

Resolution No. (03) of 2024

Regarding Amending Bursa Kuwait Rulebook

Having perused:

- Law No. (7) of 2010 regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities and its Executive Bylaws and their amendments.
- Resolution No. (72) of 2015 the Issuance of the Executive Bylaws of Law No. 7 of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities and its Amendments.
- Resolution No. (91) of 2016 Regarding Licensing Bursa Kuwait Securities Company to Practice the Activity of a Securities Exchange.
- Bursa Kuwait Securities Company decision No. (1) of 2018 Regarding the Issuance of Bursa Kuwait Rulebook and its Amendments.
- Pursuant to Bursa Kuwait Board of Directors' approval by circulation No. (04/2024) dated 30/10/2024 to amend the Bursa Kuwait Rulebook.
- CMA Letter holding reference No. CMA-030200-03012-2024 dated 10/11/2024 approving the amendments to Bursa Kuwait Rulebook.

The following was resolved:

Article One

Chapter Twelve of Bursa Kuwait Rulebook shall be amended as detailed in the attached table to this decision.

Article Two

1. The provisions of this decision shall apply to the case of execution files and the other cases of mandatory sale received from Bursa Kuwait after the date of the issuance of this decision, or execution files that are re-received by Bursa Kuwait after the date of the issuance of this decision.
2. The provisions in effect before the issuance of this decision shall continue to apply to execution files that were received by Bursa Kuwait before the date of its issuance and until the sale is completed, unless the progress of these files is suspended, and they are re-received by Bursa Kuwait.

Article Three

The authorities vested with this decision shall implement it, each within the limits of its jurisdiction.



Mohammed Saud Al-Osaimi

Chief Executive Officer



Issued on: 10/11/2024.

Item	Article	Pre-Amendment	Post Amendment	Notes
	Chapter's Title	Mandatory Execution on Securities	Mandatory Selling on Securities	Title's Amendment
1	Article (12-1)	The provisions of this Chapter shall apply on the attached Securities pursuant to a writ of execution. The provisions of this Chapter do not apply to the direct execution of the enforceable provisions of the transfer of ownership of a Security. The subject of the mandatory execution must be listed Securities on the Exchange, regardless of their Issuer, or not listed on the Exchange, whenever the Register of shareholders or the Register of Securities holders is deposited with a Kuwaiti entity	The provisions of this chapter shall apply to the mandatory sale of Securities in the following cases: 1. The sale conducted as part of the Mandatory Execution of Securities based on a writ of execution. 2. The sale that takes place under the provisions of Law No. 71/2020 regarding the Bankruptcy. 3. Sale requests for Securities based on the request of the Public Prosecution. The provisions of this chapter do not apply to the direct execution of final judgements regarding the transfer of ownership of a Security.	Amending Article
2	Article (12-2)	-	The subject of the mandatory sale must be Securities listed on the Exchange, regardless of their Issuer, or unlisted Securities, provided that the shareholder register, or the register of Security holders is deposited with a Kuwaiti entity.	Adding Article
	Article (12-3)	-	Provisions of the Mandatory Sale Based on a writ of execution.	Adding new title

		Receipt of the Execution Request and Scheduling the Sale	Receipt of the Execution Request and Scheduling the Sale	
3	Article (12-3-1)	The procedures for the mandatory sale begin when the Exchange receives the sale requests from the General Department of Execution.	The procedures for the mandatory sale begin when the Exchange receives the sale requests from the General Department of Execution.	Amending Numbering
4	Article (12-3-2)	The General Department of Execution shall deliver the sales application according to a report issued by the execution officer, along with the following documents: a. Original copy of the served writ of execution. b. Original copy of the attached entity's report of what it holds in its custody. c. Original copy of the attachment report of execution. The Exchange may - upon receiving the application - request documents from the execution's applicant's other requirements it deems necessary to complete the sale process.	The General Department of Execution shall deliver the sales application according to a report issued by the execution officer, along with the following documents: a. Original copy of the served writ of execution. b. Original copy of the attached entity's report of what it holds in its custody. c. Original copy of the attachment report of execution. The Exchange may - upon receiving the application - request documents from the execution's applicant's other requirements it deems necessary to complete the sale process.	Amending Numbering
5	Article (12-3-3)	The execution's applicant must pay the fees for receiving the execution case for the Exchange, which are determined at the amount of 200 Kuwaiti Dinars, provided that these fees are deducted from the Exchange commissions if it exceeds it, this amount is non-refundable in the event of suspension or the cancelation of the sale procedures, or if the Exchange commissions are less than this amount.	The execution's applicant must pay the fees for receiving the execution case for the Exchange, which are determined at the amount of 200 Kuwaiti Dinars. This amount is non-refundable even in the event of suspension or cancellation of the sale procedures, or if the commissions of the Exchange are less than this amount. The execution's applicant is not obligated to pay this amount again in the event a new date is set for the same execution file.	Amending Article and Numbering

6	Article (12-3-4)	The Exchange - after receiving the sale's application and obtaining the application fees- shall determine the date of the sale, within a period not exceeding sixty days from the date of receiving the request to the Exchange, provided that all the requirements necessary to complete the sale process are met, the Exchange may postpone the date of the sale whenever the need arises, provided that the General Department of Execution is notified of the postponement of the date. In all cases, the suspension periods received from the General Department of Execution are not counted within this period.	The Exchange - after receiving the sale's application and obtaining the application fees- shall determine the date of the sale, within a period not exceeding sixty days from the date of receiving the request to the Exchange, provided that all the requirements necessary to complete the sale process are met, the Exchange may postpone the date of the sale whenever the need arises, provided that the General Department of Execution is notified of the postponement of the date. In all cases, the suspension periods received from the General Department of Execution are not counted within this period.	Amending Numbering
		Appointing Sales Conductor	Appointing Sales Conductor	
7	Article (12-3-5)	The Exchange shall appoint sales conductor from the Listed Brokers, The selection is based on the role according to the Register prepared for this purpose at the Exchange.	The Exchange shall appoint sales conductor from the Listed Brokers, The selection is based on the role according to the Register prepared for this purpose at the Exchange.	Amending Numbering
8	Article (12-3-6)	The sales conductor shall be assigned the task of selling all the seized Securities in the execution case, unless the Exchange considers that assigning the execution case to more than one sales conductor achieves the interest of the execution parties. In the event of conflict of interests with the sales conductor and the sale procedures, the sales conductor must notify the Exchange within three working days from the date of	The sales conductor shall be assigned the task of selling all the seized Securities in the execution case, unless the Exchange considers that assigning the execution case to more than one sales conductor achieves the interest of the execution parties. In the event of conflict of interests with the sales conductor and the sale procedures, the sales conductor must notify the Exchange within three	Amending Numbering

		becoming aware of its assignment, and in this case, the Exchange shall select another Licensed Broker as sales conductor.	working days from the date of becoming aware of its assignment, and in this case, the Exchange shall select another Licensed Broker as sales conductor.	
		Determination of Sales Method	Determination of Sales Method	
9	Article (12-3-7)	<p>a. The sale medium of listed Securities, which are subject to sale by execution, shall be through the Exchange Trading System.</p> <p>b. The sale medium of Securities which are unlisted or suspended from trading and are subject to sale by execution shall be through Auction on the OTC trading platform in the Exchange or through regular Auction sessions in the Exchange In the event that the Trading System for unlisted Securities does not apply to it.</p> <p>The Exchange may specify other mediums for selling listed, unlisted, or suspended securities, and the Exchange sets the conditions and procedures for selling by the method it determines, and announces the sale, including its conditions and procedures, through publication on the Exchange's Website, ten days before the date specified for the sale on a daily basis.</p> <p>In this case, the sales conductor shall issue a report that states the procedures and details of the sale.</p>	<p>a. The method of selling listed Securities subject to execution shall be through the Trading System of the Exchange.</p> <p>b. The method of selling unlisted Securities or Securities suspended from trading subject to execution shall be through electronic auctions.</p> <p>The Exchange may specify other methods for selling listed, unlisted, or suspended securities, and the Exchange sets the conditions and procedures for selling by the method it determines, and announces the sale, including its conditions and procedures, through disclosure on the Exchange's Website, ten working days before the date specified for the sale on a daily basis.</p>	Amending Numbering and Article
10	Article (12-3-8)	If the status of the Securities has changed from a listed Security to an unlisted Security or vice versa	If the status of a Securities changed from a listed Security to an unlisted security or vice versa	Amending Numbering and Article

		after setting the sale date and before it takes place, the sale shall be subject to procedures that are compatible with the condition of the Securities at the time of the sale, unless the Exchange decides to set a new date for the sale or seeking other requirements.	versa, or if a listed security is suspended, after the date of the sale has been set and before it is carried out, the procedures that correspond to the status of the securities at the time of the sale shall apply to the sale, unless the Exchange decides to set a new date for the sale or other requirements are met.	
11	Article (12-3-9)	<p>In the event that the Company issuing the Securities subject of the sale reduces its capital, or in the event of disbursement of any rights such as profits or a determination of rights issue for subscription, after the seized person issues the report including what is owed, the sale of the Securities takes place after reducing the capital or laden with the rights assigned to it, and in In this case, the seizer is obligated to notify the Exchange of any change in the Securities before announcing the sale date on the Website.</p> <p>And if the situation stipulated in the previous paragraph regarding the rights report on the Securities subject to execution occurs after publishing the sale announcement on the Exchange's Website and before making the sale, the execution applicant may submit a request to the General Department of Execution to complete the sale process until the debt is settled.</p>	<p>In the event that the Company issuing the Securities subject of the sale reduces its capital, or in the event of disbursement of any rights such as profits or a determination of rights issue for subscription, after the seized person issues the report including what is owed, the sale of the Securities takes place after reducing the capital or laden with the rights assigned to it. In this case, the seizer is obligated to notify the Exchange of any change in the Securities before announcing the sale date on the Website.</p> <p>And if the situation stipulated in the previous paragraph regarding the rights report on the Securities subject to execution occurs after publishing the sale announcement on the Exchange's Website and before conducting the sale, the Exchange may – according to its policies and procedures – issue instructions to the applicant to complete the sale process until the debt is settled, provided that this is announced</p>	Amending Numbering and Article

			on the Exchange's Website at least one day before the sale date.	
		Open a Temporary Trading Account	Open a Temporary Trading Account	
12	Article (12-3-10)	The Exchange shall notify the Clearing Agency to open a temporary account to carry out the sale under the name (Ministry of Justice - General Department of Execution - Indebtedness (the name of the debtor), and the clearing agency shall, within three working days, notify the Exchange of the temporary account number.	The Exchange shall notify the Clearing Agency to open a temporary account to carry out the sale under the name (Ministry of Justice - General Department of Execution - Indebtedness (the name of the debtor), and the Clearing Agency shall, within three working days, notify the Exchange of the temporary account number.	Amending numbering
		Announcement of Sale on the Exchange's Website	Announcement of Sale on the Exchange's Website	
13	Article (12-3-11)	The Exchange announces the sale of Securities by publishing on the Exchange's Website, ten days prior to the sale date on a daily basis. The announcement of the sale includes the following data: a. Days, hours and place of sale. B. The name of the Security (type and quantity). c. The place of sale in the event that another means of sale is used other than selling through Trading Systems. D. Terms of sale (if any). The Exchange may add to the announcement of the sale of Securities any other data it deems necessary.	The Exchange announces the sale of Securities by publishing on the Exchange's website, ten working days prior to the sale date on a daily basis. The announcement of the sale includes the following data: A. Days, hours and place of sale. B. The name of the Security (type and quantity). C. The place of sale in the event that another means of sale is used other than selling through Trading Systems or electronic auctions. D. The name of the debtor. E. Terms of sale (if any). The Exchange may add to the announcement of the sale of Securities any other data it deems necessary.	Amending Numbering and Article

		Procedures for Selling Securities Through Trading Systems	Procedures for Selling Securities through the Exchange Systems	Amending Title
14	Article (12-3-12)	The sales conductor shall directly proceed with the procedures of selling the Securities subject to execution at the specified date and whose statement is published on the Exchange's Website, and through the sale method stipulated in Article (12-4-1) of the rulebook.	The sales conductor shall proceed with the procedures of selling the Securities subject to execution at the specified date and whose statement is published on the Exchange's Website, and through the sale method stipulated in Article (12-3-7) of the rulebook.	Amending Numbering
15	Article (12-3-13)	The sales conductor shall ascertain the best price for selling these Securities in a way that does not affect the trading process in the Exchange.	The sales conductor shall ascertain the best price for selling these Securities in a way that does not affect the trading process in the Exchange.	Amending Numbering
16	Article (12-3-14)	In the event that the days of sale expire without the sales conductor being able to sell all or some of the quantity of the Securities subject to execution, the sales conductor must notify the Exchange of that, and the Exchange must notify the General Department of Execution to set another date for completing the sale process, and the General Department of Execution may - at the request of the concerned parties - extend the sale period. Until the completion of the sale of the Securities subject to execution.	The sale conductor has the right to sell the listed Securities within a maximum period of three working days, and the sale is conducted through the Trading System by placing sell orders through this system in accordance with the provisions and controls indicated in these Rules. Unlisted or suspended Securities are sold within one day through the electronic auction system set up by the Exchange for this purpose, with the bidding starting at a base price of five hundred Fils. If the sale is not completed, the sale conductor may initiate another bid starting at a base price of one hundred Fils. If the sale still cannot be completed, the sale conductor may conduct a third auction	Amending Numbering and Article

			without a base price, and the auction is awarded to the highest bidder for the quantity of Securities offered. The sale conductor determines the schedule for the intended auctions.	
17	Article (12-3-15)	The sales conductor shall proceed with the offer of the Securities subject to execution at the beginning of the trading session of the specified day and shall - as much as possible - commit to not to sell Securities that exceed the value of the debt, The excess amount shall revert to the debtor unless it relates to rights of other creditors.	The sales conductor shall proceed with the offer of the Securities subject to execution at the beginning of the trading session of the specified day and shall - as much as possible - commit to not to sell Securities that exceed the value of the debt, The excess amount shall revert to the debtor unless it relates to rights of other creditors.	Amending Numbering
18	Article (12-3-16)	The Exchange, if it so determines, may request the sales conductor to divide the sale of the Securities subject of execution into more than one trading session, within a period not exceeding three working days	The Exchange, if it so determines, may request the sales conductor to divide the sale of the Securities subject of execution into more than one trading session, within a period not exceeding three working days	Amending Numbering
19	Article (12-3-17)	In the event that the days of sale expire without the sales conductor being able to sell all or some of the quantity of the Securities subject to execution, the sales conductor must notify the Exchange of that, and the Exchange must notify the General Department of Execution to set another date for completing the sale process, and the General Department of Execution may - at the request of the	If that specified time for the sale expires without the sale conductor being able to sell all or part of the quantity of Securities subject to execution, the sale conductor must notify the Exchange. The Exchange may - at the request of the concerned parties - set a new sale date to complete the sale process.	Amending Numbering and Article

		concerned parties - extend the sale period. Until the completion of the sale of the Securities subject to execution		
		If the Securities are not listed and are not subject to the OTC platform, the sales conductor must determine the base price by calculating the weighted average price of the security through the deals that took place on it during the six months preceding the bidding at the Exchange, or through the book value of the Security according to the latest approved financial statement, and in the event that the base price cannot be determined according to the two aforementioned methods, the Par Value of the share shall be considered the base price, provided that the license of the selling company is valid at the Ministry of Commerce and Industry, and the Exchange shall be notified of its report containing the base price within five working days from the date the Exchange sets it.	-----	Deletion of Article (12-7-6)
			Sale By Regular Auction	Adding Title
20	Article (12-3-18)	In the event of a sale by regular auction, the sale conductor assigned to the sale must record in the sales minutes all of the sale procedures and the objections and obstacles it encountered and what was taken into that regard, as well as the presence or absence of each of the representative of the Exchange, the seizer and	If the Exchange decides to sell by regular auction, the sale conductor must prepare a minutes of auction which shall include all sale procedures, any objections and obstacles encountered, and the actions taken regarding them. The sale conductor must also record the presence of both the Exchange's representative and the seizer or their absence, including their signatures if	Amending Numbering and Article

		<p>the seized person, and their signature if they were present, or their refusal to sign.</p> <p>The names of the bidders, the domicile of each of them, place of work, the prices offered by them, and their signatures or their refusal to sign, shall be recorded. The sales conductor publicly announce and record it in the sales minutes, and if no one comes forward to buy the Securities at their estimated value in accordance with Article (12-7-6) of these Rules, the sale period shall be extended to the next day if it is not a holiday or to the first working day after the holiday. If a buyer does not come forward with the estimated value, the sale will be postponed to another day, and then it will be sold to whoever wins the auction, even for a price less than what was valued.</p> <p>The Exchange shall notify the General Department of Execution of the sale of unlisted Securities through the regular auction accompanied by the sale minutes.</p>	<p>they were present or their refusal to sign. Additionally, the names of the bidders, their domicile, place of work, the prices they offered, and their signatures or refusals to sign must be documented.</p> <p>The minutes of auction must specifically include the final price at which the auction was awarded, the name of the awarded bidder, their domicile, place of work, and signature. The base price is determined by the last closing price of the listed Security before the day of the sale announcement, and the base price for selling the unlisted Securities is determined according to the provisions of paragraph two of Article (12-3-14).</p>	
21	Article (12-3-19)	<p>The sale of unlisted Securities through regular bidding on the Exchange is considered dependent on the condition that the execution judge approves the sale, and notifies the Clearing Agency, the sales conductor and the Exchange of such.</p>	<p>The Exchange notifies the General Department of Execution of the sale of Securities through regular auction, accompanied by the minutes of auction. The sale is considered conditional upon the approval of the execution judge, and notification is to be sent to the Clearing Agency, the sale conductor, and the Exchange confirming this approval.</p>	Amending Numbering and Article

			Pro Restoring the Status Quo	Adding Title
22	Article (12-3-20)		The Articles (12-3-21) to (12-3-25) of this chapter apply to the purchase process carried out to restore the status quo, in accordance with the nature of the purchase process.	Adding Article
23	Article (12-3-21)		If execution is carried out on the Securities and they are sold through the Trading System in the regular market, the status quo is restored by purchasing the same type of Securities according to the trading rules. Provided that the debtor must deposit the purchase amount and its expenses with the Clearing Agency before the execution, or the debtor is enforced to deposit it according to the rules of mandatory execution. This amount is determined by the value of the proceeds from the canceled executive document. If this amount is not sufficient to cover the full repurchase, the debtor is obligated to complete the purchase amount.	Adding Article
	Article (12-3-22)		If execution is carried out on the Securities by selling them through an electronic auction, the same type of Securities must be repurchased through a Licensed Broker appointed by the Exchange. The Exchange announces the purchase date by publishing it on the Exchange Website. The repurchase is conducted according to the rules of the Trading System for unlisted Securities, and the purchasing broker must seek the lowest	Adding Article

			<p>price. The maximum purchase price is the average price at which the sale occurred under the cancelled writ of execution, plus the costs of repurchase.</p> <p>The debtor must deposit the amount mentioned in the previous paragraph and the repurchase expenses with the Clearing Agency before the execution, or the debtor is enforced to deposit it according to the rules of mandatory execution. If this amount is not sufficient to cover the full repurchase, the debtor is obligated to complete the purchase amount.</p>	
24	Article (12-3-23)		<p>If the execution on the Securities was carried out directly by transferring ownership to specific individuals, the status quo is restored by transferring the ownership of the Securities back to the debtor under the canceled writ of execution.</p>	Adding Article
25	Article (12-4-24)		<p>Restoring the status quo includes all results, yields, and profits of the Securities that were realized from the time of execution up to the date of restoration of the status quo.</p>	Adding Article
26	Article (12-4-25)		<p>If it is not possible to restore the status quo by returning the Securities to the beneficiary of the judgement, compensation will be provided based on the estimated value of the Securities along with all their results, yields, and profits accrued from the time of</p>	Adding Article

			execution until the status quo is restored.	
			General Provisions	
27	Article (12-4-26)		<p>The sale is recorded through the outputs of the electronic systems for the sale conductor, who must provide the Exchange with a copy of the report detailing the sale process, including the price, quantity, and time of sale.</p> <p>If the Exchange decides to sell by a method other than the Trading System or electronic auction, the sale conductor is obligated to prepare a minutes of auction documenting the method used for the sale, its procedures, and all related details.</p>	Adding Article
28	Article (12-3-27)	<p>The Clearing Agency shall take settlement and clearing procedures, make the necessary adjustments in the record of Securities holders, and deposit the sale on proceeds in the treasury of the General Department of Execution, after deducting the expenses of executing the sale process. The General Department of Execution may carry out its affairs in distributing the proceeds of the sale in accordance with the provisions of the law.</p>	<p>The Clearing Agency undertakes the settlement and clearing procedures and makes the necessary adjustments in the register of Security holders, either directly or by notifying the entity that maintains the register of Security holders to amend the register in accordance with the results of the sale.</p> <p>The Clearing Agency also deposits the proceeds of the sale into the treasury of the General Department of Execution, after deducting the expenses of executing the sale process. The General Department of Execution is responsible for distributing the</p>	Amending Numbering and Article

			<p>sale proceeds in accordance with the provisions of the law.</p> <p>The sale conductor is exempt from the cases of failure stipulated in the rules of the Clearing Agency in the event that the sale proceeds are insufficient to cover commissions and expenses.</p>	
29	Article (12-3-28)	<p>Execution expenses for the trading commissions applied at the Exchange are calculated according to the type of Security, and these commissions are distributed between the sales conductor, the Exchange and the Clearing Agency according to the Rules in force in the Exchange.</p>	<p>Execution expenses for the trading commissions applied at the Exchange are calculated according to the type of Security, and these commissions are distributed between the sales conductor, the Exchange and the Clearing Agency according to the Rules in force in the Exchange.</p>	Amending Numbering
30	Article (12-3-29)	<p>The execution judge and the Authority have the right to notify the Exchange to stop the sale procedures in advance of date whenever reasons for such stop appear, and the Exchange shall notify the sales conductor of that</p>	<p>The execution judge and the Authority have the right to notify the Exchange to stop the sale procedures in advance of date whenever reasons for such stop appear, and the Exchange shall notify the sales conductor of that</p>	Amending Numbering
31	Article (12-3-30)	<p>In the event the Exchange discovers that there is a technical defect in the Trading Systems or the brokers system during the sale of Securities, the Exchange may cancel the sale operations that have taken place, and return them again, and the Exchange or the sales conductor in such case shall not be asked.</p>	<p>If the Exchange identifies a technical malfunction in the Trading Systems or broker systems, or if the sale conductor commits material errors in data entry during the sale of unlisted or suspended Securities, it may cancel the completed sales and revert the sale.</p> <p>In all cases, the Exchange shall not be liable in the event of the cancellation of the sale process.</p>	Amending Numbering and Article

32	Article (12-3-31)	The Exchange may develop electronic systems to allow the receipt of execution cases, and correspondence between the General Department of Execution, the Exchange, the Clearing Agency and brokers, as well as the rest of the execution parties.	The Exchange may develop electronic systems to allow the receipt of execution cases, and correspondence between the General Department of Execution, the Exchange, the Clearing Agency and brokers, as well as the rest of the execution parties.	Amending Numbering
33	Article (12-3-32)	The Exchange or the Clearing Agency shall not be liable except within the limits of the error represented in violating their responsibilities stipulated in this Chapter, nor shall the Exchange or the Clearing Agency be liable in the event of implementing the instructions or orders of the General Department of Execution, and the same provision applies to the sales conductor.	The Exchange or the Clearing Agency shall not be liable except within the limits of the error represented in violating their responsibilities stipulated in this Chapter, nor shall the Exchange or the Clearing Agency be liable in the event of implementing the instructions or orders of the General Department of Execution, and the same provision applies to the sales conductor.	Amending Numbering
34	Article (12-3-33)	The provisions of Chapter Ten of the Eleventh Module of the Executive Bylaws "Dealing in Securities" shall apply to matters on cases. The provisions of the aforementioned Chapter Ten shall take prevail in the event of any conflict with the provisions of this Chapter.	The provisions of Chapter Ten of the Eleventh Module of the Executive Bylaws "Dealing in Securities" shall apply to matters on cases. The provisions of the aforementioned Chapter Ten shall take prevail in the event of any conflict with the provisions of this Chapter.	Transferring and Renumbering of Article

Provisions of Selling Securities Based on the Request of the Bankruptcy Judge

	Article (12-4)		Sale under the Bankruptcy Law	Adding New Title
37	Article (12-4-1)		The following provisions apply to requests for the sale of Securities based on the permission of the bankruptcy judge. The definitions provided in Law No. 71 of 2020 regarding the Issuance of the Bankruptcy Law shall apply to these Rules.	Adding New Article
38	Article (12-4-2)		Securities may be sold based on the request of the trustee, after obtaining the permission of the bankruptcy judge.	Adding New Article
			Receipt Sale Request and Scheduling the Date.	Adding New Title
39	Article (12-4-3)		<p>The sale process begins with a request submitted by the applicant to the entity that maintains the register of Securities to provide a statement detailing the Securities and the amounts in the debtor's account, as well as any encumbrances noted on those Securities, including liens and attachments.</p> <p>Based on the statement referred to in the previous paragraph issued by the entity maintaining the register of Securities, the bankruptcy judge issues the permission for sale, which must</p>	Adding New Article

			<p>include the sale despite the existing encumbrances on the Securities.</p> <p>If the Securities or investment portfolios subject to execution are encumbered or subject to a right of lien, the entity maintaining the register of Securities—whether the Clearing Agency or the Investment Portfolio Manager, as applicable—must notify the creditors holding the registered rights about the sale procedures.</p>	
40	Article (12-4-4)		<p>The applicant must deliver to the Exchange an original copy of the bankruptcy judge's enforcement decision authorizing the sale of the debtor's assets. Upon submitting the bankruptcy judge's enforcement decision, the following documents must be attached:</p> <p>a. An original copy of the statement issued by the entity maintaining the register of Securities.</p> <p>b. A whom it may concern certificate issued by the bank where the bankruptcy account is opened, indicating the bankruptcy account number for requests submitted by the trustee.</p> <p>c. An original copy of the decision issued by the Bankruptcy Administration appointing the trustee.</p> <p>The Exchange may, after receiving the permission from the bankruptcy judge, request from the applicant any documents or fulfill any</p>	Adding New Article

			additional requirements that it deems necessary to complete the sale process.	
41	Article (12-4-5)		The Exchange -after receiving the sale request- will set the sale date, ensuring that the sale date is scheduled within a period not exceeding sixty days from the date the request is received by the Exchange, provided that all necessary requirements to complete the sale process are fulfilled. The Exchange may postpone the sale date whenever necessary, provided that the bankruptcy judge is notified of the postponement. In all cases, the durations of any suspensions ordered by the bankruptcy judge are not included in this period.	Adding New Article
			Appointing Sales Conductor	
42	Article (12-4-6)		The Exchange selects the sale conductor from among the Licensed Brokers to sell the Securities, ensuring that the selection is made according to the order based on the register prepared for this purpose at the Exchange. If the components of the portfolio are outside the State of Kuwait, the portfolio manager is appointed as the sale conductor.	Adding New Article
43	Article (12-4-7)		The sale conductor designated by order is tasked with selling all the Securities that need to be sold, unless the Exchange determines that assigning the sale to more than one sale conductor serves the public interest and the interest of the bankruptcy.	Adding New Article

			In the event of a conflict of interest for the sale conductor regarding the execution of the sale procedures, the sale conductor must notify the Exchange within three business days from the date of their selection. In this case, the Exchange will select another Licensed Broker as the sale conductor.	
			Determination the Method of Sale	Adding New Title
44	Article (12-4-8)		<p>a. The method of selling listed Securities subject to execution shall be through the Trading System of the Exchange.</p> <p>b. The method of selling unlisted Securities or Securities suspended from trading subject to execution shall be through electronic auctions.</p> <p>The Exchange may specify other methods for selling listed, unlisted, or suspended Securities if it determines that such methods serve the public interest and the interest of the bankruptcy. The Exchange sets the conditions and procedures for the sale by the method it designates and announces the sale, including its conditions and procedures, through disclosure on the Exchange's Website, at least working ten days prior to the scheduled sale date and on a daily basis.</p>	Adding New Article
45	Article (12-4-9)		If the status of the Securities changes from a listed Security to an unlisted Security or vice versa, or if a listed Security is	

			<p>suspended, after setting the sale date and before conducting the sale, the procedures applicable to the sale will be those that conform to the status of the Securities at the time of sale, unless the Exchange decides to set a new date for the sale or fulfill other requirements.</p>	
46	Article (12-4-10)		<p>In the event that the Company issuing the Securities subject to the sale reduces its capital, or in the event of disbursement of any rights such as profits or a determination of rights issue for subscription, after the entity maintaining the register of Securities issues a statement regarding it, the sale of the Securities takes place after reducing the capital or laden with the assigned rights. In this case, the entity maintaining the register is obliged to notify the Exchange of any changes to the Securities before announcing the sale date on the Exchange's Website.</p> <p>If the situation described in the previous paragraph regarding the rights report on the Securities subject to execution, occurs after the sale announcement is published on the Exchange's Website and before conducting the sale, the Exchange may issue instructions to the sale conductor to complete the sale process until the debt is settled, provided that this is announced on the Exchange's Website at least one day before the sale date.</p>	Adding New Article

			Opening a Temporary Trading Account.	Adding New Title
47	Article (12-4-11)		<p>The Exchange shall notify the Clearing Agency to open a temporary account for executing the sale under the name of (the debtor's name), and the Clearing Agency must inform the Exchange of the temporary account number within three working days.</p> <p>If the Securities are held in an investment portfolio account, the necessary procedures must be taken to record these Securities in the name of the debtor in the register of Security holders before submitting the sale request.</p>	
			Announcement of the Sale on the Exchange's Website	Adding New Title
48	Article (12-4-12)		<p>The Exchange announces the sale of Securities by publishing on the Exchange's website, ten working days prior to the sale date on a daily basis. The announcement of the sale includes the following data:</p> <p>A. Days, hours and place of sale.</p> <p>B. The name of the Security (type and quantity).</p> <p>C. The place of sale in the event that another means of sale is used other than selling through Trading Systems or electronic auctions.</p> <p>D. The name of the debtor.</p> <p>E. Terms of sale (if any).</p> <p>The Exchange may add to the announcement of the sale of Securities any other data it deems necessary.</p>	

			Procedures for Selling Securities	Adding New Title
49	Article (12-4-13)		The sale conductor shall initiate the procedures for selling the Securities subject to execution at the scheduled time, as published on the Exchange's Website, and through the method of sale stipulated in Article (12-4-8) of these Rules.	Adding New Article
50	Article (12-4-14)		The sale conductor must seek the best price for selling these Securities without affecting the trading process on the Exchange.	
51	Article (12-4-15)		The sale conductor has the right to sell listed Securities within a maximum period of three working days, and the sale is conducted through the Trading System by placing sell orders in accordance with the provisions and controls indicated in these Rules. Unlisted or suspended Securities are sold within one day through the electronic auction system established by the Exchange for this purpose, starting with a base price of five hundred Fils on the first day. If the sale is not completed, the sale conductor may initiate another bidding round starting at a base price of one hundred Fils. If the sale still cannot be completed, the sale conductor may conduct a third auction without a base price, and the auction will be awarded to the highest bidder for the quantity of Securities offered. The sale conductor determines the schedule for the intended auctions.	Adding New Article

52	Article (12-4-16)		If the specified time for the sale expires without the sale conductor being able to sell all or part of the quantity of Securities subject to sale, the sale conductor must notify the Exchange. The Exchange may set a new date to complete the sale process.	Adding New Article
53	Article (12-4-17)		The sale conductor shall begin presenting the Securities subject to sale at the start of the trading session on the specified day. In the case of selling on behalf of the secured creditors regarding the Securities that guarantee their debts, the sale conductor must, as much as possible, adhere to not selling Securities exceeding the value of the debt and the sale expenses. If the proceeds of the sale exceed the debt amount and expenses, the excess amount shall be deposited into the debtor's account held with the Clearing Agency.	Adding New Article
54	Article (12-4-18)		The Exchange may, if it deems necessary, request the sale conductor to segment the sale of the Securities over more than one trading session, not to exceed three business days.	Adding New Article
			General Provisions	Adding New Title
55	Article (12-4-19)		The sale is documented through the outputs of the electronic systems for the sale conductor, who must provide the Exchange with a copy of the report detailing the sale process, including the price, quantity, and time of sale.	Adding New Article

			If the Exchange decides to sell by a method other than the Trading System or electronic auction, the sale conductor is obligated to prepare a minute of sale documenting the method used for the sale, its procedures, and all related details.	
56	Article (12-4-20)		<p>The Clearing Agency undertakes the settlement and clearing procedures and makes the necessary adjustments in the register of Security holders, either directly or by notifying the entity that maintains the register of Security holders to amend the register according to the results of the sale.</p> <p>The Clearing Agency also deposits the proceeds of the sale into the account held in the name of the debtor after deducting the expenses of the sale process. The sale conductor is exempt from the cases of failure stipulated in the rules of the Clearing Agency in the event that the proceeds of the sale are insufficient to cover commissions and expenses.</p>	Adding New Article
57	Article (12-4-21)		The sale expenses are calculated based on the trading commissions applicable at the Exchange according to the type of Security, and these commissions are distributed among the sale conductor, the Exchange, and the Clearing Agency in accordance with the Rules in force at the Exchange.	Adding New Article
58	Article (12-4-22)		The bankruptcy judge has the right to notify the Exchange to suspend the sale procedures in a timely manner before the sale date whenever there are reasons	Adding New Article

			for the suspension, and the Exchange will inform the sale conductor accordingly.	
59	Article (12-4-23)		<p>If the Exchange identifies a technical malfunction in the Trading Systems or broker systems, or if the sale conductor commits material errors in data entry during the sale of unlisted or suspended Securities, it may cancel the completed sales and revert them.</p> <p>In all cases, the Exchange shall not be liable in the event of the cancellation of the sale process.</p>	Adding New Article
60	Article (12-4-24)		The Exchange may establish electronic systems that allow for the receipt of sale files and communication between the Bankruptcy Administration at the Ministry of Justice, the Exchange, the Clearing Agency, the brokers, and other parties involved in the sale process	Adding New Article
61	Article (12-4-25)		The Exchange and the Clearing Agency shall not be liable except to the extent of any error represented by a violation of their responsibilities outlined in this chapter. Additionally, the Exchange and the Clearing Agency shall not be held accountable for executing the instructions or orders of the bankruptcy judge, and the same provision applies to the sale conductor.	Adding New Article

Provisions for Selling Securities Based on the Request of the Public Prosecution

	Article 12-5		Sale Based on the Request of the Public Prosecution	Adding New Title
62	Article (12-5-1)		The following provisions apply to requests for the sale of Securities received from the Public Prosecution.	
63	Article (12-5-2)		Securities may be sold based on the request of the Public Prosecution, and the Exchange may request the fulfillment of any documents or requirements necessary to complete the sale process.	Adding New Article
			Receipt of the Sale Request and Scheduling the Date	Adding New Title
64	Article (12-5-3)		Securities may be sold based on the request of the Public Prosecution, even if they are subject to any encumbrances, including liens or attachments. If the Securities or investment portfolios subject to execution are encumbered or subject to a right of lien, the entity maintaining the register of Securities—whether the Clearing Agency or the Investment Portfolio Manager, as applicable—must notify the creditors holding the registered rights about the sale procedures.	Adding New Article

65	Article (12-5-4)		The Exchange, after receiving the sale request, will set the sale date, ensuring that the sale date is scheduled within a period not exceeding sixty days from the date the request is received by the Exchange, provided that all necessary requirements to complete the sale process are fulfilled. The Exchange may postpone the sale date whenever necessary, provided that the Public Prosecution is notified of the postponement. In all cases, the durations of any suspensions ordered by the Public Prosecution are not included in this period.	
			Appointing Sales Conductor	Adding New Title
66	Article (12-5-5)		The Exchange selects the sale conductor from among the Licensed Brokers to sell the Securities, ensuring that the selection is made according to the order based on the register prepared for this purpose at the Exchange. If the components of the portfolio are outside the State of Kuwait, the portfolio manager is appointed as the sale conductor.	Adding New Title
67	Article (12-5-6)		The designated sale conductor is tasked with selling all the Securities that need to be sold, unless the Exchange determines that assigning the sale to more than one sale conductor serves the public interest. In the event of a conflict of interest for the sale conductor regarding the execution of the	

			sale procedures, the sale conductor must notify the Exchange within three business days from the date of their selection. In this case, the Exchange will select another Licensed Broker as the sale conductor.	
			Determination of Sales Medium	Adding New Title
68	Article (12-5-7)		<p>a. The method of selling listed Securities subject to execution shall be through the Trading System of the Exchange.</p> <p>b. The method of selling unlisted Securities or Securities suspended from trading subject to execution shall be through electronic auctions.</p> <p>The Exchange may specify other methods for selling listed, unlisted, or suspended Securities, and it establishes the conditions and procedures for the sale by the method it designates. The Exchange shall announce the sale, including its conditions and procedures, through disclosure on the Exchange's Website, at least ten days prior to the scheduled sale date and on a daily basis.</p>	Adding New Article
69	Article (12-5-8)		If the status of the Securities changes from a listed Security to an unlisted Security or vice versa, or if a listed Security is suspended, after the sale date has been set and before the sale is conducted, the procedures applicable to the sale will be those that conform to the status of the Securities at the time of sale, unless the Exchange decides	Addine New Article

			to set a new date for the sale or fulfill other requirements.	
70	Article (12-5-9)		<p>In the event that the Company issuing the Securities subject to the sale reduces its capital or disburses any rights such as profits or issues a determination of rights for subscription, after the entity maintaining the register of Securities issues a statement regarding it, the sale of the Securities occurs after the capital reduction or laden with the assigned rights. In this case, the entity maintaining the register is obligated to notify the Exchange of any changes to the Securities prior to announcing the sale date on the Exchange's Website.</p> <p>If the situation described in the previous paragraph occurs regarding the rights report on the Securities subject to execution, after the sale announcement is published the Exchange's Website and before conducting the sale, the Exchange may issue instructions to the sale conductor to complete the sale process until the debt is settled, provided that this is announced on the Exchange's Website at least one day before the sale date.</p>	Adding New Article
			Open a Temporary Trading Account	Adding New Title
71	Article (12-5-10)		The Exchange shall notify the Clearing Agency to open a temporary account for executing the sale under the name (Ministry of Justice), and the Clearing Agency must inform the Exchange of the temporary	Adding New Article

			<p>account number within three working days.</p> <p>If the Securities are held in an investment portfolio account, the necessary procedures must be taken to register these Securities in the name of the debtor in the register of Security holders before submitting the sale request.</p>	
			<p>Announcement of Sale on the Exchange's Website</p>	<p>Adding New Title</p>
72	Article (12-5-11)		<p>The Exchange announces the sale of Securities by publishing it on the Exchange's Website at least ten working days prior to the scheduled sale date and on a daily basis. The sale announcement includes the following information:</p> <p>a. The days of the sale, the time, and the location.</p> <p>b. The name of the Security, its type, and its quantity.</p> <p>c. The location of the sale in the event that a method other than the Trading Systems or electronic systems is used for the sale.</p> <p>d. The name of the debtor.</p> <p>e. The conditions of the sale (if any).</p> <p>The Exchange may add any other information it deems necessary to the announcement of the sale of the Securities.</p>	
			<p>Procedures for Selling Securities Through Trading Systems</p>	<p>Adding New Title</p>

73	Article (12-5-12)		The sale conductor shall initiate the procedures for selling the Securities subject to execution at the scheduled time, as published on the Exchange Website, and through the method of sale stipulated in Article (12-5-7) of these Rules.	Adding New Article
74	Article (12-5-13)		The sale conductor must seek the best price for selling these Securities without affecting the trading process on the Exchange.	Adding New Title
75	Article (12-5-14)		<p>The sale conductor has the right to sell listed Securities within a maximum period of three working days, and the sale is conducted through the Trading System by placing sell orders in accordance with the provisions and controls indicated in these Rules.</p> <p>Unlisted or suspended Securities are sold through the electronic auction system established by the Exchange for this purpose, starting with a base price of five hundred Fils. If the sale is not completed, the sale conductor may initiate another bidding round starting at a base price of one hundred Fils. If the sale still cannot be completed, the sale conductor may conduct a third auction without a base price, and the auction will be awarded to the highest bidder for the quantity of Securities offered. The sale conductor determines the schedule for the intended auctions.</p>	Adding New Article
76	Article (12-5-15)		The Exchange may, if it deems necessary, request the sale conductor to segment the sale of the Securities over more than one	Adding New Article

			trading session, not to exceed three business days.	
77	Article (12-5-16)		If the specified time for the sale expires without the sale conductor being able to sell all or part of the quantity of Securities subject to sale, the sale conductor must notify the Exchange. The Exchange may set a new date to complete the sale process.	Adding New Article
			General Provisions	Adding New Title
78	Article (12-5-17)		The sale is documented through the outputs of the electronic systems for the sale conductor, who must provide the Exchange with a copy of the report detailing the sale process, including the price, quantity, and time of sale. If the Exchange decides to sell by a method other than the Trading System or electronic auction, the sale conductor is obligated to prepare a minutes of auction documenting the method used for the sale, its procedures, and all related details.	Adding New Article
79	Article (12-5-18)		The Clearing Agency undertakes the settlement and clearing procedures and makes the necessary adjustments in the register of Security holders, either directly or by notifying the entity that maintains the register of Security holders to amend the register according to the results of the sale. The Clearing Agency also deposits the proceeds of the sale into the account held in the name	

			of the debtor after deducting the expenses of the sale process. The sale conductor is exempt from the failure cases stipulated in the Rules of the Clearing Agency in the event that the proceeds of the sale are insufficient to cover commissions and expenses.	
80	Article (12-5-19)		The sale expenses are calculated based on the trading commissions applicable at the Exchange according to the type of Security, and these commissions are distributed among the sale conductor, the Exchange, and the Clearing Agency in accordance with the Rules in force at the Exchange.	Adding New Article
81	Article (12-5-20)		The Public Prosecution has the right to notify the Exchange to suspend the sale procedures in a timely manner before the sale date whenever there are reasons for the suspension, and the Exchange will inform the sale conductor accordingly.	Adding New Article
82	Article (12-5-21)		If the Exchange identifies a technical malfunction in the Trading Systems or broker systems, or if the sale conductor commits material errors in data entry during the sale of unlisted or suspended Securities, it may cancel the completed sales and revert them. In all cases, the Exchange shall not be liable in the event of the cancellation of the sale process.	Adding New Article
83	Article (12-5-22)		The Exchange may establish electronic systems that allow for the receipt of sale files and communication between the Public Prosecution, the Exchange, the Clearing Agency,	Adding New Article

			the brokers, and other parties involved in the sale process.	
84	Article (12-5-23)		The Exchange and the Clearing Agency shall not be liable except to the extent of any error represented by a violation of their responsibilities outlined in this chapter. Additionally, the Exchange and the Clearing Agency shall not be held accountable for executing the instructions or orders of the Public Prosecution, and the same provision applies to the sale conductor.	Adding New Article