offer Period	the period from disclosing a Partial Purchase Offer until announcing the execution of the Partial Purchase Offer.
Partial Purchase Offer Document	a document that contains details of a Partial Purchase Offer addressed by the Offeror of the Partial Purchase to the shareholders of the Offeree company in accordance with the information and guidelines provided for in these Bylaws.
Partial Purchase Offer Manager	a person licensed by the Authority to carry out the activity of Investment Portfolio Management who is engaged for the purpose of accumulating the Shares of those wishing to participate in a Partial Purchase Offer.
Paying Agent	an Issuer's agent in charge of coordinating payment of periodic distributions and redemption due to Bondholders and <i>Sukukholders</i> .
Penalties	disciplinary penalties issued by the Disciplinary Board specified in Article 146 of the Law and Articles 5-10 and 5-11 of Chapter (Disciplinary Matters) of Module Three (Enforcement of the Law) of these Executive Bylaws.
Periodic Distributions	periodic payments under Bonds or <i>Sukuk</i> to each Bondholder or <i>Sukukholder</i> on one occasion or more or at the end of the relevant <i>Sukuk</i> or Bonds Term.
Person	a natural person or a corporate entity.
Person Account	An account containing assets and funds belonging to only one investor (natural or legal).
Personal Data Subjects	The natural person, identified or identifiable, in the database to whom the personal data belongs.
Personal Data	The natural person's information or data that enables his identification, directly or indirectly, and is subject to the supervision of the Authority according to the Law and these Bylaws.

Pre-emptive Rights	a right that grants a security owner priority to subscribe in an Issuer's share capital increase pro rata to the number of securities he owns in the Issuer's share capital.
Preferred Shares	Shares that are granted certain privileges in voting, profits, liquidation proceeds or any other rights provided that Shares of the same type are equal in rights and privileges.
Primary Market	the market in which Securities Subscriptions or issuances are made.
Private Placement	an invitation addressed to a specific class of person(s) to subscribe in securities.
Pro Rata	The mechanism of distributing the Shares of the Offeree company shareholders that are participating in the Partial Purchase Offer as an equal proportion of the proportion to be purchased. This shall be calculated by the Clearing Agency.
Professional Client	a Professional Client by Nature or a Qualified Professional Client.
Professional Client by Nature	each of the following shall be deemed a Professional Client by Nature: <ol style="list-style-type: none"> 1. a government, public authority, central bank or international institute (such as the World Bank or the International Monetary Fund); 2. persons licensed by the Authority and other Financial Institutions that are subject to a supervisory authority inside or outside the State of Kuwait; 3. a company with a paid-up capital of at least one million Kuwaiti Dinars or its equivalent.
Professional Employee of an Auditor	an employee holding a Professional Qualification in Reviewing and Auditing qualifying him to work as an external Auditor in the country in which he obtained this qualification, provided that he has no less than five years of experience in this line of work.
Professional Position	for the purpose of classifying a Client as a Qualified Professional Client in accordance with the provisions of Article 2-7 of Module Eight (Conduct of Business) of these Bylaws, a Professional Position means a position that requires knowledge of transactions and services provided to it.
Professional Qualifications in Review and Auditing	qualifications obtained after having passed a professional test in reviewing and auditing.
Professional Qualifications Program	The qualification examinations specified by the Authority to verify the technical and professional abilities, which qualify a candidate for Registered Employment Positions, provided by the Chartered Institute for Securities & Investment (CISI).
Promotion or Marketing of a Fund	promotion or marketing of a Public Offer for a Fund licensed by the Authority in the State of Kuwait, whether made by direct communication or by Promotional or Marketing Material.

Promotion or Marketing of a Fund by Direct Communication	promotion or marketing made otherwise than by Promotional or Marketing Material, including meeting with a client or a telephone call or a direct interactive offer or dialogue; any such is required to be made in accordance with the guidelines provided for in Article 2-22-4 of Chapter Two (Funds) of Module Thirteen (Collective Investment Schemes) of these Executive Bylaws.
Promotional or Marketing Material	documentation, whether sent in writing or electronically or by any other modern communication means, serving to promote or market a Fund or proposed Fund, which shall be made in accordance with the provisions set out in Article 2-22-5 of Chapter Two (Funds) of Module Thirteen (Collective Investment Schemes) of these Executive Bylaws.
Prospectus	a document that contains information regarding a Security, its Issuer and other information in accordance with the conditions and requirements issued by the Authority.
Protection of Competition Law	Law No. 10 of 2007 regarding Protection of Competition.
Public Shareholding Company	a company, the issued Shares of which are subscribed to by means of a Public Offer whether at formation or capital increase, or a company that lists its Shares on an Exchange.
Public Offer / Initial Public Offering	an invitation addressed to the public through various means of media to subscribe or purchase Securities.
Profiling	Automated processing of personal data consisting of the use of personal or ethnic features or any other features to evaluate the natural person.
Processing of Personal Data	Any operation or set of operations performed on Personal Data, such as data collection, recording, or storage at the database.

Qualified Professional Client

each of the following shall be deemed a Qualified Professional Client:

1. a Client that has transactions of large sizes with an average not less than KWD 250,000 every quarter for the past two years;
2. the size of money and assets a Client has with one or more Licensed Persons is not less than KWD 100,000;
3. a Client who works or has previously worked in the financial sector for at least one year in a professional position that requires knowledge in dealing and the services to be provided to him.

Rate of Share Turnover	a standard used to determine the rate of liquidity concerning Securities, which equals the quantity of traded Securities divided by the estimated average number of existing Securities in a specific turnover period.
Real Estate Fund	an investment Fund that aims at investing the Fund's money for real estate purposes.
Real Estate Income-Generating Fund (Traded)	a close-ended fund listed on the Exchange. It aims to invest the funds' money in real estate assets that generate income on the fund's assets.
Redeemable Preferred Shares	a type of Preferred Shares that may be redeemed either at a fixed date or following the passing of a certain period during the term of the Issuer.
Registered Employment Position	<ol style="list-style-type: none"> 1. The Chief Executive Officer; 2. Senior Executives; 3. Finance Manager; 4. Compliance Officer; 5. Risk Management Officer; 6. Internal Auditing Officer; 7. Sharia Audit Officer; 8. Representatives in respect of Securities Activities: <ol style="list-style-type: none"> a. representative of a Securities Broker registered with an Exchange; b. representative of a Securities Broker not registered with an Exchange; c. representative of an Investment Advisor; d. representative of an Investment Portfolio Manager; e. representative of a Collective Investment Scheme Manager; f. representative of a Custodian; g. representative of an Investment Controller; h. representative of a Subscription Agent; i. representative of a Credit Rating Agency; j. representative of a Market Maker; k. representative of an Asset Valuator. l. representative of a Qualified Securities Broker registered with an Exchange.
Registered Person	<p>any natural or corporate entity registered with the Authority in accordance with Article 3-1-1 of Chapter Three (Registered Persons) of Module Five (Securities Activities and Registered Persons) of these Bylaws, and these are:</p> <ol style="list-style-type: none"> 1. those occupying positions at the Licensed Person that require registration; 2. auditors registered with the Authority; 3. External Sharia Auditing Offices registered with the Authority.
Registered Positions and Employment Positions	Members of the Board of Directors of a Licensed Person in addition to Registered Employment Positions.
Registry Date	the date specified by an Issuer for the purpose of determining the eligibility of Preferred Shareholders to benefit from profit payment or distribution or attendance at the Issuer's general assemblies.

Regulatory Bodies	the Authority, Ministry or Central Bank with regards to companies subject to any of them, and other competent authorities inside or outside of the State of Kuwait.
Related Parties	<p>a party is considered related to a company if:</p> <ol style="list-style-type: none"> 1. the person has direct or indirect control over the company; 2. the party is a Subsidiary company; 3. the party is a member of the same Group in which the company is a party to; 4. the party is a Board Member of the company or member of its executive management; 5. the person is a Relative of a related party referred to in paragraph (1) or (4); 6. is a company under the control or combined control of or material influence of the related parties referred to in paragraph (4) and (5) through their direct or indirect voting power; <p>When determining Related Parties, the provisions of the Law, Bylaws and International Accounting Standard No. 24 and amendments thereto shall be taken into account.</p>
Related Parties of a Real Estate Fund	the Fund Manager or any of its Subsidiaries or Associate, Members of the Board of Directors of the Fund Manager or any of its Executive Officers or their Relatives at any of the above parties, the Fund Custodian, Investment Controller, real estate valuator, Fund Auditors, Fund Manager's Auditors, any unitholder whose holding exceeds 5% of the net assets of a real estate Investment Fund or any person Subsidiary to, or in control of, any of the above.
Related Person	a person that occupies the office of a Member of a Board of Directors, executive management, supervisory position for a Broker, Investment Advisor, manager or supervisory position for any of the abovementioned entities, or an employee or representative of any of the entities that deal with the public, or has discretion in disposing of Securities or monies as part of his role at an entity licensed to work in Securities.
Relative or Relatives	parents upwards and children downwards in the bloodline (Children, grandchildren, father, grandfather).
Relevant Market	this is formed of two elements, the products and geographic scope. Products mean all products that substitute one another and may replace one another to meet the needs of a service or commodity receiver. Geographic scope means the international borders of the State of Kuwait.
Report	a report made by a person for the purpose of bringing attention to the possible occurrence of one of the crimes stated in the Law which meets the conditions and requirements provided for in Article 3-2 of Module Three (Enforcement of the Law) of these Executive Bylaws.
Representative	a person or more appointed by the Bondholders Association or <i>Sukukholders</i> Association from amongst its members or others to represent the Bondholders and protect their rights.

Representatives in respect of Securities Activities	employees of a Licensed Person who undertake one or more Securities Activities for the benefit of a Licensed Person or its Clients.
Retail Client	a client who is not a Professional Client.
Reverse Acquisition	any arrangement pursuant to which a Listed Company issues new Shares and offers them to an unlisted company's shareholders in exchange for theirs, so as the new Shares represent more than 50% of the Listed Company's issued Shares following the Acquisition.
Revised Offer Document	an Offer Document that contains a revision for the benefit of the shareholders of an Offeree Company prepared in accordance with the guidelines and conditions provided for in Article 3-3-12 of Module Nine (Mergers and Acquisitions).
Risk Management Officer	a person responsible for determining, evaluating and classifying risks in proportion to a Licensed Person's strategic goals, in addition to controlling the risk control systems and monitoring the Licensed Person's ability to face risks, and updating the Licensed Person's register regularly and consistently.

Right of Objection	<p>Personal Data Subjects' right to object at any time, on grounds relating to their particular situation, to the processing of personal data concerning them by the Authority.</p> <p>The Authority may reject the objection request in cases where there are compelling legitimate grounds for the processing that override the grounds put forward by the Personal Data Subject or for the establishment, exercise or defense of legal claims.</p>
Right of Rectification	<p>Personal Data Subjects' right to request the correction of their inaccurate or incomplete personal data.</p>
Right of Restriction of Processing	<p>Personal Data Subjects' right to request the restriction of processing their personal data, in the case where the personal data is inaccurate, where the processing are unlawful, or where the Authority no longer needs the personal data for the purposes for which they were collected in the database.</p>
Right of Erasure	<p>Personal Data Subjects' right to request having their personal data erased from the database, in the case that the personal data are no longer necessary for the purposes for which they were collected or processed, or if unlawfully processed.</p>
Right to Request Information	<p>Personal Data Subjects' right to request receiving information on the processing of personal data relating to them in a concise, transparent, intelligible and easily accessible form.</p>
Right of Access	<p>Personal Data Subject's right to obtain from the Authority confirmation as to whether or not personal data concerning them are being processed, and where that is the case, to access the personal data.</p>

Secondary Market	the market or markets in which Securities sale and purchase transactions and transfers of ownership are made pursuant to regulations, regulations and laws governing the same.
Securities Activities	the activities provided for in Article 1-2 of Module Five (Securities Activities and Registered Persons) of these Executive Bylaws.
Securities Exchange Members	companies and Funds listed on a stock exchange and Brokers.
Securities Settlement System	an entity that enables Securities to be transferred and settled by book entry according to a set of predetermined rules.
Securitization	The process of transforming non-liquid financial assets such as loans and other non-liquid assets into negotiable securities, which may be based on in-kind and monetary guarantees and which do not solely rely on the payment capability of the debtor.
Security	<p>any instrument – in any legal form - that evidences ownership of a share in a financial transaction and that is negotiable pursuant to a license from the Authority, such as:</p> <ol style="list-style-type: none"> shares issued or proposed to be issued in the capital of a company; any instrument that creates or acknowledges a debt issued or to be issued by a company; loans, Bonds, <i>Sukuks</i> and other instruments that can be converted shares in a the capital of a company; all public Debt Instruments that are tradable and issued by the various government entities or public institutions or authorities; any right, option or derivatives relating to Securities; Units in a Collective Investment Scheme; any paper or instrument considered by the Authority as a Security for the purposes of implementing this Law and the Bylaws. <p>Not to be considered as Securities are commercial papers such as cheques, promissory notes, bills of lading, letters of credit, cash transfers and instruments negotiated by banks exclusively between each other, insurance policies and rights arising from retirement funds established for the benefit of the beneficiaries therefrom.</p>
Senior Asset Valuator	a natural person practicing the asset valuation activity at the person licensed to carry out an asset valuation activity only or an activity of Valuation of Assets and an Investment Advisor activity without any other Securities Activities. Requirements for qualifications and experience shall be higher than those of the representatives of corresponding activities.
Senior Executives	persons occupying executive positions and performing important and essential work relating to Securities Activities carried out by the Licensed Person.

Senior Investment Advisor	a natural person practicing the activity of an Investment Advisor at the person licensed to carry out the activity of an Investment Advisor only or the activity of an Investment Advisor and an activity of Valuation of Assets without any other Securities Activities. Requirements for qualifications and experience shall be higher than those of the representatives of the corresponding activities.
Servicer	a person approved by the Authority that assumes the role of a manager or person in charge of the assets of Bonds or <i>Sukuk</i> of Asset-backed Bonds and <i>Sukuk</i> .
Settlement Period	the period of time between the transaction date of selling a security in the Exchange and the date of registering the security in the name of the buyer in the Securities holders Register by the Clearing Agency.
Share Sale Minutes	a document signed by the Offeror of an Acquisition Offer, Exchange and Clearing Company, pursuant to which the title of Shares acquired from shareholders wishing to sell is transferred to the acquirer as an exception to the trading system applicable in the Exchange.
Shares	shares issued or to be issued in a company's share capital.
Sharia Auditor	a person qualified in <i>Fiqh</i> transactions, who assumes the duties of Sharia auditing of a Licensed Person.
Sharia Audit Officer	a person in charge of supervision of the business and finances of a Licensed Person to ensure its compatibility with the provisions of Islamic Sharia and related resolutions and standards issued by the Authority.
Sharia Standards	standards of financial and commercial transactions in accordance with the provisions of Islamic Sharia that are issued by the Authority or approved by it.
Sharia Supervisory Board	an independent board of experts in <i>Fiqh</i> Transactions of not less than three members appointed by the General Assembly or partners' meeting of the Person Licensed to Operate in Accordance to Islamic Sharia, to perform the duties prescribed in Article 2-2-8 of Module Five (Securities Activities and Registered Persons) of these Bylaws.
Significant Effect (for the purpose of Module Ten Disclosure and Transparency)	information on a transaction, contract or action taken into account when a prudent investor makes an investment decision regarding the sale or purchase of Securities, which if announced to the public, may lead to an abnormal change in the price or trading of such Securities.

Significant Influence	when a company owns directly or indirectly 20% or more in another company, it is considered to have Significant Influence unless it proves that it has no influence. Such influence is established in one of the following ways: <ul style="list-style-type: none"> a. representation on the company's Board of Directors; b. participation in setting out regulations, including resolutions related to the distribution of profits and any other distributions; c. any important transactions between the two companies; d. exchange of administrative employees; e. provision of basic technical information.
Special Purpose Vehicle Company	a company set up for a special purpose such as to issue a Sukuk or to undertake other securitization transactions, or issue contractual Collective Investment Scheme units. The company is subject to the rules and conditions provided for in the Law and these Bylaws
Stakeholders	every Person of Interest with the company such as employees, creditors, suppliers, clients, agents and service providers thereto.
Subscription Agent	a person who offers or sells Securities for the benefit of an Issuer or Ally, or obtains Securities from an Issuer or Ally for the purpose of re-marketing the same or managing their issuance.
Subsidiary Company	a company is deemed a Subsidiary when a person owns more than 50% of its share capital or has Effective Control over it.
Sukuk	instruments each of equal value representing a common share in the ownership of real estate plots, utilities or services or the assets of a specific project or investment activity.
Sukuk Redemption Payment	a repayment of an amount determined wholly or partially by reference to the value of, or income generated, by the <i>Sukuk</i> assets by relying on the value or the revenue from the <i>Sukuk</i> assets during or on the expiry of the related <i>Sukuk</i> Term.
Sukuk Assets	the assets or class of assets owned by an Issuer, or are subject of an agreement with an Issuer, for the purpose of realizing revenues, directly or indirectly, for the benefit of the Bondholders or <i>Sukukholders</i> .
Sukuk Trustee	a person appointed to safe keep <i>Sukuk</i> assets for the benefit of <i>Sukukholders</i> pursuant to a financial trust(s).
Sukukholder	any natural or corporate entity whose name is registered in the <i>Sukukholders'</i> register.
Systemic Risks Expected to Occur in Securities Activities	risks that may lead to the instability of a Market, Exchange or Clearing Agency or in a manner that may lead to repeated irregular functioning in the course of business of the Market, Exchange or Clearing Agency.

Term of Preferred Shares	the Term of Preferred Shares that commences as of the date of their issue until the date of their redemption or conversion to normal Shares.
Traded Shares	Shares issued by a shareholding company listed on the Exchange.
Trader	a person that trades in the purchase and sale of Securities for his own account.
Trading on the Exchange	the sale and purchase of Securities through trading channels provided by the Exchange.
Treasury Shares	a company's shares which the issuing company repurchases or buys back or otherwise makes use of.
Trust	contractual arrangements concluded to protect the Bonds or <i>Sukuk</i> Assets for the benefit of the holders of such Bonds or <i>Sukuk</i> .
Trust Document	a document establishing a Trust.
The Global Custodian	A corporate entity licensed by a regulatory authority in a foreign country who applies the FATF recommendations to practice the custody of clients' funds and assets, including those of collective investment schemes.

Units	<p>an investment unit is an indivisible Security that represents a share in a Collective Investment Scheme's Assets directly vesting its holders with all rights resulting therefrom.</p> <p>If one unit is owned by more than one owner, they must choose one person amongst them to represent them before the Collective Investment Scheme.</p>
Units Subject to the Supervision of the Central Bank	<ol style="list-style-type: none">1. Kuwaiti banks and branches of foreign banks licensed by the Central Bank to do business in the State of Kuwait;2. financing companies, excluding commercial companies subject to the supervision of the Ministry of Commerce and Industry which grant credit facilities through sale of commodities through instalments or the provision of services payable in instalments or any kind of deferred sales, or investment companies exercising, in addition to a financing activity, Securities Activities licensed by the Authority;3. exchange companies that are subject to the supervision of the Central Bank in accordance with Ministerial Order dated 19/3/1984 subjecting Exchange Companies to the Supervision of the Central Bank of Kuwait.

Valuation Day	the days on which the net asset value of a Collective Investment Scheme is calculated (NAV).
Valuation of Assets	<p>The process and mechanisms undertaken to determine the value of a companies' assets and Shares in the following cases:</p> <ol style="list-style-type: none"> 1. value of in-kind Shares constituting the company's share capital whether upon incorporation or upon increase of its capital; 2. value of the net assets of companies which are parties to a Merger, conversion or division, or when making an Acquisition Offer; 3. value of the share of a partner who does not wish to remain a partner in accordance with Article 16 of the Companies Law; 4. value of the share of a joint partner in accordance with Articles 43 and 298 of the Companies Law; 5. value of the share of a partner's who refuses to amend a partnership company contract in accordance with Article 52 of the Companies Law; 6. value of the Shares of a removed partner in accordance with Article 55 of the Companies Law; 7. value of the share of a deceased partner in a professional company in accordance with Article 52 and 59 of the Executive Bylaws to the Companies Law; 8. value of any attached Shares in accordance with Articles 62 and 69 of the Executive Bylaws to the Companies Law; 9. any other events provided for in the Companies Law, its Executive Bylaws or these Bylaws.
Violation	<p>every act in violation of the provisions of the Law, and any Bylaw, regulation, resolution or instruction issued by the Authority.</p> <p>With regards to the provisions of the Violations Committee of an Exchange, a Violation means every act in breach of the rules and regulations applicable at the Exchange.</p>
Violator	every natural or corporate entity that commits an act that constitutes a breach of to the provisions of the Law, any Bylaw, regulation, resolution or instructions issued by the Authority. With regards to the Violations Committee of an Exchange, a Violator is every member of the Exchange that commits an act that constitutes a breach of the Exchange's applicable rules and regulations.
Voluntary Acquisition Offer	an offer to acquire, or a solicitation to secure the acquisition of, Shares of one or more classes of Shares of a Listed Company other than those owned by the Offeror, its Subsidiaries or those Acting in Concert with it as of the date of submitting the offer.

Whistleblower

a person that submits a report who shall enjoy the protection provided for in Articles 3-7 to 3-12 of Module Three (Enforcement of the Law) of these Executive Bylaws.

DISCLAIMER:

This “translation” of the Bylaws of the Capital Markets Authority from Arabic into English is provided solely for reference. No translation can exactly reflect every aspect of an original text and accordingly this “translation” may be used for guidance but not for legal purposes. Only the Arabic original shall be considered for legal proceedings and for legal actions before the competent courts of jurisdiction and in any arbitration mechanism agreed upon by contracting parties to any transaction made under the Law and these Bylaws. The Capital Markets Authority shall not be responsible for any mistake, error and/or misinterpretation made or given by any party based on that party’s interpretation of the Law and the Bylaws whether arising from a reading of the Arabic text or, specifically in the context of this document, the English “translation”. The original Arabic versions, as approved and accordingly published by the Authority, shall constitute the only source of the provisions and regulations of the Law and its Bylaws.