

Resolution No. (150) of 2024

Regarding

Amendment to Some Provisions of the Attachment of Securities

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; and
- CMA Board of Commissioners Resolution passed in its meeting No. (35) of 2024 held on 06/11/2024.

The Following Was Resolved

Article (1)

Module Eleven (Dealing in Securities) of the Executive Bylaws of Law No. 7 of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities and their amendments is hereby amended pursuant to Annex 1 attached to this Resolution.

Article (2)

The concerned bodies shall execute this Resolution, each within its jurisdiction. This Resolution shall come into force from the date of its issuance, and it shall be published in the Official Gazette.

Prof. Ahmad Al-Melhem

Issued on: 10/11/2024

Annex 1

No.	Module	Chapter	Article	Amendment Type	Text before Amendment	Text After Amendment
1	Eleven	Ten	10-1	Amending article	<p>Without prejudice to the provisions of Article (10-1-1), issuer's funds may not be attached to collect a debt of one of the holders of Securities issued by that Issuer.</p> <p>However, securities owned by a debtor and its profits may be attached, which shall be noted in the securities' register held by the Clearing Agency.</p> <p>Securities shall be sold or redeemed, as the case may be,</p>	<p>Without prejudice to the provisions of Article (10-1-1), issuer's funds may not be attached to collect a debt of one of the holders of <u>Securities</u> issued by that <u>Issuer</u>. However, securities owned by a debtor and their profits may be attached. The <u>Securities</u> shall be sold or redeemed, even if the attachment creditor does not present the original receipt of the <u>Securities</u> deposit.</p>

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					<p>even if the attachment creditor does not submit the original receipt of the Securities deposit. The Clearing Agency shall make the necessary amendments in the register of the Securities' holders in accordance with the outcome of the sale procedures.</p>	
2	Eleven	Ten	10-1-1	Amending article	<p>If the Clearing Agency receives an attachment notice concerning a Security –to pay the debt of the seller– within the settlement period, the attachment shall be in the cash price of the security. If the Clearing Agency</p>	<p>If the entity holding the <u>Securities</u> receives an attachment notice concerning a <u>Security</u> – to pay the debt of the seller– within the settlement period, the attachment shall be in the cash price of the <u>Security</u>. If the entity holding the <u>Securities</u></p>

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					receives a notice of attachment of the cash price of a Security –to pay the debt of the buyer– within the settlement period, the attachment shall be of the Security subject of the deal after registering it in the buyer’s name.	receives a notice of attachment of the cash price of a <u>Security</u> – to pay the debt of the buyer– within the settlement period, the attachment shall be of the <u>Security</u> subject of the deal after registering it in the buyer’s name.
3	Eleven	Ten	10-3	Amending article	In the event that attachment of Securities, profits, returns or rights arising therefrom is in accordance with a judgment or self-execution payment order or an authenticated contract attached to a writ of execution, where the information of the debtor in the evidence of	In the event that attachment of <u>Securities</u> , profits, returns or rights arising therefrom is in accordance with a writ of execution, where the information of the debtor in the evidence of indebtedness subject of the attachment conforms with the debtor information stated in the <u>Securities</u> register held by the <u>Clearing Agency</u> , and if the creditor

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					<p>indebtedness subject of the attachment conforms with the debtor information stated in the Securities register held by the Clearing Agency, and if the creditor is a Local Bank or Kuwaiti Financial Institution and the debtor is a Professional Client, the attachment will be enforced at the creditor's risk. If any temporal or subjective disputes are filed at the time of execution, they shall not lead to the suspension of the execution procedures or distribution of the execution returns.</p>	<p>is a <u>Local Bank</u> or <u>Kuwaiti Financial Institution</u>, in such case - based on the application of the attaching creditor to the Execution Department - the execution continues even if temporal disputes arise, and the execution in this case shall be at the risk of the attaching creditor requesting the continuation of execution.</p>

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4	Eleven	Ten	10-9	Amending article	In the event that <u>Securities</u> and <u>Investment Portfolios</u> are pledged or have preference rights, creditors who own such rights shall be notified of such attachment. These creditors, as soon as they are notified of the procedures, shall be considered attachment creditors by the force of law.	In the event that <u>Securities</u> and <u>Investment Portfolios</u> are pledged or have preference rights, the holder of the attachment – whether it is the <u>Clearing Agency</u> or <u>Investment Portfolio Manager</u> , as the case may be - shall notify the creditors who own such rights of such attachment. These creditors, as soon as they are notified of the procedures, shall be considered attachment creditors by the force of law.
5	Eleven	Ten	10-10	Amending article	Securities registered in the name of the debtor shall be attached as garnishment and a notation of such attachment shall be made in the	<u>Securities</u> registered in the name of the debtor shall be attached as garnishment and a notation of such attachment shall be made in the <u>Securities</u> register held by the company <u>Issuer</u> or <u>Clearing Agency</u> which maintains the register. <u>Investment</u>

No.	Module	Chapter	Article	Amendment Type	Text before Amendment	Text After Amendment
					<p>Securities register held by the company Issuer or Clearing Agency which maintains the register.</p> <p>Investment Portfolios shall be attached as garnishment and such execution shall be noted by the manager of such Investment Portfolios.</p>	<p><u>Portfolios</u> shall be attached as garnishment and such execution shall be noted by the manager of such <u>Investment Portfolios</u>.</p> <p>In all cases, the entity holding the <u>Securities</u> shall make the necessary amendments in the shareholders register or <u>Investment Portfolio</u> registers in accordance with the outcome of the sale procedures.</p>
6	Eleven	Ten	10-20	Amending article	<p>Sale and Distribution of Execution Proceeds <u>Securities</u>, profits, returns and rights due by <u>Issuers</u>, <u>Obligors</u>, <u>Clearing Agency</u> and others referred-to in the previous articles of this Chapter shall be sold through a</p>	<p>Sale and Distribution of Execution Proceeds <u>Securities</u>, profits, returns and rights due by <u>Issuers</u>, <u>Obligors</u>, <u>Clearing Agency</u> and others referred-to in the previous articles of this Chapter shall be sold through a <u>Broker</u> or <u>Investment Portfolio Manager</u> if the portfolio <u>Shares</u></p>

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					<p><u>Broker</u> or <u>Investment Portfolio Manager</u> assigned by the <u>Exchange</u>, according to the securities execution regulations stipulated in the Boursa Kuwait Rulebook, which shall state in its decision whether they shall be sold through the trading system of listed and unlisted <u>Securities</u>, through auction or otherwise as specified by the <u>Exchange</u>.</p>	<p>are outside of the State of Kuwait, according to the securities execution regulations stipulated in Boursa Kuwait Rulebook, which shall state in its decision whether they shall be sold through the trading system of listed and unlisted <u>Securities</u>, through auction or otherwise as specified by the <u>Exchange</u>.</p>
7	Eleven	Ten	10-21	Amending article	<p>Sale of <u>Securities</u> shall be declared by an announcement on the notice board on the <u>Exchange</u>, even if such <u>Securities</u> are unlisted or suspended from trading on the <u>Exchange</u>.</p>	<p>Sale of <u>Securities</u> shall be declared through the <u>Exchange</u> using the methods <u>specified in its rules</u>, even if such <u>Securities</u> are unlisted or suspended from trading on the <u>Exchange</u>.</p>

No.	Module	Chapter	Article	Amendment Type	Text before Amendment	Text After Amendment
8	Eleven	Ten	10-22	Amending article	The Exchange shall appoint one of the Brokers registered on the Exchange to determine the base price of the Securities unlisted or suspended from trading on the Exchange.	Article deleted
9	Eleven	Ten	10-22	Amending article and numbering	The seller shall record in the sales minutes all the sale procedures, the objections and obstacles encountered, and what he has taken in their regard. The minutes shall also document the presence or absence of the representative of the <u>Exchange</u> , the creditor and the debtor, and their signatures if they were present, or their refusal to sign.	The seller shall complete the sale of <u>Securities</u> procedure subject to execution by one of the means set forth in the <u>Exchange</u> rules, as the case may be.

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10	Eleven	Ten	10-23	Amending article and numbering	<p>The seller shall, in the event of a sale through regular auction, record in the sales minutes all the sale procedures, the objections and obstacles encountered, and what he has taken in their regard. The minutes shall also document the presence or absence of the representative of the <u>Exchange</u>, the seller, the creditor and the debtor, and their signatures if they were present, or their refusal to sign, in addition to documenting the names and domicile of each of the bidders, their place of work, the price offered by them, and their</p>	<p>The seller shall comply with the <u>Exchange</u> rules and professional standards when selling the <u>Securities</u> subject to execution.</p>

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					<p>signatures or their refusal to sign. The minutes must include, in particular, the statement of the final price of the award of the winning bid, the name of the winning bidder, his domicile, his place of work, and his signature. To continue or postpone the sale, it is sufficient for the seller to declare the same publicly and record it in the sale minutes. In the event that no person comes forward to make a bid for the purchase of the <u>Securities</u> in the value estimated in accordance with Article (10-22) of this Module, the sale period shall be</p>	

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					<p>extended to the following day if it is not a holiday, or to the next <u>Business Day</u> following the holiday. In the event that no person comes forward to make a bid on the estimated value, the sale shall be postponed to another day, and shall be sold to whoever wins the auction, even for a price less than what it was valued.</p>	
11	Eleven	Ten	10-24	Amending article and numbering	<p>The aforementioned provisions stipulated in Articles (10-20) to (10-24) of sale and distribution of execution proceeds are considered general provisions for the attachment of Securities. The</p>	<p>The aforementioned provisions stipulated in Articles (10-20) to (10-23) of sale and distribution of execution proceeds are considered general provisions for the attachment of Securities. The Exchange is responsible for implementing the provisions of</p>

No.	Module	Chapter	Article	Amendment Type	Text before Amendment	Text After Amendment
					Exchange is responsible for implementing the provisions of Securities execution regulations set forth in its rules, and for the impacts resulting thereof.	Securities execution regulations set forth in its rules, and for the impacts resulting thereof.
12	Eleven	Ten	10-25	Amending article and numbering	The provisions of Chapter Three of the Civil and Commercial Pleadings Law shall apply to the cases wherein no specific provisions are set forth in Bursa Kuwait Rulebook.	The provisions of Chapter Three of the Civil and Commercial Pleadings Law shall apply to the cases wherein no specific provisions are set forth in this Chapter or in Bursa Kuwait Rulebook.
