

Resolution No. (56) of 2023
Regarding
Development of Provisions for License Renewal and Cancellation at the Request of a
Licensed Person

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 No. (C.B.C. 1-11) of 2023 passed in its meeting No. (11) of 2023 held on 12/04/2023.

The Following Was Resolved

Article (1)

Module Five (Securities Activities and Registered Persons) 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)

Appendix 6 (Application for Renewing Securities Activities License) and Appendix 7 (Application for Cancellation of Securities Activities License) of Module Five (Securities Activities and Registered Persons) 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 are hereby amended pursuant to Annex (2) attached to this Resolution.

Article (3)

Appendix 27 (Regulations of the Application for Cancellation of Some or all Securities Activities License) shall be added to Module Five (Securities Activities and Registered Persons) 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 pursuant to Annex (3) attached to this Resolution.

Article (4)

The Provisions stipulated in this Resolution are not applicable on the applications of the license renewal or cancellation submitted before its enforcement date.

Article (5)

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: 16/04/2023

Annex 1

#	Module	Article	Amendment type	Text before Amendment	Text After Amendment
1	Five	1-12	Amending an Article	<p>License Term and Renewal A license to carry on <u>Securities Activities</u> remains valid for a term of three years from the date on which it is granted. A <u>Licensed Person</u> intending to renew its license for another three years shall apply for a license renewal as follows:</p> <ol style="list-style-type: none"> 1. A license renewal application shall be submitted to the Authority three months prior to the license expiration date in accordance with the form of License Renewal for Securities Activities as set out in Appendix 6 of this Module. An application shall have appended to it. All required documents and information shall be attached to the application including evidence of payment of the fees specified by the Authority. 2. Following receipt of a license renewal application, the <u>Authority</u> may require the licensed person to provide it with such further information or documents as it considers necessary to enable it to determine the application. If the applicant fails to submit the required documents and information within the period of time set by the <u>Authority</u> without an excuse acceptable to the <u>Authority</u>, the application shall be deemed to have been withdrawn. 3. The <u>Authority</u> shall determine a license renewal within two months from the date of receipt of a complete application with all required information and documents. 4. The <u>Authority</u> may reject a license renewal if the <u>Licensed Person</u> does not fulfil the main conditions stipulated in Article (1-7) of this Module. 	<p>License Term and Renewal A license to carry on <u>Securities Activities</u> remains valid for a term of three years from the date on which it is granted. A <u>Licensed Person</u> intending to renew its license for another three years shall apply for a license renewal.</p> <p>In the event that a <u>Licensed Person</u> does not intend to renew some or all <u>Securities Activities</u>, they shall comply with the provisions of Article (1-16) of this Module.</p>

#	Module	Article	Amendment type	Text before Amendment	Text After Amendment
				5. The <u>Authority</u> shall inform the <u>Licensed Person</u> of its determination of the license renewal application. In the event of a rejection, the determination shall be justified.	
2	Five	1-12-1	Adding an Article	-	<p>Submitting an Application for License Renewal</p> <p>A license renewal application shall be submitted in accordance with the requirements of the Application for Renewing Securities Activities License set out in Appendix 6 of this Module three months prior to the license expiration date, with payment of the prescribed fees.</p> <p>The <u>Authority</u> may request, at any time after the receipt of the application, any additional documents or information if it deems necessary.</p> <p>If the <u>Licensed Person</u> fails to submit the required documents and information within the period stipulated by the <u>Authority</u> without an excuse acceptable to the <u>Authority</u>, the application shall be deemed to have been withdrawn.</p>
3	Five	1-12-2	Adding an Article	-	<p>Determination of a License Renewal</p> <p>The <u>Authority</u> shall determine a license renewal within two months from the date of receipt of this application attached with all required information and documents. The <u>Authority</u> may take one of the following decisions regarding the license renewal:</p>

#	Module	Article	Amendment type	Text before Amendment	Text After Amendment
					<p>1. Approval of a license renewal for some or all <u>Securities Activities</u>.</p> <p>2. Rejection of a license renewal for some or all <u>Securities Activities</u>.</p> <p>The <u>Authority</u> may reject a license renewal for any of the licensed activities if the <u>Licensed Person</u> does not fulfil the main conditions stipulated in Article (1-7) of this Module. The <u>Authority</u> shall inform the <u>Licensed Person</u> of its determination of the license renewal application. In the event of a rejection, the determination shall be justified.</p>
4	Five	1-15	Amending an Article	<p>The <u>Authority's</u> cancellation, suspension or restriction of a license shall not prevent the <u>Authority</u> from exercising its right to undertake an investigation or to take any procedures against the <u>Licensed Person</u> or any other person related to any Violation taking place before the date of the <u>Authority's</u> decision of cancellation and suspending the license or restricting the activity.</p>	<p>The Authority's cancellation, renewal rejection, suspension, or restriction of a license shall not prevent the <u>Authority</u> from exercising its right to undertake an investigation or to take any procedures against the <u>Licensed Person</u> or any other person related to any <u>Violation</u> taking place before the date of the <u>Authority's</u> decision of cancellation, renewal rejection or suspension of the license or restricting the activity.</p> <p>The <u>Person</u> shall take all procedures and measures that ensure that the interests of his <u>Clients</u> or the integrity of the financial system are not adversely affected as a result of one of the procedures mentioned in the previous paragraph. Handing over the <u>Clients' Funds</u> and <u>Clients' Assets</u> shall be in accordance with the provisions of Module Seven (Clients' Funds and Clients' Assets) of these <u>Bylaws</u>.</p>

#	Module	Article	Amendment type	Text before Amendment	Text After Amendment
5	Five	1-16	Amending an Article	<p>License Termination at the Request of a Licensed Person</p> <p>A <u>Licensed Person</u> may apply for a termination of its license, whether for all or some of the licensed <u>Securities Activities</u>, as follow:</p> <ol style="list-style-type: none"> 1. A <u>Licensed Person</u> shall use the license termination application in accordance with the form set out in Appendix 7 of this Module. The application shall have appended to it all required documents and information by the <u>Authority</u>. It shall also include evidence of the notification sent to the <u>Central Bank</u> with regard to units subject to its supervision, and pay the fees specified by the <u>Authority</u>. 2. Following receipt of a license termination application, the <u>Authority</u> may require the applicant to provide it with such further information or documents as it considers necessary to enable it to determine the application. If the applicant fails to submit the required documents and information within the period of time set by the <u>Authority</u> without an approved excuse by the <u>Authority</u>, the application shall be deemed to have been withdrawn. 3. The <u>Authority</u> shall determine a license renewal within two months from the date of receipt of an application completed with all required information and documents, subject to amending the <u>Company Contract</u> by deleting reference to any <u>Licensed Activity</u> related to the termination request from the list of objectives set out in the <u>Company Contract</u>. 4. The <u>Authority</u> may impose any requirement on the <u>Licensed Person</u> that are required to ensure that the license termination does not adversely affect the interests of the <u>Licensed Person's Clients</u> 	<p>License Cancellation at the Request of a Licensed Person</p> <p>A <u>Licensed Person</u> may apply for a cancellation of its license, whether for all or some of the licensed <u>Securities Activities</u>, provided that the application for the license cancellation shall be submitted at least six months prior to its expiry.</p> <p>In the event that a <u>Licensed Person</u> fails to comply with the periods specified for license cancellation, they must immediately apply for license renewal.</p> <p>The <u>Licensed Person</u> shall also comply with the regulations included in Appendix 27 (Regulations of the Application for Cancellation of Some or all Securities Activities License) of this Module.</p>

#	Module	Article	Amendment type	Text before Amendment	Text After Amendment
				<p>or the integrity of the financial system.</p> <p>The <u>Authority</u> shall inform the applicant of its determination of the license termination application. In the event of rejection, the determination shall be justified.</p>	
6	Five	1-16-1	Adding an Article	-	<p>Submitting a License Cancellation Application</p> <p>The <u>Licensed Person</u> shall submit the license cancellation application in accordance with the requirements of the Application for Cancellation of Securities Activities License set out in Appendix 7 of this Module, attached with all the documents and information required by the <u>Authority</u>. It shall also include evidence of the notification sent to the <u>Central Bank</u> regarding units subject to its supervision.</p> <p>The <u>Authority</u>, at any time after the receipt of the application, may require any additional documents or information if it deems necessary.</p> <p>If the <u>Licensed Person</u> fails to submit the required documents and information within the period set by the <u>Authority</u> without an excuse acceptable to the <u>Authority</u>, the application shall be deemed to have been withdrawn.</p>
7	Five	1-16-2	Adding an Article	-	<p>Determination of the License Cancellation</p> <p>The <u>Authority</u> shall determine a license cancellation within two months from the date of receipt of this application attached with all required information and documents. The <u>Authority</u> may take one of the following decisions regarding the license renewal:</p>

#	Module	Article	Amendment type	Text before Amendment	Text After Amendment
					<p>1. Approval of the license cancellation of some or all <u>Securities Activities</u>.</p> <p>2. Rejection of the license cancellation of some or all <u>Securities Activities</u>.</p> <p>The <u>Authority</u> may reject a license cancellation of any of the licensed activities if it deems necessary or if the <u>Licensed Person</u> does not fulfil the regulations stipulated in Appendix 27 or the requirements of cancellation stipulated in Appendix 7 of this Module.</p> <p>The <u>Authority</u> shall inform the <u>Licensed Person</u> of its determination of this request. In the event of rejection, the determination shall be justified.</p>
8	Five	1-16-3	Adding an Article	-	<p>Person's Obligations after a License Cancellation</p> <p>1. The company is required to amend the memorandum and articles of association by cancelling the provision of "<u>Securities Activities</u>" from its purposes within one year from the issuance date of the cancellation resolution or upon holding the company's extraordinary general assembly, whichever is earlier, in accordance with the applicable measures at the <u>Authority</u>.</p> <p>2. If a license cancellation was justified for the purpose of liquidation, the company shall fulfil the liquidity procedures in accordance with the provisions of the <u>Companies Law</u> and its Executive Bylaws, and it shall provide the commercial register</p>

#	Module	Article	Amendment type	Text before Amendment	Text After Amendment
					<p>notations that indicate the approval of the general assembly on the appointment of the liquidator.</p> <p>3. The company or the liquidator, as the case may be, shall notify the <u>Authority</u> with the supporting documents approving the amendment mentioned in the items of this Article to complete the procedures of cancelling the company from the <u>Licensed Persons</u> register.</p>
9	Five	1-18	Amending an Article	<p>Notice Requirements A <u>Licensed Person</u> shall:</p> <ol style="list-style-type: none"> 1. Notify the <u>Authority</u> at least thirty days prior to the date of any change of address of its headquarters or the chosen domicile to which notices or documents should be addressed. 2. Notify the <u>Authority</u> within five <u>Business Days</u> as of incorporation, ownership, sale or dissolution of a <u>Subsidiary Company</u>, or in the event of any change in the information submitted to the <u>Authority</u> with regard to the branch offices through which the <u>Licensed Person</u> practices <u>Securities Activities</u> either inside or outside Kuwait. 3. Notify the <u>Authority</u> within five <u>Business Days</u> from the date of the appointment, resignation, or replacement of its <u>Auditor</u>. 4. Notify the <u>Authority</u> immediately upon the occurrence of any development pertaining to the insolvency or liquidation of the <u>Licensed Person</u>, any <u>Controller</u> company controlling the same or a member in their <u>Group</u>, or if any regulatory authority conducts an investigation, imposes 	<p>Notice Requirements A <u>Licensed Person</u> shall:</p> <ol style="list-style-type: none"> 1. Notify the <u>Authority</u> at least thirty days prior to the date of any change of address of its headquarters or the chosen domicile to which notices or documents should be addressed. 2. Notify the <u>Authority</u> within five <u>Business Days</u> as of incorporation, ownership, sale or dissolution of a <u>Subsidiary Company</u>, or in the event of any change in the information submitted to the <u>Authority</u> with regard to the branch offices through which the <u>Licensed Person</u> practices <u>Securities Activities</u> either inside or outside Kuwait. 3. Notify the <u>Authority</u> within five <u>Business Days</u> from the date of the appointment, resignation, or replacement of its <u>Auditor</u>. 4. Notify the <u>Authority</u> immediately upon the occurrence of any development pertaining to

#	Module	Article	Amendment type	Text before Amendment	Text After Amendment
				<p>disciplinary measures or punishments on the <u>Licensed Person</u> in relation to its <u>Securities Activities</u> or in the event that issuance of a judgment that has a material influence on the financial position of the <u>Licensed Person</u> or in the event of any <u>Violation</u> of the provisions stipulated in the Law or these <u>Bylaws</u>, without prejudice to Article (3-3) of Module Seven (Client Funds and Assets) of these <u>Bylaws</u>.</p> <p>5. Notify the <u>Authority</u> with any decision or procedure issued by a foreign regulatory authority to grant or cancel any licenses to practice <u>Securities Activities</u> of the <u>Licensed Person</u>.</p> <p>6. Notify the <u>Authority</u> upon admission or refusal of the <u>Licensed Persons</u>' membership at a <u>Securities Exchange</u> or a <u>Clearing Agency</u>.</p> <p>7. Hold its annual ordinary general assembly following the end of the financial year within two months from the date of providing the <u>Authority</u> with its annual audited financial statements.</p> <p>8. Notify the <u>Authority</u> of the agenda and place of the ordinary and extra ordinary general assembly's meeting -along with all documents relevant to the items listed on the agenda- at least ten <u>Business Days</u> prior to the commencement of the meeting.</p> <p>9. Providing the <u>Authority</u> with a copy of the minutes of the ordinary and extraordinary meeting -whatever the case may be- authenticated, in addition to a certificate of noting the amendment of the <u>Company Contract</u> in the commercial register within a maximum of two weeks from the date of the commencement of the meeting.</p>	<p>the insolvency or liquidation of the <u>Licensed Person</u>, any <u>Controller</u> company controlling the same or a member in their <u>Group</u>, or if any regulatory authority conducts an investigation, imposes disciplinary measures or punishments on the <u>Licensed Person</u> in relation to its <u>Securities Activities</u> or in the event that issuance of a judgment that has a material influence on the financial position of the <u>Licensed Person</u> or in the event of any <u>Violation</u> of the provisions stipulated in the Law or these <u>Bylaws</u>, without prejudice to Article (3-3) of Module Seven (Client Funds and Assets) of these <u>Bylaws</u>.</p> <p>5. Notify the <u>Authority</u> with any decision or procedure issued by a foreign regulatory authority to grant or cancel any licenses to practice <u>Securities Activities</u> of the <u>Licensed Person</u>.</p> <p>6. Notify the <u>Authority</u> upon admission or refusal of the <u>Licensed Persons</u>' membership at a <u>Securities Exchange</u> or a <u>Clearing Agency</u>.</p> <p>7. Hold its annual ordinary general assembly following the end of the financial year within two months from the date of providing the <u>Authority</u> with its annual audited financial statements.</p> <p>8. Notify the <u>Authority</u> of the agenda and place of the ordinary and extra ordinary</p>

#	Module	Article	Amendment type	Text before Amendment	Text After Amendment
				10. Obtaining the <u>Authority's</u> prior approval on any amendment of the <u>Company Contract</u> .	<p>general assembly's meeting -along with all documents relevant to the items listed on the agenda- at least ten <u>Business Days</u> prior to the commencement of the meeting.</p> <p>9. Providing the <u>Authority</u> with a copy of the minutes of the ordinary and extraordinary meeting - whatever the case may be- authenticated, in addition to a certificate of noting the amendment of the <u>Company Contract</u> in the commercial register within a maximum of two weeks from the date of the commencement of the meeting.</p> <p>10. Obtaining the <u>Authority's</u> prior approval on any amendment of the <u>Company Contract</u>.</p> <p>11. Providing the <u>Authority</u> with updated copies of the policies, procedures, documents, information, services, and date relevant to granting the license within five <u>Business Days</u> from the date of their approval by the Board of Directors of the <u>Licensed Person</u>.</p> <p>12. Providing the <u>Authority</u> with a copy of the updated supporting documents of the company's license issued by the Ministry of Commerce and Industry within five <u>Business Days</u> from the date of this update.</p>
10	Five	1-22	Amending an Article	No appointment of a liquidator to a <u>Licensed Person</u> shall be made without obtaining the <u>Authority's</u>	No appointment of a liquidator to a <u>Licensed Person</u> shall be made without obtaining the <u>Authority's</u> approval, except in

#	Module	Article	Amendment type	Text before Amendment	Text After Amendment
				<p>approval, except in appointment by a judicial judgment.</p> <p>The <u>Authority</u> may instruct a liquidator to take certain procedures or measures to maintain the assets and cash reserves of the <u>Clients</u> of the <u>Licensed Person</u> whether those monies are under custody of the <u>Licensed Person</u> or another person.</p> <p>This provision does not apply on <u>Units Subject to the Supervision of the Central Bank</u>.</p>	<p>appointment by a judicial judgment.</p> <p>A <u>Licensed Person</u> that wishes to appoint liquidator and proceed with the company's liquidation shall submit a justified license cancellation application in accordance with the provisions of Article (1-16) of this Module.</p> <p>The <u>Authority</u> may instruct a liquidator to take certain procedures or measures to maintain the assets and cash reserves of the <u>Clients</u> of the <u>Licensed Person</u> whether those monies are under custody of the <u>Licensed Person</u> or another person.</p> <p>This provision does not apply on <u>Units Subject to the Supervision of the Central Bank</u>.</p>
11	Five	1-22-1	Adding an Article	-	<p>Without prejudice to the <u>Companies Law</u> and its <u>Executive Bylaws</u> or the <u>Company Contract</u>, the liquidator may be appointed from the persons that are licensed to practice the activity of <u>Collective Investment Scheme Manager</u>, <u>Investment Portfolio Manager</u>, <u>Investment Controller</u>, and <u>Custodian</u>, or an auditor registered with the <u>Authority</u> who is independent of the <u>Licensed Person</u>.</p>

Annex 2

Appendix 6

Application for Renewing Securities Activities License

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Section 3	License Intended for Renewal
Section 4	Major shareholders
Section 5	Attachments and required documents
Section 6	Appendix A - Declaration
Section 7	Appendix B – List of Registered Employment Positions

1. Instructions

- This form shall be submitted after the payment of the fee depending on the type of license to be renewed according to the schedule of fees, and three months before the license expiration date according to the Executive Bylaws of Law No.7 of 2010 and its amendments.
- The Authority shall review the application within two months from the date of the receipt of the application fulfilling all the requirements and documents required for approval of the license renewal.
- Licensed person may resort to the Authority's arbitration rules to solve a dispute concerning securities activities.
- Applicant shall send the application or any inquiries concerning this form to the licensing and registration department in the Capital Markets Authority at the address below:

Capital Markets Authority – 20th floor Al-Hamra Tower – Sharq – Kuwait

P.O. Box 3913 Safat 13040 Kuwait lrd@cma.gov.kw

2. Information of the applicant	
2.1 Information of applicant	
Name of licensee:	
License Number:	
Date of Issuance of License:	Date of Expiration of License:
2.2 Information of Liaison Officer	
Name:	
Phone Number:	Mobile Number (individual):
E-mail Address:	

3. License Intended for Renewal	
3.1 License Intended for Renewal	
<input type="checkbox"/> Investment Portfolio Manager	<input type="checkbox"/> Collective Investment Scheme Manager
<input type="checkbox"/> Investment Advisor	<input type="checkbox"/> Subscription Agent
<input type="checkbox"/> Custodian	<input type="checkbox"/> Securities Broker registered at the Exchange
<input type="checkbox"/> Investment Controller	<input type="checkbox"/> Securities Broker not registered at the Exchange
<input type="checkbox"/> Market Maker	<input type="checkbox"/> Qualified Securities Broker registered at the Exchange
<input type="checkbox"/> Valuation of Assets	<input type="checkbox"/> Credit Rating Agency
3.2 Company's Legal Form	
<input type="checkbox"/> Shareholding Company	<input type="checkbox"/> Commercial Bank
<input type="checkbox"/> Foreign Company Branch	<input type="checkbox"/> Limited Liability Company

Is the applicant one of the Units Subject to the Supervision of the Central Bank? Yes No
 Does the applicant practice his activities according to Islamic Sharia? Yes No

4. Major shareholders			
4.1 Major shareholders*			
	Major shareholders	Share	Nationality
1			
2			
3			

*The Authority shall be provided with names of major shareholders who own 5% or more from the company's capital pursuant to the latest update of data approved by the Clearing Agency.

4.2 Capital

5. List of Required Documents and Attachments				
5.1 Required Attachments				
	Attachment/Required Document	Status		Notes
1	Copy of fees payment receipt.	<input type="checkbox"/> Available	<input type="checkbox"/> Not applicable	
2	Copy of license certificate.	<input type="checkbox"/> Available	<input type="checkbox"/> Not applicable	
3	Copy of the license issued by the Ministry of Commerce and Industry.	<input type="checkbox"/> Available	<input type="checkbox"/> Not applicable	
4	Updated and valid certificate to whom it may concern indicating Board Members issued by Ministry of Commerce and Industry.	<input type="checkbox"/> Available	<input type="checkbox"/> Not applicable	
5	List of Names of Officers filling Positions required for Registration**	<input type="checkbox"/> Available	<input type="checkbox"/> Not applicable	
6	Declaration as per the attached form – Appendix.	<input type="checkbox"/> Available	<input type="checkbox"/> Not applicable	

*If the state of the appendix is not applicable for the applicant, please provide the Authority with a separate document to indicate the reasons why it is not applicable.

** List to be prepared as per the schedule attached to Appendix (7-B).

Applicant	Application Reviewer (For Office Use)
Date: / /	Date: / /
Signature	Signature
Seal	Seal

6. Appendix A	
Declaration	
I, the undersigned, hereby declare that no changes have been made to the information and documents pertaining to granting the license, as submitted to the Authority, and undertake to report any changes that might occur in this regard and to provide the Authority with copies of such modified information and documents.	
Approval of declaration	
Applicant name	
Applicant capacity	
Signature	
Date	
Seal of the company	

7. Appendix B

List of Registered Employment Positions

The table shall be filled in with all the names of officers who perform registered employment positions, taking into account the following:

- All registered employment positions required according to the type of activity.
- All names of officers, in the event of more than one officer in a Registered Employment Position, by way of adding entries to the position in the table provided below.
- All names of external entities that are assigned to undertake Registered Employment Positions (if any).
- “N/A” shall be used in the event the company does not carry out a Registered Employment Position as per the licensed activities.

Registered Employment Position	Name of Employee/ External Entity	Occupational title	Civil ID No.	Phone No. (Direct)	Phone No. (Mobile)	Email Address
Chief Executive Officer						
Senior Executive Officers						
Chief Financial Officer						
Compliance Officer						
Risk Management Officer						
Internal Audit Officer						
Sharia Audit Officer						
Representative of a Securities Activities Broker registered in the Exchange						
Representative of a Securities Activities Broker not registered in the Exchange						
Representative of a Qualified Securities Activities Broker registered in the Exchange						
Investment Advisor Representative						
Representative of an Investment Portfolio Manager (Managed by the Client personally and custody)						
Representative of an Investment Portfolio Manager (Managed by						

the Licensed Person in favour of Clients)						
Representative of Collective Investment Scheme Manager						
Representative of a Collective Investment Scheme Manager (Operations Officer)						
Representative of a Custodian						
Representative of an Investment Controller						
Representative of a Subscription agent						
Representative of a Valuation of Assets						
Senior Investment Advisor						
Senior Asset Valuator						

Appendix 7

Application for Cancellation of Securities Activities License

Table of Contents

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Section 4	Attachments and required documents

1. Instructions

- The Licensed Person shall meet all the provisions of Appendix 27 (Regulations of the Application for Cancellation of Some or all Securities Activities License) prior to submitting the application for cancellation of Securities Activities license.
- The prior approval of the extra-ordinary general assembly on the proposal of the license cancellation of all or some of the securities activities is required for the submission of the application for cancellation of license, provided that this cancellation shall be reasoned.
- The Licensed Person shall comply with the time periods stipulated in Module Five of the license cancellation at the request of a Licensed Person.
- The suggested date for cancellation shall be at least six months after the date of submitting the application.
- The Authority may request any additional information, documents, or clarifications from the Licensed Person at the time of reviewing his application. If he fails to submit the required documents and information within the period of time set by the Authority in the notification without an excuse acceptable to the Authority, the application shall be deemed to have been withdrawn.
- The Authority shall determine the application within two months from the date of completion of all required information and documents.
- Provide the Authority with any supporting documentation to the request should the applicant be unable to meet certain requirements.
- The applicant shall comply with all the procedures issued by the Authority as required after determination of the submitted application.
- The Units Subject to the Supervision of the Central Bank shall comply with regulations of the license cancellation stipulated in the memorandum of cooperation concluded between the Authority and the Central Bank.
- The Licensed Person shall notify the Authority in writing immediately upon the occurrence of any obstacles in the procedures of the Securities Activities License cancellation.
- In the event that the Licensed Person fails to comply with the license cancellation periods, he must immediately request to renew the license.
- The Authority may require the applicant of the license cancellation to take all the procedures and measures that ensure that the interests of its clients or the integrity of the financial system are not harmed as a result of the license cancellation.
- The Licensed Person may resort to the Authority's arbitration rules to resolve a dispute concerning Securities Activities.
- The Licensed Person should submit the cancellation application through the Authority's electronic portal. For any inquiries regarding the application or related to it, kindly contact the Licensing and Registration Department at the Capital Markets Authority at the address below:

Capital Markets Authority – 20th floor / Al-Hamra Tower – Sharq – Kuwait

P.O. Box 3913 Safat 13040 Kuwait lrd@cma.gov.kw

2. Information of the Applicant	
2.1 Information of applicant	
Name of licensee:	
License Number:	
Date proposed for cancellation:	
2.2 Information of Liaison Officer	
Name:	
Phone Number:	Mobile Number (individual):
E-mail Address:	

3. License Intended for Cancellation	
3.1 License Intended for Cancellation	
<input type="checkbox"/> Investment Portfolio Manager	<input type="checkbox"/> Collective Investment Scheme Manager
<input type="checkbox"/> Investment Advisor	<input type="checkbox"/> Subscription Agent
<input type="checkbox"/> Custodian	<input type="checkbox"/> Securities Broker registered at the Exchange
<input type="checkbox"/> Investment Controller	<input type="checkbox"/> Securities Broker not registered at the Exchange
<input type="checkbox"/> Market Maker	<input type="checkbox"/> Qualified Securities Broker registered at the Exchange
<input type="checkbox"/> Valuation of Assets	<input type="checkbox"/> Credit Rating Agency
3.2 Legal Form of Licensed Person	
<input type="checkbox"/> Shareholding Company	<input type="checkbox"/> Commercial Bank
<input type="checkbox"/> Foreign Company Branch	<input type="checkbox"/> Limited Liability Company
- Is the applicant one of the Units Subject to the Supervision of the Central Bank? <input type="checkbox"/> Yes <input type="checkbox"/> No	
- Does the applicant practice his activities according to Islamic Sharia? <input type="checkbox"/> Yes <input type="checkbox"/> No	
3.3 Licensed Person's capital	
3.4 Reasons for Cancellation of License	
<input type="checkbox"/> Dissolution and liquidation of the company.	
<input type="checkbox"/> Other reasons: *Kindly mention the reason	

4. Attachments and Required Documents			
4.1 Required Attachments			
	Attachment / Required Document	Status*	Notes
List of documents required upon submission of a cancellation application			
1	Minutes of extraordinary general assembly meeting stating the approval of the company's shareholders on the proposal of the justified Securities Activities license cancellation.	<input type="checkbox"/> Available <input type="checkbox"/> Not applicable	
2	Resolution of the company's Board of Directors regarding the Securities Activities license cancellation.	<input type="checkbox"/> Available <input type="checkbox"/> Not applicable	

3	Report of an Auditor registered at the Authority.	<input type="checkbox"/> Available	<input type="checkbox"/> Not applicable	
4	Copy of the Clients' register – in accordance with item (4) of the Licensed Person's obligations stipulated in Appendix 27.	<input type="checkbox"/> Available	<input type="checkbox"/> Not applicable	
5	Copy of Form (2) of Appendix 2 (Securities Investment Portfolio Forms) of Module Seven (Clients' Funds and Clients' Assets) of these Bylaws.	<input type="checkbox"/> Available	<input type="checkbox"/> Not applicable	
6	Notification of the Central Bank of Kuwait for terminating all Securities Activities and the transfer to a finance company.	<input type="checkbox"/> Available	<input type="checkbox"/> Not applicable	
The documents listed below are to be submitted in case the authorized person intends to be liquidated				
1	Information of the liquidator: • Name of liquidator: • Copy of liquidator's license/registration certificate	<input type="checkbox"/> Available	<input type="checkbox"/> Not applicable	
2	Joint declaration between the Licensed Person and the liquidator on the independency and that there is no conflict of interest.	<input type="checkbox"/> Available	<input type="checkbox"/> Not applicable	

*If the state of the appendix is not applicable for the applicant, please provide the Authority with a separate document to indicate the reasons why it is not applicable.

Applicant	Application Reviewer (For Office Use)
Date: /..... /.....	Date: /..... /.....
Signature	Signature
Seal	Seal

Annex (3)

Appendix 27

(Regulations of the Application for Cancellation of Some or all Securities Activities License)

Entity	Regulations
<u>Responsibilities of the Licensed Person:</u>	<ol style="list-style-type: none">1. The Board of Directors of the Licensed Person shall recommend a proposal at the extra-ordinary general assembly to cancel the license of some or all licensed Securities Activities and state its reasons, provided that the Licensed Person shall obtain the approval of the extra-ordinary general assembly on the proposal of terminating the license of practicing some or all Securities Activities.2. The Licensed Person shall take the Care of a Prudent Person when terminating its contracts with its clients. In the event that the Licensed Person manages the Clients' Funds and Clients' Assets or safe keeps them, it shall hand over the Clients' Funds and Clients' Assets in accordance with the approved procedures stipulated in contracts signed between the two parties.3. The Licensed Person – after terminating the contracts with its Clients – shall submit a report by an auditor registered at Authority's register who is independent of it and is responsible for the Application for Cancellation of Securities Activities License. The date of the report that was approved by the auditor shall not exceed a period of two months from the date of submitting the cancellation application.4. The Licensed Person shall establish a register for the Clients' cases which the company was not able to terminate its contracts with and state the reasons and details of the contract. In the event that the Licensed Person manages the Clients' Funds and Clients' Assets or safe keeps them, it shall include the following as a minimum:<ul style="list-style-type: none">- Full name (individual) / Commercial name (company).- Civil ID. No. (individual) / Commercial register No. (company).- Contact details.- Client's balance.- Detailed statement of the Client's Funds and assets determined in Article (1-2) of Module Seven (Clients' Funds and Clients' Assets).- Funds and assets' location (select country).- Determine the entity that manages the Funds and assets in the events of assigning a specialized external entity that is licensed by a supervisory entity similar to the Authority (if any, for the activities that permit the assignment).- Any other information the Licensed Person deems necessary to mention.<p>*Note: In the event of practicing the activity of Investment Portfolio Manager, the applicant shall submit Form (2) of Appendix 2 (Securities Investment Portfolio Forms) of Module Seven (Clients' Funds and Clients' Assets) of these Bylaws among the required documents in order to decide on the cancellation application.</p>

	<p>5. Submit a cancellation application when the Registered Person no longer occupies a Registered Position or Employment Position in accordance with the application for cancellation of the registration of Registered Positions or Employment Positions included in Appendix 16 of this Module.</p>
<p><u>Responsibilities of the Auditor registered at the Authority:</u></p>	<ul style="list-style-type: none"> • The auditor shall exercise due diligence in verifying the integrity of all procedures required of the Licensed Person that wishes to cancel its license prior to issuing their report. • The report issued by the registered auditor shall include the following, as a minimum: <ul style="list-style-type: none"> - Validity of the procedures taken by the Licensed Person in the request to terminate the license. - The Licensed Person is not practicing the Securities Activities that will be cancelled. - Integrity of the process of terminating the contracts and handing over the Clients' Funds and Clients' Assets to them. - The Licensed Person's accounts are free from the Clients' Funds and Clients' Assets. - A statement of the outstanding contracts – which the Licensed Person did not terminate – and shall include, in detail, the activity relevant to the contract, reasons of not terminating it, and the Clients' information, Funds, and assets. - Any other information or remarks the auditor deems necessary to include in the report. <p>In the event that the auditor detects any misleading or suspicious procedures, data, or transactions during the verification process mentioned above, they shall immediately notify the Authority thereon.</p>