

The Executive Bylaws
Module Eighteen

Passporting of Financial Products





Contents

List of Abbreviations

Definitions

Chapter

Title

Chapter One

General Provisions

1-1 Scope of Application

Chapter Two

Passporting of Financial Products

2-1 Obligations of Passporting Marketing

2-2 Clients Register

2-3 Obligations of the Authority as a Registering Regulatory Entity

2-4 Obligations of the Authority as a Host Regulatory Entity

2-5 Powers of the Authority as a Registering or Host Regulatory Entity

2-6 Cancelling the Registration of Financial Products

2-7 Confidentiality of Information and Authorized Use

Chapter Three

Passported Funds

3-1 Scope of Application

3-2 Local Funds Licensed by the Authority

3-3 Funds subject to one of the Regulatory Entities

3-3-2 Offering Units in the State of Kuwait

3-4 Registration of Passporting Fund to Market its Units in the State of Kuwait

3-4-4 Obligations of the Marketing Person

3-5 Financial Products Register

3-6 Transfer of Ownership

3-7 Complaints and Disputes

3-8 Cancellation of a Passporting Fund

Appendices

Appendix 1

Passported Funds

Chapter One

General Provisions

1

Article 1-1**Scope of Application****Article 1-1-1**

This Module aims to establish a mutual regulatory framework for the Regulatory Entities of capital markets in the Gulf Cooperation Council countries, for the purposes of regulatory coordination among them regarding the Passporting of passported Financial Products.

This Module is applicable to each of the following:

- a. Financial Products approved for Passported Marketing.
- b. Marketing Person.
- c. An entity appointed for Passported Marketing.

This Module is not applicable to other Securities that fall under the Authority's competence and that are subject to the provisions of the Bylaws.

Article 1-1-2

Without prejudice to the responsibility of the issuers and marketers of Financial Products, this Module does not, in any part of it, oblige the Authority to guarantee indemnification to any other Regulatory Entity or any other Person whatsoever concerning the compliance of any issuer, marketer or any relevant service provider as per the applicable legislation.

Article 1-1-3

The Authority may request assistance from another Regulatory Entity in performing investigation procedures related to the Financial Product in its jurisdiction, including providing the information in its possession, and summoning and interrogating any Person to obtain the required information as permitted by the applicable legislation.

Article 1-1-4

Further to the additional provisions imposed by the Authority regarding the passported Financial Products in its jurisdiction, the Financial Product shall meet the minimum standards specified in the Passporting Regulations.

Chapter Two

Passporting of Financial Products

Obligations of Passporting Marketing

Article 2-1

The Marketing Person or the entity appointed for Passporting Marketing shall not commence Passporting of any Financial Product in any of the Regulatory Entities in the Gulf Cooperation Council (GCC) countries except after meeting the conditions and obligations set forth in this Module.

Clients Register

Article 2-2

The Marketing Person or the entity appointed for Passported Marketing shall maintain an updated register of Clients to whom a marketing was performed in the State of Kuwait, which shall include the following details:

1. For individuals: Names of Clients, their addresses, identity cards or passports, and details and value of their investment in the Financial Product.
2. For companies: Names of companies, nationality, headquarter address, commercial register numbers, details and value of their investment in the Financial Product and the Persons authorized to access the company's accounts and data.
3. Date of entry of Clients' names in the register, and movement on the accounts thereof, if such movement was carried out by the Marketing Person.
4. Any other information related to Clients.

Article 2-3

Obligations of the Authority as a Registering Regulatory Entity

Article 2-3-1

The Authority, as per the Regulatory Framework of Passporting and the Passporting Regulations, shall have the competency of a Registering Regulatory Entity in registering the Financial Product in the Financial Products register whenever an application or notice is submitted thereto.

Article 2-3-2

The Obligations of the Authority as a Registering Regulatory Entity:

1. Send a notice to the Host Regulatory Entity that includes all the information related to the Financial Product according to the specified form.
2. Create a record of Financial Products that were approved to be passported within its jurisdiction.
3. Publish the data of each Financial Product that is registered in the Financial Product register, along with identifying the Host Regulatory Entity of such product.
4. Conduct on-site inspection with respect to any passported Financial Product, with the possibility of involving employees of other Regulatory Entities in the inspection procedures, if necessary, as permitted by local legislation, and provide the necessary support for the participation of the requesting Regulatory Entity in conducting the inspection.
5. Send a report every three months to the Host Regulatory Entity, including a summary of the violations, complaints or on-site inspections it carried out, and the resulting decisions or penalties regarding activities and services related to Financial Products in its area of jurisdiction - if any - when their impact extends to the Host Regulatory Entity.
6. Take the necessary measures to stop any behavior that violates the provisions of this Module regarding Passporting on the part of the Marketing Person, issuers or service providers related to the Financial Product.
7. Request to cease the marketing of Financial Products, their repurchase or redemption, as the case may be, whenever that is necessary and falls within its powers.
8. Take the necessary measures against the Marketing Person, the entity appointed for Passported Marketing, or the relevant issuers or service providers.

Article 2-4	Obligations of the Authority as a Host Regulatory Entity
Article 2-4-1	The <u>Authority</u> has the right, as per the <u>Regulatory Framework of Passporting</u> and the <u>Passporting Regulations</u> , to host any <u>Financial Product</u> to be marketed to <u>Clients</u> within its jurisdiction, without prejudice to its national or public interest or violation of the legislation in force.
Article 2-4-2	<p>Obligations of the <u>Authority</u> as a <u>Host Regulatory Entity</u>:</p> <ol style="list-style-type: none"> 1. After receiving the <u>Financial Product's</u> registration notice from the <u>Registering Regulatory Entity</u>, the <u>Authority</u> shall register this product in the <u>Financial Products</u> register. 2. The <u>Authority</u> shall declare the decisions related to <u>Passporting</u>. 3. Send a report to the <u>Registering Regulatory Entity</u> including a summary of the violations or complaints related to activities and services with regards to <u>Financial Products</u> in its jurisdiction, if any, within ten <u>Business Days</u> of the occurrence of such violations or complaints if their impact extends to the <u>Registering Regulatory Entity</u>. 4. Conduct urgent discussions with the <u>Registering Regulatory Entity</u> if the activities of marketing the <u>Financial Products</u> in its jurisdiction would harm <u>Clients</u> in the <u>Financial Product</u> or in the financial stability in its jurisdiction. 5. Prevent marketing the <u>Financial Products</u> in its jurisdiction, including cancelling the <u>Financial Products</u> from its <u>Financial Products</u> register. 6. Impose the necessary penalties on the <u>Marketing Person</u> or the entity appointed for <u>Passporting</u> or the relevant issuers or service providers after the <u>Financial Product</u> is banned or cancelled according to the legislation in force in its jurisdiction.
Article 2-5	Powers of the Authority as a Registering or Host Regulatory Entity
Article 2-5-1	<p>The <u>Authority</u>, upon taking a decision as a <u>Registering Regulatory Entity</u> or a <u>Host Regulatory Entity</u> on exercising its powers based on an application submitted by another <u>Regulatory Entity</u>, shall take into account, in particular, the following factors:</p> <ol style="list-style-type: none"> 1. It shall not prejudice the legislation in force in its jurisdiction. 2. The extent of seriousness of the matter and its importance to the mutual public interest, which necessitates the provision of the required assistance. 3. If the matter furthers one or more of its objectives.
Article 2-5-2	The <u>Authority</u> , as a <u>Registering Regulatory Entity</u> or a <u>Host Regulatory Entity</u> , may reject registering any passported <u>Financial Product</u> in the <u>Financial Products</u> register at the <u>Authority</u> , if that would prejudice its national or public interest, or violates the applicable legislation.
Article 2-5-3	If the <u>Authority</u> decides to reject the registration of any <u>Financial Product</u> for any reason, it shall inform the <u>Registering Regulatory Entity</u> of this decision within ten (10) <u>Business Days</u> of receiving the notification from the <u>Registering Regulatory Entity</u> and the reasons that led to its issuance. The <u>Authority</u> may request a one-time extension of the deadline for further review for a similar period.

Article 2-6**Cancelling the Registration of Financial Products****Article 2-6-1**

The Authority has the right to cancel the registration of any passported Financial Product for any reason that is not based on this Module, the Regulatory Framework or the Passporting Regulations. It may cancel the registration of the product from its Financial Products register and notify the other Regulatory Entities promptly of the cancellation of the Financial Product, indicating the reasons.

Article 2-6-2

Cancellation of the Financial Product shall result in the cancellation of the marketing in its jurisdiction, and such cancellation shall not affect the rights and obligations of any of the Clients to whom a marketing was performed prior to the date of cancellation.

Article 2-7**Confidentiality of Information and Authorized Use****Article 2-7-1**

The Authority is obligated not to disclose any information provided to it by any other Regulatory Entity except to the extent authorized, and to maintain all information in accordance with the measures and procedures applied in its jurisdiction.

Article 2-7-2

The Authority may disclose information provided to it by other Regulatory Entities in the following cases:

1. For the purposes and persons authorized in accordance with the applicable legislation and judicial rulings issued in the jurisdiction of each of them.
2. Upon obtaining the prior written approval of the Regulatory Entity that provided the information.

Chapter Three

Passported Funds

3

Article 3-1

Scope of Application

The provisions of this Chapter shall apply to Funds that are registered for Passporting or that have applied for Passporting for the purpose of marketing their Units in one of the Gulf Cooperation Council (GCC) countries.

The provisions of Chapter One and Chapter Two of this Module, the Passporting Regulations and the Regulatory Framework of Passporting shall also apply to them unless otherwise specified in this Chapter.

1

Article 3-2

Article 3-2-1

Local Funds Licensed by the Authority

A Fund – whose incorporation was licensed by the Authority – may submit an application to the Authority to register a Passported Fund in the register of Financial Products to market its Units in any of the Regulatory Entities, provided that the following controls are met:

1. Submit a Passporting application for the Fund according to the form included in Attachment (1) (Application for Registration of Passported Fund) of Appendix 1 of this Module, provided that all documents and information required in this form shall be attached to the application, and the prescribed fee must be paid.
2. The Authority shall decide on the application after receiving the application complete with all the required information and documents, within a maximum period of ten Business Days from the date of its submission. In the event of issuance of a resolution to approve or reject the application, the Host Regulatory Entity and the Fund Manager shall be notified within ten Business Days from its issuance date. The Fund Manager shall not practice any of the Passported Marketing activities with the Host Regulatory Entity based on this notification unless a final decision was taken on the application by the Host Regulatory Entity.
3. In the event of rejection of the application, the rejection decision shall be reasoned. The Authority, before issuance of the rejection decision, may notify the Fund Manager to address the rejection reasons, and the Fund Manager shall complete what is missing within ten Business Days from the notification date, otherwise the application shall be rejected.
4. The Host Regulatory Entity shall decide on the application to register the Fund within a period not exceeding ten Business Days from the date of receipt of the notification from the Authority, and it may extend this period for another similar period for further study.
5. The Host Regulatory Entity shall notify the Authority of its decision to approve or reject the application to register the Fund. In the event of rejection, the rejection decision shall be reasoned.
6. The Authority shall notify the Fund Manager of the decision of the Host Regulatory Entity regarding the application. In the event of approval of the Host Regulatory Entity, the notification shall include the commencement date of such approval.
7. In the event of any change or error in the information provided in the application submitted by them at any time between (the date of notifying them of the approval of Passported registration of the Fund and the commencement date of Passported Marketing in the jurisdiction of the Host Regulatory Entity) The Fund Manager shall send a written notification thereof to both the Authority and the Host Regulatory Entity within one Business Day from the date of occurrence of the change or discovery of the error was detected and provide them with all details of such change or error.
8. If the change or error resulted in the failure of the Fund Manager to comply with the provisions of these Bylaws or the legislations applied in the jurisdictions of the Authority or the Host Regulatory Entity, the Fund shall be cancelled from the Financial Products register according to the regulating provisions.

The Authority, at any time after receiving the Passporting application of the Fund that meets the requirements according to Item (1) of this Article, may request additional information or documents it deems necessary to decide on the application. If the applicant failed to submit such information and documents within the period determined by the Authority, the application shall be deemed to have been withdrawn.

Article 3-2-2

The Fund Manager – before the submission of application to register a Passported Fund – shall amend the annex of the articles of association to include the following additional provisions:

1. Statement indicating that the articles of association and its annex are documents of the Fund and the provisions of each one of them are valid on the date determined at the top of this document, provided that it includes a declaration of disclaimer. It shall be a prominent legible disclaimer written in bold font and framed as follows:

The Regulatory Entities shall not bear any liability for the validity, comprehensiveness, and adequacy of the data and information included in the Fund's articles of association and its appendix. They expressly disclaim any liability for any loss that may be incurred by any Person who may make decisions based on any information or data included in the Fund's articles of association or appendix.

2. Fund's incorporation date.
3. The percentage of the Fund Manager's participation in the Fund's capital.
4. Names of members of the Executive Committee and brief curriculum vitae for each one of them.
5. If the Fund Manager is a Subsidiary Company of the Parent Company, the company's name and the country or region in which that Parent Company was established must be determined.
6. State the Related Parties of the Fund Manager.
7. Summary of the material provisions of the contract signed between each of the Fund and the Fund Manager that are meant for the Unit holders, which includes the provisions related to termination, indemnification upon termination, and indemnification guarantee.
8. State if any third party was assigned to undertake part of the services providers' tasks and determine the following data of that entity as a minimum:
 - Name of the service provider.
 - The Regulatory Body it subjects to.
 - Fees of the service provider.

Article 3-3

Funds subject to one of the Regulatory Entities

Article 3-3-1

The Authority, based on a notification submitted to it by one of the Regulatory Entities, may register the Passported Fund in its Financial Products register and approve the marketing of its Units in the State of Kuwait according to the requirements included in this Module.

As an exemption of the forgoing, none of the Funds specified in this Article shall be entitled to apply for a permission to market and register a Passported Fund:

1. A Fund established by Licensed Persons by the Authority, or companies subject to its supervision, or its Parent Companies, or Subsidiaries, or Associate Companies, or established by Related Parties or Members of the Board of Directors of the Fund Manager or any of the Chief Executive Officers, employees of the Fund Manager, any Person related or controlling any of the Persons previously mentioned, or through agreements, alliances, legal or contractual relations, entities, or structures related to the Licensed Persons from the Authority in any form.
2. Fund established, or licensed, or registered, or subject to Regulatory Bodies other than the Regulatory Entities.

Offering Units in the State of Kuwait

Article 3-3-2

Passported Marketing of the Fund's Units shall only be conducted by the Marketing Person. Units of the Passported Fund in the state of Kuwait shall be offered for Private Placement to Professional Clients only.

Article 3-3-3

Passported Marketing of the Fund is only permitted pursuant to the provisions of Financial Promotion stipulated in Chapter Seven of Module Eight (Conduct of Business) of these Bylaws, and in particular, the use of any public in advertising means in promotional activities, including advertisements, articles, or any means of addressing the public, or publishing in newspapers, magazines or news media, or broadcasting on visual, audio or printed media means or social media, shall not be permitted, and no introductory seminars or meetings with prospective investors shall be held unless they are directed only at Professional Clients concerned with the private subscription and after obtaining the final approval permission from the Authority on the Passporting.

Without prejudice to the previous paragraph, electronic means and electronic trading platforms may be used to display and market Units of Passported Fund or to implement the participation or redemption applications without the need for the investor to personally attend the premises of the Marketing Person, without prejudice to the investor's basic rights including their right to access to the Fund's articles of association.

Article 3-4**Registration of Passported Fund to Market its Units in the State of Kuwait****Article 3-4-1**

Registration of Passported Fund to market its Units in the State of Kuwait is conducted according to the following steps:

1. Submit a notification to register a Passported Fund by the Registered Regulatory Entity according to the forms included in Appendix 1 of this Module. All the documents and information stated in the form shall be attached to the application, and the prescribed fee shall be paid.
2. The Authority, at any time after receiving the Passporting notification that meets the requirements according to Item (1) of this Article, may request the Fund Manager or Registered Regulatory Entity any additional information or documents it deems necessary to decide on the application.
3. The Fund Manager shall submit the information and documents required by the Authority within a maximum period of ten Business Days of notifying him thereof, otherwise the application shall be deemed to have been withdrawn.
4. The Authority shall decide on the Passporting application after receiving the application complete with all the information and documents stated in this Article within a maximum period of ten Business Days. It may extend this period for another similar period for further review.
5. In the event of initial approval on the Passporting application, the Registered Regulatory Entity and the Fund Manager shall be notified of the Authority's decision, and the Fund Manager shall pay the prescribed fees within a maximum period of one month from the issuance date of the approval stated in this Item.
6. In the event of rejection of the application, the rejection decision shall be justified. The Registered Regulatory Entity and the Fund Manager shall be notified of the Authority's decision within the period stated in Item (4) of this Article.
7. The Authority issues the final permission of the Passported Fund once the requirements stated in this Article are met. The Registered Regulatory Entity and the Fund Manager must be notified of the final approval's decision and its effective date. The Marketing Person is not permitted to accept any subscription/participation application of the Fund before obtaining this permission.

The applicant shall meet the periods specified in this Article, otherwise the application shall be deemed to have been withdrawn.

Article 3-4-2

The Authority may exempt the Fund Manager from including some data and information included in the Prospectus of the Passported Fund stated in Attachment (2) (Prospectus of the Passported Fund) of Appendix 1 of this Module if it deems that disclosure of this information conflicts with the public interest.

Article 3-4-3

Unless the Passported Fund enters into liquidation, the permission issued by the Authority to market and register the Passported Fund shall remain valid for one year from the date of its issuance, and it may be renewed for one or more similar periods upon a request submitted by the Fund Manager according to the procedures of Article (3-4-1) of this Chapter.

The renewal of the permission issued by the Authority to market and register the Passported Fund shall not be required if there is no desire to market additional Units after the expiration of the permission's period. In any case, the Fund shall continue its relationship with the Units holders who have subscribed/participated in the Passported Fund, even if the permission's period has expired, until they fully exit the Fund.

Obligations of the Marketing Person

Article 3-4-4

The Marketing Person, when marketing Units of the Passported Fund in the State of Kuwait, shall adhere to the following:

1. Act in accordance with the Law and these Bylaws, and the circulars, resolutions, and instructions issued by the Authority, the Regulatory Framework of Passporting, the Passporting Regulations, and the articles of association or subscription Prospectus of the Passported Fund.
2. Assume Care of a Prudent Person when performing their duties and compensate any Person for any loss resulting from any error committed while performing the Passported Marketing duties stipulated in this Article. The Authority shall be notified within five Business Days from the occurrence of any of the cases stipulated in this Item.
3. Shall not exceed the Passported Marketing quota approved by the Authority unless the Authority's approval is obtained to increase the marketing quota during the Passporting term and the prescribed fee is paid.
4. Provide the participant with a certificate evidencing their participation or ownership in the Passported Fund to enable them to exercise all rights arising from their ownership.
5. Prepare and maintain a record of the Unit holders who have subscribed/participated in the Passported Fund from the State of Kuwait according to the requirements of Article (2-2) of this Module.
6. Notify the Authority of any material events that may affect the Passported Fund or the rights of the Unit holders, if they occur or come to their knowledge.
7. Deal with the complaints against the Marketing Person submitted by the Unit holders who have subscribed/participated in the Passported Fund from the State of Kuwait and ensuring that the corrective measures are taken as soon as possible.
8. Provide an appropriate method to deliver the complaints submitted against the Fund Manager by the Unit holders who have subscribed/participated in the Passported Fund and seek to deliver them to the relevant entity as soon as possible.
9. Submit a report of the results of subscription/participation in the Passported Fund within fifteen Business Days from the expiration date of the Passporting period or after having finished the marketing processes (whichever comes first).
10. Not to exploit the assets of the Passported Fund for a personal benefit.
11. Submit any other information or documents requested by the Authority.

These obligations shall apply on the Marketing Person, even if the Passporting term provided by the Authority has expired, until they submit to the Authority evidence that all Unit holders who have subscribed/participated to the Passported Fund through them have fully exited the Fund.

Article 3-5

Financial Products Register

The Authority and the Host Regulatory Entity shall establish a register for Financial Products that includes the approved Funds, provided that it includes the following:

1. Name of the Registered Regulatory Entity and Host Regulatory Entity.
2. Name of the Passported Fund and its headquarters and domicile.
3. Type of Passported Fund, whether Private Fund or Public Fund.
4. Name of Fund Manager and its headquarters and domicile.
5. Name of Marketing Person.
6. The Passported Fund's date of registration starting from the validation of the approval of Passporting.

The Authority shall publish the resolutions of establishing the register in the Official Gazette. The Fund Manager shall notify the Authority and the Host Regulatory Entity of any amendment to the register data specified in this Article within a maximum period of seven Business Days of its occurrence.

Transfer of Ownership

Article 3-6

Without prejudice to the provisions regulating Passported Fund at the Regulatory Bodies, the Marketing Person may transfer the ownership of the Passported Fund's Units to the Unit holders in the State of Kuwait during or after the expiration of the license term upon a justified request by the Unit holder or the concerned parties, provided that the Marketing Person shall be responsible for verifying that one of the following cases applies:

1. Restructuring the assets of the Unit holder.
2. Cases of mortgage or seizure that do not conflict with the provisions regulating them.
3. Transferring ownership to Relatives up to the second degree.
4. Cases of transfer of ownership based on an enforceable court judgment.
5. Cases of transfer of ownership based on inheritance or will.

In all cases, the Marketing Person shall notify the Authority within fifteen Business Days of completing the transfer of ownership attached with a report that includes both parties of the transfer of ownership, number and value of Units, and reasons of transferring the ownership. It is prohibited to exploit the transfer of ownership to market the Passported Fund's Units on new participants in the State of Kuwait after the expiration of the marketing permission issued by the Authority.

Complaints and Disputes

Article 3-7

In the event of occurrence of any disputes between the Fund Manager or the Marketing Person and Passported Fund's Units holders, such disputes may be settled according to the Fund's articles of association and the applicable legislations at each of the Registered Regulatory Entity and the Host Regulatory Entity, as the case may be.

Article 3-8**Cancellation of a Passported Fund****Article 3-8-1**

The Authority may suspend marketing the Units of any Fund subject to its supervision that fall within the jurisdiction of the Host Entities, or suspend marketing the Units of the Funds subject to the supervision of other Regulatory Bodies that fall within its jurisdiction in the following cases:

1. Failure of the Fund Manager or the Marketing Person to comply with the provisions of this Module.
2. Based on a written request by the Fund Manager.
3. Upon the commencement of the Passported Fund's liquidation procedures.
4. Breach of the national or public interest, or if the marketing resulted in harming the Unit holders or the financial stability within its jurisdiction.
5. Any other reasons deemed by the Authority.

In the event of suspension, registration of the Fund will be cancelled from the Financial Products register, and the other Regulatory Bodies, the Fund Manager, and the Marketing Person will immediately be notified of the cancellation incident and its reasons.

Article 3-8-2

The Marketing Person shall immediately end Passporting of the Fund's Units upon cancellation of the Fund from the Financial Products register. This cancellation does not affect the rights and obligations of the Unit holders that have subscribed/participated in the Passported Fund before the cancellation date.

DISCLAIMER:

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

Appendix 1

Passported Funds

Attachment (1)
Application for Registration of Passported Fund

NOTE:

All forms referenced in the “translation” of the Bylaws are for reference purposes only. Forms to be submitted to the Authority are to be in Arabic language only.

Date:

Application for Registration of Passported Fund

Persons wishing to conduct Passporting to market Units in the State of Kuwait or in one of the other Regulatory Entities shall complete this application and submit it to the Capital Markets Authority.

1- Fund Information

Name of Fund in Arabic: ❖	
Name of Fund in English: ❖	
Name of the Registered Regulatory Entity of the Fund Subject of the Application (Supervisory Entity): ❖	License/Registration Number: ❖
Type of Application	
<input type="checkbox"/> Passporting in the State of Kuwait	<input type="checkbox"/> Passporting outside the State of Kuwait The required Passporting Entity:
Fund Incorporation Date: ❖	Fund Term: ❖
Fund Classification in the Country of Origin: ❖ <input type="checkbox"/> Public <input type="checkbox"/> Private	Fund Currency: ❖
Capital of the Fund (current)	Net value of the Unit
Form of the Fund (Current) <input type="checkbox"/> Open-Ended <input type="checkbox"/> Closed-Ended	Fund Nature: ❖ <input type="checkbox"/> Conventional <input type="checkbox"/> Conforms with Islamic Sharia standards

Periods of Participation and Redemption <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly <input type="checkbox"/> Annually <input type="checkbox"/> Other	
Type of Fund: ♦ <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Equity Fund. <input type="checkbox"/> Fund of Funds. <input type="checkbox"/> Real Estate Income-Generating Fund (Traded). <input type="checkbox"/> Venture Capital Fund. </div> <div> <input type="checkbox"/> Money Market Fund. <input type="checkbox"/> Debt Instrument Fund. <input type="checkbox"/> Sustainable Fund. </div> <div> <input type="checkbox"/> Real Estate Fund. <input type="checkbox"/> Private Equity Fund. <input type="checkbox"/> Hedge Fund. <input type="checkbox"/> Other </div> </div>	
Fund's Investment Goals: ♦	
Nominal Value of the Unit: ♦	
Price of the Unit to be Marketed through Passporting: ♦	
Maximum Limit for the Units to be Marketed through Passporting: ♦	
Maximum Limit for the Total Value Offered for Passporting: ♦	
Last Valuation Date (NAV at...):	
Net Asset Value (NAV) per Unit	
Month-to-Date Return (MTD)	
Year-to-Date Return (YTD)	
Return for the Last Two Financial Years	
Distributions for the Last Two Years	
Fund's Historical Performance (if available)	
Other Information (if any)	

2- Fund Components

Largest Five Components of the Fund (as a Percentage of the Fund's Net Asset Value)	1.	Percentage (%)
	2.	Percentage (%)
	3.	Percentage (%)
	4.	Percentage (%)
	5.	Percentage (%)

3- Fund Manager Information

Name: ♦	License/Registration Number: ♦	Auditor of the Fund Manager: ♦
Company's Legal Entity: ♦	Address of Headquarters: ♦	
<input type="checkbox"/> Public. <input type="checkbox"/> Closed. <input type="checkbox"/> Conventional. <input type="checkbox"/> Islamic Sharia Compliant. <input type="checkbox"/> Other		
Members of the Fund's Executive Committee or Board of Directors: ♦		

4- Main Liaison Officers at the Fund Manager

Name of First Liaison Officer: ♦		
Job Title: ♦	Department: ♦	Mobile Number: ♦

Website: ✦	Telephone: ✦	Email: ✦
Name of Second Liaison Officer: ✦		
Job Title: ✦	Department: ✦	Mobile Number: ✦
Website: ✦	Telephone: ✦	Email: ✦
5- Custodian		
Name of Liaison officer: ✦	Name of Entity: ✦	
Job Title: ✦	Department: ✦	Mobile Number: ✦
License or Registration Number: ✦	Telephone: ✦	Email: ✦
6- External Auditor		
Name of Auditor: ✦		Name of Liaison officer: ✦
Job Title: ✦	Department: ✦	Mobile Number: ✦
License or Registration Number: ✦	Telephone: ✦	Email: ✦

7- Investment Controller/Administrative Company/Administrator

Name of Liaison officer: ✦		Name of Entity: ✦
Job Title: ✦	Department: ✦	Mobile Number: ✦
License or Registration Number: ✦	Telephone: ✦	Email: ✦

8- External Sharia Auditing Office/ Sharia Supervisory Board
 (to be filled out if the Funds are operating in accordance with the Islamic Sharia)

Name of Entity: ✦		Name of Liaison officer: ✦
Job Title: ✦	Department: ✦	Mobile Number: ✦
License or Registration Number: ✦	Telephone: ✦	Email: ✦

9- Investment Advisor
 (to be filled out in the event of existence of Investment Advisor)

Name of Liaison officer: ✦		Name of Entity: ✦
Job Title: ✦	Department: ✦	Mobile Number: ✦
License or Registration Number: ✦	Telephone: ✦	Email: ✦

10- Subscription Agent (Selling)/Marketing Person

Name of Liaison officer: ✦		Name of Entity: ✦
Job Title: ✦	Department: ✦	Mobile Number: ✦
License or Registration Number: ✦	Telephone: ✦	Email: ✦

11- Other Service Provider

Name of Liaison officer: ✦		Name of Entity: ✦
Job Title: ✦	Department: ✦	Mobile Number: ✦
License or Registration Number: ✦	Telephone: ✦	Email: ✦

12- List of the Documents upon Submission of Application

#	Document	Enclosed	N/A	Remarks
1.	Passported Fund's Draft Prospectus	<input type="checkbox"/>	<input type="checkbox"/>	For Passporting in the State of Kuwait
2.	Fund's Draft Articles of Association or Document	<input type="checkbox"/>	<input type="checkbox"/>	For Passporting in the State of Kuwait
3.	Copy of the Draft Agreement between the Fund Manager and the Marketing Person	<input type="checkbox"/>	<input type="checkbox"/>	For Passporting in the State of Kuwait
4.	Electronic Copy of all the Documents mentioned above, provided that the documents of Item (1) of this list is attached in (Word) format.	<input type="checkbox"/>	<input type="checkbox"/>	
5.	Payment Receipt of the application Fees.	<input type="checkbox"/>	<input type="checkbox"/>	

13- Declaration and Undertaking Issued to the Capital Markets Authority

I, the undersigned, declare that:

1. The information in this application (including all Appendices and enclosures) is complete, accurate and correct. I also declare that I've reviewed Law No. 7 of 2010, its Executive Bylaws as well as the resolutions and instructions issued by the Authority and the amendments thereof.	Yes
2. I am aware of the Capital Market Authority's right to take any punitive or disciplinary action against any Person who provides incorrect or misleading information in the application of incorporation.	Yes
3. I undertake to inform the Authority in writing once any change in any provided information or data has occurred or carried out under this application.	Yes
4. I declare my approval that Capital Market Authority shall use and disclose any information I provided in this application or I will provide in the future for the purposes of carrying out the duties thereof.	Yes

This is a declaration and undertaking from me thereon ,,,

Name: ✦	Capacity: ✦	Date: ✦
Signature: ✦	Stamp: ✦	

Attachment (2)
Prospectus of the Passported Fund

Prospectus of the Passported Fund

This form is to be used when submitting for the purpose of marketing the Fund's Units in one of the Gulf Cooperation Council countries. The Fund Manager shall ensure that this document includes the necessary information to help investors make an informed and well-considered decision regarding the proposed investment. The following data shall be included at a minimum as per the sequence provided in this model:

First: Cover Page:

1. Name of Fund.
2. Name of Fund Manager.
3. Name of Marketing Person.
4. Subscription Period.
5. A statement indicating that this document is a Prospectus and is valid at the date mentioned at the top of this document, and it shall include a prominent legible disclaimer written in bold font and framed as follows:

The Regulatory Entities shall not bear any liability for the validity, comprehensiveness, and adequacy of the data and information included in the Prospectus. It clearly announces that it is not responsible for any loss may be caused to any Person that makes its decisions based on any information or data included in the Prospectus.

A statement indicating that the Authority's approval on the Passported Marketing in the State of Kuwait does not indicate a recommendation to purchase or invest in the fund; however, it only means the ability and adequacy of the Marketing Person to market the Fund's Units, and that the Authority is not responsible for the default of any party of the Fund's concerned parties to perform his tasks and duties, or for the accuracy and soundness of the data included in the prospectus, as this is the responsibility of all other parties according to the roles and tasks of each party.

Second: First Page after the Cover Page:

The first page which comes after the cover page shall include the following:

First: Brief information about the Fund as follows:

Registered Regulatory Entity	The supervisory entity that approved the registration or licensing of the Fund with it.
Fund's Date of Incorporation	../../....
Minimum limit of Participation	Number of Units
Term of Fund	
Fund's Currency	
Form of the Fund	Open/close
Nature of Fund	Conventional/ Conforms with Islamic Sharia standards
Type of Fund	(Equity Fund/ Money Market Fund/ Real Estate Fund/ Fund of Funds/ Debt Instrument Fund/ Private Equity Fund/ Real Estate Income-Generating Fund (Traded)/ Hedge Fund/ Venture Capital Fund/ Sustainable Fund Other Type.....
Price of the Unit at the beginning of the offer (or price of the latest evaluation off the Unit)	According to the Fund's currency
Fees of Fund's Management	
Risk level	

Second: List of contents which includes the addresses and sub-addresses of each section of the Prospectus along with the page number corresponding to each one of them.

Third: Preamble

A statement indicating that the Prospectus of the Passported Fund has been prepared as per the Law of the Capital Markets Authority and these Bylaws, the Regulatory Framework of Passporting, and the Passporting Regulations and has been approved by the Authority.

Fourth: Definitions

In case there are terms that require clarification, a special section for the clarifying definitions shall be added.

Fifth: The prospectus data as per the sequence indicated below:

1. Name of Fund.
2. Country of incorporation (the country where the Fund was incorporated).
3. Registered Regulatory Entity/supervisory entity/regulatory entity (entity that the Fund is subject to its regulations).
4. Data of the Fund Manager: (Person specialized in the management of the Fund's investments)
 - a. Name of the Fund Manager and state that he is licensed to manage the passported Fund by the Registered Regulatory Entity and the registration or license number, if any.
 - b. The jurisdiction where the Fund Manager was incorporated and the date of that incorporation.
 - c. His address, website, and contact information.
 - d. Names of the Fund Manager's Board Members or other management officers, and the curriculum vitae for each one of them.
 - e. If the Fund Manager is a Subsidiary of the Parent Company, the name of the company and the country or region where that Parent Company was incorporated must be stated.
 - f. State the Related Parties to the Fund Manager.
 - g. Value of the Fund Manager's capital stakes and the paid part.
 - h. Summary of the material provisions of the contract signed between each of the Fund and the Fund Manager that are meant for the Unit holders, which include the provisions related to termination, indemnification upon termination, and indemnification guarantee.
5. Percentage of the Fund Manager's participation in the Fund's capital.
6. Fund's incorporation date.
7. Term of the Fund.
8. Fund Classification (Public/Private).
9. Fund's currency.
10. Fund's capital.
11. Form of the Fund (open/close).
12. Legal entity of the Fund and whether it practices an independent legal entity or not.
13. Nature of Fund (Conventional/ Conforms with Islamic Sharia standards)
14. Type of Fund.
15. Investment Goals.
16. Investment policy, restrictions, and provisions.
17. Brief of the investment (in case the investment is predetermined in the articles of association).
18. Nominal value of the Unit.
19. Fund's Units characteristics and number, provided that it includes information of the following:
 - a. Issued Units of the Fund or those available for issuance and the rights thereof to the limitations in which those rights are different from the rights associated with the other categories of the Fund's

Units.

- b. How the Unit holders can practice their voting rights and what are those rights.
 - c. The cases that require redemption of any Unit or amortizing them or transferring them from one category to another in a mandatory form, if any.
-
- 20. The offering price of the Unit to be marketed in the State of Kuwait.
 - 21. State the minimum limitations of the initial subscription/participation (if any).
 - 22. Investment risks.
 - 23. Controls and limitations of borrowing and any operational limitations related to the use of debt (if any).
 - 24. Dates and mechanism of evaluating the Fund's assets and Units and the periodic reports to be provided to the Units holders.
 - 25. Periods of calculating the net asset value (NAV) (if any).
 - 26. Dealing details, provided that it includes the following:
 - a. Method of participation and redemption of Units of the Fund and transfer ownership.
 - b. Dealing days and periods and timeline to participate.
 - c. The cases and periods during which payment may be postponed or suspended for the Units.
 - 27. Methods and bases of distribution of dividends (if any).
 - 28. Minimum/maximum limit for participation and redemption by the Fund Manager and Unit holders at the Fund.
 - 29. Summary of the services providers' responsibilities, in addition to the provisions related to their termination or replacement, and any assignment to a third party for part of those services and clarify the data of that entity and the regulatory entity it subjects to.
 - 30. Schedule determining all the fees, expenditures, charges, and commissions related to the Fund's work, and the method of calculating and paying the charges of the services providers, whether they are charged to Unit holders, from the Fund's Assets, or paid by the Fund Manager, and the mechanism of amending them and the mechanism of notifying the Unit holders thereof (if any).
 - 31. Periods of preparing and issuing reports and financial statements, and the method of accessing them and obtaining copy of them.
 - 32. The historical performance of the Fund (if any).
 - 33. Cases of conflict of interests (if any).
 - 34. Procedures of the complaints submitted against the Marketing Person or Fund Manager.
 - 35. Cases and procedures of the Fund's dissolution and liquidation.
 - 36. Any other information reasonably known or shall be known by the Fund Manager or Marketing Person, and may be, reasonably, requested by the Unit holders, or that are likely to be included in the Prospectus upon which the investment decision will be taken.
 - 37. The mechanism or mean of the Unitholders' knowledge of any material events related to the Fund.
 - 38. A statement stating that the Fund shall not carry out any activities inside the State of Kuwait that may result in funding third parties, and that the subscriber had been informed with all the risks that he may encounter during investment in the Fund, the tax status of the Fund under the tax legislations at the country of origin, the effect of such status on the investments thereof in the Fund as well as the returns to be achieved therefrom.
 - 39. A statement stating that the procedures for transferring ownership stipulated in the Prospectus in the State of Kuwait will not conflict with the provisions of Article (3-6) of this Chapter.
 - 40. That the Unit holders do not bear responsibility for the Fund's debts unless the applicable laws in the Regulatory Entity state otherwise. In this case, a statement specifying the cases in which the Unit holders may be responsible for the aforementioned shall be submitted, in addition to disclosure to the investor within the jurisdiction of the Host Regulatory Entity thereon and obtaining his signature on the complete disclosure before conducting investment in the Fund.
 - 41. Any other information requested by the Authority.