

## **Resolution No. (103) of 2021**

### **Regarding**

### **Amending the Conditions and Requirements of Registering the External Sharia Auditing Offices and their Responsibilities**

#### **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. (31) of 2021 held on 08/09/2021.

#### **The Following Was Resolved**

##### **Article (1)**

Module Five (Securities Activities and Registered Persons) of the Executive Bylaws of Law No. (7) of 2010 is hereby amended pursuant to Annex (1) attached to this Resolution.

##### **Article (2)**

Appendix (9) (Application to Register an External Sharia Auditing Office) of Module Five (Securities Activities and Registered Persons) of the Executive Bylaws of Law No. (7) of 2010 is hereby amended pursuant to Annex (2) attached to this Resolution.

##### **Article (3)**

Appendix (17) (Application for Renewing the Registration of an External Sharia Auditing Office) of Module Five (Securities Activities and Registered Persons) of the Executive Bylaws of Law No. (7) of 2010 is hereby added pursuant to Annex (3) attached to this Resolution.

##### **Article (4)**

Appendix (18) (Application for Adding an External Sharia Auditor, Legal Advisor or Accountant) of Module Five (Securities Activities and Registered Persons) of the Executive Bylaws of Law No. (7) of 2010 is hereby added pursuant to Annex (4) attached to this Resolution.

#### **Article (5)**

Appendix (19) (Application for Cancellation of the Registration of an External Sharia Auditing Office) of Module Five (Securities Activities and Registered Persons) of the Executive Bylaws of Law No. (7) of 2010 is hereby added pursuant to Annex (5) attached to this Resolution.

#### **Article (6)**

The External Sharia Auditing Offices registered in the concerned register at the Authority are hereby granted a transitional period to meet the responsibilities stipulated in Article (3-5-10) of Module Five (Securities Activities and Registered Persons) of the Executive Bylaws of Law No. (7) of 2010 of no later than 20 of September 2022.

#### **Article (7)**

The External Sharia Auditing Offices registered in the concerned register at the Authority are hereby granted a transitional period to meet the requirements stipulated in Articles (3-5-5) and (3 -5 -12) of Module Five (Securities Activities and Registered Persons) of the Executive Bylaws of Law No. (7) of 2010 of no later than 20 of March 2022.

#### **Article (8)**

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 Almelhem**

**Issued on: 13/09/2021**

### Annex (1)

Sr.	Module	Chapter	Article	Amendment Type	Present Text	Proposed Text
1	Five	Three	(3-5-4)	Amending an Article	An <u>External Sharia Auditing Office</u> consists of <u>Sharia Auditors</u> who are supported by one or more accountant and legal advisors. All of the above shall have experience not less than five years. It is permitted to outsource some of the ancillary duties mentioned above.	An <u>External Sharia Auditing Office</u> consists of two or more <u>Sharia Auditors</u> who are supported by one or more accountant and legal advisors provided that they shall have experience not less than five years. It is permitted to outsource some of the ancillary duties mentioned above.
2	Five	Three	(3-5-5)	Amending an Article	A <u>Sharia Auditor</u> shall: 1. Have an accredited university degree in the field of Islamic Sharia in order to be qualified to practice the profession of Sharia auditing, or a professional qualification in the fields of fiqh in financial transactions in accordance with the provisions of Islamic Sharia from specialized entities of good standing. 2. Work as full-time employees. 3. Have not been convicted with a final judgment in a crime involving a breach of honour or trust, or have been convicted with punishment restraining his freedom unless he was exonerated.	A <u>Sharia Auditor</u> shall: 1. Meet the academic or professional qualifications required for the position of <u>Sharia Auditing Officer</u> stipulated in Appendix 3 of this Module, provided that the experience of the <u>Sharia Auditor</u> shall not be less than five years in <u>Sharia Auditing</u> . 2. Work as full-time employees. 3. Have a sound reputation and good conduct, and have not been convicted with a final judgment in a crime involving a breach of honor or trust, or have been convicted with punishment restraining his freedom unless he was exonerated.
3	Five	Three	(3-5-6)	Amending an Article	An <u>External Sharia Auditing Office</u> may apply for registration with the <u>Authority</u> as follows: 1. Complete an <u>External Sharia Auditing Office</u> registration application in accordance with Appendix 9 of this Module. The <u>Authority</u> shall issue its determination on the application within thirty days of the applicant submitting all	An <u>External Sharia Auditing Office</u> may apply for registration with the <u>Authority</u> as follows: 1. Complete the registration application as per the form prepared for this purpose set out in Appendix 9 of this Module. 2. The <u>Authority</u> shall determine the registration application within thirty days from the date of receiving the application and it shall meet all required information and documents.

					<p>required information and documents stated in the approved form.</p> <p>2. The office shall have a license from the Ministry of Commerce and Industry to practice the activity of providing Sharia consultations.</p> <p>3. Sharia Auditors in the office shall fulfil the conditions stated in Article (3-5-5) of this Module.</p> <p>4. The office shall separate between the <u>Sharia Auditors</u> team who undertake external Sharia auditing from any team that provides Sharia consultations.</p>	<p>In the event of a rejection, the determination shall be justified.</p> <p>3. The office shall have a license from the Ministry of Commerce and Industry to practice the activity of providing Sharia consultations or <u>Sharia Auditing</u>.</p> <p>4. <u>Sharia Auditors</u> in the office shall fulfil the conditions stated in Article (3-5-5) of this Module.</p>
4	Five	Three	(3-5-7)	Amending an Article	<p>An <u>External Sharia Auditing Office</u> of a <u>Licensed Person</u> shall be appointed for one financial year that could be renewed for maximum of four consecutive years. It may not be reappointed thereafter before the elapse of a minimum of two financial years.</p>	<p>An <u>External Sharia Auditing Office</u> of a <u>Licensed Person</u> or a <u>Collective Investment Scheme</u> shall be appointed for one financial year that could be renewed for maximum of four consecutive years. It may not be reappointed thereafter until after a period of suspension not less than two consecutive financial years.</p>
5	Five	Three	(3-5-8)	Amending an Article	<p>The general assembly of a <u>Licensed Person</u> shall appoint an <u>External Sharia Auditing Office</u> in its annual meeting provided that such shall be selected from the offices registered at the <u>Authority</u>. The general assembly shall set an annual fee for the office. <u>Licensed Person</u> or <u>Collective Investment Scheme</u> shall not commence its activity before entering into a contract with <u>External Sharia Auditing Office</u>.</p> <p>The procedures for appointing the <u>External Auditing Office for Collective Investment Schemes</u> are also followed in accordance with the provisions of Module Thirteen (Collective Investment Schemes) of these Bylaws.</p>	<p>The general assembly of a <u>Licensed Person</u> shall appoint an <u>External Sharia Auditing Office</u> in its annual meeting provided that such shall be selected from the offices registered at the <u>Authority</u>. The general assembly shall set an annual fee for the office.</p> <p>The procedures for appointing the <u>External Sharia Auditing Office for Collective Investment Schemes</u> and the determination of its fees are followed in accordance with the provisions of Module Thirteen (Collective Investment Schemes) of these Bylaws.</p> <p><u>Licensed Person</u> or <u>Collective Investment Scheme</u> shall not commence its activity before entering into a contract with <u>External Sharia Auditing Office</u>.</p>

						<p>The <u>External Sharia Auditing Office</u> of the <u>Licensed Person</u> shall review the details of its work plan and the result of its works with the internal audit committee of the <u>Licensed Person</u>, which ensures that it is given full access to all documents necessary for carrying out its duties.</p>
6	Five	Three	(3-5-10)	Amending an Article	<p>A report of an <u>External Sharia Auditing Office</u> shall include the following:</p> <ol style="list-style-type: none"> <li>1. <u>Securities</u> transactions that were examined and reviewed without violating the confidentiality of those transactions.</li> <li>2. Bodies in charge of performing the examined transactions and stages of accomplishment.</li> <li>3. Reference to the regulations related to those transactions.</li> <li>4. Violations of <u>Sharia</u>, if any, either in the <u>Securities</u> transactions or in the execution of them as well as how to address such deficiencies and the suggested time period for the same.</li> <li>5. Numbers and dates of field visits to the <u>Licensed Person</u> and their results.</li> <li>6. Procedures of auditing that led to the results of its works mentioned in this report.</li> <li>7. Evidence of viewing the report of the <u>Internal Sharia Auditing Unit</u>.</li> <li>8. The signature of the <u>Sharia Auditor</u> and the legal representative of the office.</li> </ol>	<p>A report of an <u>External Sharia Auditing Office</u> shall include the following:</p> <ol style="list-style-type: none"> <li>1. An evaluation of the efficiency and effectiveness of the Sharia risk management procedures.</li> <li>2. An evaluation of the <u>Licensed Person</u>'s compliance with the relevant resolutions of the <u>Capital Markets Authority</u>.</li> <li>3. The scope of work of the <u>External Sharia Auditing Office</u>, to include the activities, contracts and Securities transactions of the <u>Licensed Person</u> or <u>Collective Investment Schemes</u>.</li> <li>4. A statement of the references of the <u>Sharia Standards</u> of the <u>Licensed Person</u> or <u>Collective Investment Schemes</u> in case it differs from the <u>Sharia Standards</u> issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI).</li> <li>5. Opinion regarding the Licensed Person's commitment to the provisions of Islamic Sharia in accordance with the Sharia reference it follows, including Sharia violations in the activities, contracts or transactions of the Licensed Person - if any - whether in Securities transactions or their execution.</li> <li>6. Procedures of auditing that led to the results of its works mentioned in this report.</li> <li>7. Evidence of viewing the report of the <u>Internal Sharia Auditing Unit</u>.</li> </ol>

						<p>8. The signature of the <u>External Sharia Auditor</u> registered at the <u>Authority</u>.  The <u>External Sharia Auditing Office</u> shall also issue quarterly periodic Sharia auditing reports that include the results of following-up and examining the <u>Licensed Person's</u> compliance with the <u>Islamic Sharia</u> principles in its transactions and activities, and publish them through the periodic disclosures of the person licensed to work in accordance with the <u>Islamic Sharia</u> principles. It is necessary to present these reports to the Board of Directors to clarify the contents of the reports.</p>
7	Five	Three	(3-5-11)	Amending an Article	<p>The report submitted by the <u>External Sharia Auditing Office</u> shall be published within the annual report of the <u>Licensed Person</u>.</p>	<p>The report submitted by the <u>External Sharia Auditing Office</u> shall be published within the annual report of the <u>Licensed Person</u>.  The procedures for presenting the report of the <u>External Sharia Auditing Office</u> of the <u>Collective Investment Schemes</u> shall be in accordance with the provisions of Module Thirteen (Collective Investment Schemes) of these <u>Bylaws</u>.</p>
8	Five	Three	(3-5-12)	Amending an Article	<p>A partner in an <u>External Sharia Auditing Office</u> or any affiliate thereof shall not occupy the position of chairman or <u>Member of a Board of Directors</u> of the <u>Licensed Person</u> concerned.  The above shall be applied to relatives of first of kin who supervise the management of the <u>Licensed Person</u> or its accounts.</p>	<p>The <u>External Sharia Auditing Office</u> shall comply with the following:  1. Maintain the confidentiality of information and data viewed whilst undertaking the external Sharia auditing.  2. Disclose in the office's report if the partner in an <u>External Sharia Auditing Office</u> or any affiliate thereof occupies the position of chairman or <u>Member of a Board of Directors</u> or a member of the <u>Sharia Supervisory Board</u> – if any – of the <u>Licensed Person</u>, or if it is a member of the <u>Executive Committee</u> of the <u>Fund</u> or the <u>Executive Team</u> of the <u>Contractual Collective Investment Scheme</u> subject of auditing. This shall apply to relatives of first of</p>

						<p>kin who supervise the management of the <u>Licensed Person</u> or its accounts</p> <p>3. The <u>Licensed Person</u> or any affiliate thereof shall not be a partner or a shareholder in the appointed <u>External Sharia Auditing Office</u>.</p> <p>4. The partner of the <u>External Sharia Auditing Office</u> shall not work for any other <u>External Sharia Auditing Office</u> registered at the <u>Authority</u>.</p> <p>5. The <u>Sharia Auditors</u> team who undertake external Sharia auditing on the <u>Licensed Persons</u> or <u>Collective Investment Schemes</u> shall not provide Sharia consultations for the same client throughout the appointment period of the <u>External Sharia Auditing Office</u>.</p> <p>6. The <u>External Sharia Auditing Office</u> shall notify the <u>Authority</u> in conjunction with informing the management body of the <u>Licensed Person</u> of any material violations committed by the <u>Licensed Person</u>.</p> <p>7. The <u>External Sharia Auditing Office</u> shall comply with notifying the <u>Authority</u> immediately after losing any of its registration's requirements or conditions.</p> <p>8. Providing all data and information required by the <u>Authority</u>.</p> <p>9. The <u>External Sharia Auditing Office</u> shall comply with notifying the <u>Authority</u> immediately upon the issuance of any decision or judgement of any penalty, punishment or legal violation by any regulatory body or judicial authority against it.</p> <p>10. Not to accept tasks that may constitute a conflict of interest.</p> <p>11. Not to accept tasks that jeopardize the honor of the profession.</p>
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9	Five	Three	(3-5-13)	Amending an Article	<p>The <u>External Sharia Auditing Office</u> or one of its members are not licensed to provide any of the following services to the <u>Licensed Person</u> who appointed them:</p> <ol style="list-style-type: none"> <li>1. Work for compensation.</li> <li>2. Sharia consultations.</li> <li>3. Training including holding fairs, seminars or workshops.</li> <li>4. Representing them before third party, especially as members of the <u>Board of Directors</u> of the companies in which the <u>Licensed Person</u> is a shareholder.</li> <li>5. Obtaining any financial or in-kind privileges other than what the general assembly of the <u>Licensed Person</u> set for them, whether those privileges were from the <u>Licensed Person</u> or <u>Subsidiary Companies</u>.</li> </ol>	<p>The <u>External Sharia Auditing Office</u> or one of its members are not licensed to provide any of the following services to the <u>Licensed Person</u> or <u>Collective Investment Scheme</u> who appointed them:</p> <ol style="list-style-type: none"> <li>1. Work for compensation.</li> <li>2. Sharia consultations.</li> <li>3. Training including holding fairs, seminars or workshops.</li> <li>4. Representing them before third party, especially as members of the <u>Board of Directors</u> of the companies in which the <u>Licensed Person</u> is a shareholder.</li> <li>5. Obtaining any financial or in-kind privileges other than what the general assembly of the <u>Licensed Person</u> set for them, whether those privileges were from the <u>Licensed Person</u> or <u>Subsidiary Companies</u>.</li> <li>6. Providing any services that may affect its independency and neutrality.</li> </ol>
10	Five	Three	(3-5-14)	Adding an Article	-	<p>The <u>External Sharia Auditor</u> shall not audit the transactions of the <u>Licensed Person</u> of which the <u>External Sharia Auditor</u> is relative of third of kin of a Member of the Board of Directors and the Chief Executive Officer.</p>
11	Five	Three	(3-5-15)	Adding an Article	-	<p>The Board of Commissioners may suspend the registered <u>External Sharia Auditor</u> from carrying on the external sharia auditing tasks to the clients mentioned in Article (3-5-1) of this Module for a certain period pursuant to a justified decision.</p> <p>The <u>External Sharia Auditing Office</u> shall continue to carry out its duties until its annual report is approved by the client's competent entity in accordance with its legal system, unless the <u>Authority</u> decides otherwise.</p>



						The suspended <u>External Sharia Auditing Office</u> may submit to the <u>Authority</u> an application to resume the external sharia auditing tasks to the clients mentioned in Article (3-5-1) of this Module.
12	Five	Three	(3-5-16)	Adding an Article	-	The <u>Authority</u> may cancel the registration of an <u>External Sharia Auditing Office</u> registered at the <u>Authority</u> pursuant to a justified decision or if its license was cancelled by the Ministry of Commerce and Industry. The <u>External Sharia Auditing Office</u> shall continue to carry out its duties until its annual report is approved by the client's competent entity in accordance with its legal system, unless the <u>Authority</u> decides otherwise.
13	Five	Three	(3-5-17)	Adding an Article	-	The <u>External Sharia Auditing Office</u> shall maintain a document that includes the following data and information: 1. A schedule indicating the names of the <u>Sharia Auditors</u> and their supporters, their academic and professional qualifications, years of experience, and a copy of those certificates and qualifications. 2. The official documents of the office. 3. A list of the office's clients from <u>Licensed Persons</u> or <u>Collective Investment Schemes</u> and the services offered to them. 4. Maintaining the clients' records, documents, and papers using paper or electronic formats for a period of not less than five years from the association date, even if it stopped practicing the profession. It shall also maintain a document on each client within the <u>Licensed Persons</u> or <u>Collective Investment Schemes</u> that includes the following:

						<p>1. The number and dates of field visits to the <u>Licensed Person</u> and <u>Collective Investment Schemes</u> and their results.</p> <p>2. The audit procedures that led to the results of its works.</p> <p>3. The supporting evidences based on which the opinion was given in the <u>External Sharia Auditing</u> report.</p> <p>The office shall provide the <u>Authority</u> with a copy of those documents upon request.</p>
14	Five	Three	(3-5-18)	Adding an Article	-	<p>While taking into considerations the provision of Article (3-5-4) of this Chapter, <u>External Sharia Auditing Office</u> may add or cancel a <u>Sharia Auditor</u>, accountant, or legal advisor after registering the <u>External Sharia Auditing Office</u> in accordance with the form prepared for this purpose in Appendix (18) of this Module.</p>
15	Five	Three	(3-6-4)	Adding an Article	-	<p><b>Renewal of Registration of <u>External Sharia Auditing Office</u></b></p> <p>The <u>External Sharia Auditing Office</u> registered at the <u>Authority</u> shall renew its registration as follows:</p> <p>1. The application for renewal of registration shall be submitted in accordance with the form prepared for this purpose in Appendix (17) of this Module at least two months prior to the end of the registration period, attached with all the documents and information indicated in this application.</p> <p>2. The <u>Authority</u> may notify the applicant, at any time after receiving the request for registration renewal, of the need to submit any additional information or documents. In case the applicant fails to submit the documents and information within the period specified by the <u>Authority</u> in the notification without an excuse</p>

						<p>acceptable to the <u>Authority</u>, the application shall be deemed to have been withdrawn.</p> <p>3. The <u>Authority</u> shall decide on the application for registration renewal within thirty days from the date of receipt of this application, complete with all the required information and documents. The <u>Authority</u> shall take the necessary procedures for the purpose of ensuring that the <u>External Sharia Auditing Office</u> registered at the <u>Authority</u> complies with the terms and conditions related to its work as stipulated in Chapter Three of this Module. In the event of rejection, such determination shall be justified.</p> <p>4. The <u>Authority</u> may reject the application for registration renewal in the event that the <u>External Sharia Auditing Office</u> registered at the <u>Authority</u> fails to comply with the terms and conditions related to its work stipulated in Chapter Three of this Module.</p>
16	Five	Two	(2-2-3)	Amending an Article	<p>Those who were licensed to operate in accordance with Islamic Sharia shall fulfil the following conditions:</p> <ol style="list-style-type: none"> <li>1. To comply with the conditions, regulations and any provisions or <u>Sharia Standards</u> that may be approved by the <u>Authority</u>.</li> <li>2. To have a code of ethics in accordance with the provisions and principles of the Islamic Sharia.</li> <li>3. The internal regulations, contracts, agreements and forms they use, the products they provide and the instruments they issue shall be in accordance with <u>Sharia Standards</u>.</li> </ol>	<p>Those who were licensed to operate in accordance with Islamic Sharia shall fulfil the following conditions:</p> <ol style="list-style-type: none"> <li>1. To comply with the conditions, regulations and any provisions or <u>Sharia Standards</u> that may be approved by the <u>Authority</u>.</li> <li>2. To have a code of ethics in accordance with the provisions and principles of the Islamic Sharia.</li> <li>3. The internal regulations, contracts, agreements and forms they use, the products they provide and the instruments they issue shall be in accordance with <u>Sharia Standards</u>.</li> <li>4. The <u>Licensed Person</u> shall appoint an <u>External Sharia Auditing Office</u> for one-year, renewable annually for a period not exceeding four consecutive financial years. The same</li> </ol>

						<p><b><u>External Sharia Auditing Office</u> may be reappointed after period of suspension not less than two consecutive financial years. The <u>Licensed Person</u> shall notify the <u>Authority</u> within a maximum period of five <u>Business Days</u> from the appointment date of the <u>External Sharia Auditing Office</u>.</b></p> <p><b>5. Each person licensed to operate in accordance with the Islamic <u>Sharia Standards</u> shall take the initiative of appointing an <u>External Sharia Auditing Office</u> within the offices registered at the <u>Authority</u> within one month of obtaining the license, provided that one of the partners of these offices shall not be a manager, officer, employee, shareholder or a partner of the <u>Licensed Person</u>.</b></p>
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**Annex (2)**

**Appendix 9**  
**Application to Register an External Sharia Auditing Office**

## List of Contents

Section 1	Instructions
Section 2	Information pertaining to the Office and Liaison Officer
Section 3	Information pertaining to Members of the Office
Section 4	Declarations and Undertakings
Section 5	List of required documents upon submission of application

## 1. Instructions

- ❖ **This form shall be submitted by the External Sharia Auditing Office who wish to register an External Sharia Auditing Office at the Authority.**
- ❖ **The office shall obtain a license from the Ministry of Commerce and Industry to practice the activity of providing Sharia consultation or Sharia auditing.**
- ❖ **The External Sharia Auditing Office consists of two or more Sharia Auditors who are supported by one or more accountants and legal advisors provided that they shall have experience of not less than five years. It is permitted to outsource some of the ancillary duties.**
- ❖ **Any application form that is not complete will not be accepted. In the event of non-applicability or unavailability of a statement or information or document required in the form, “not applicable” or “not available” shall be selected, depending on the circumstances.**
- ❖ **The Authority may notify the applicant at any time after receiving the registration request to submit any further information or documents. In the event that the applicant fails to provide the information and documents within the period set by the Authority for the notification without an acceptable excuse, the application shall be deemed withdrawn.**
- ❖ **The Authority may refuse the registration application in the event that the External Sharia Auditing Office fails to comply with the conditions and provisions related to its work stipulated in Chapter Three of this Module. In the event of rejection, the decision shall be justified.**

2.1 Information of the Office	
Name of Person	
License issued from Ministry of Commerce & Industry to practice the activity of providing Sharia consultation or Sharia auditing	<input type="radio"/> Office <input type="radio"/> Company
Address of Main Office	
Telephone No.	
Mobile No.	
Fax No.	
Email Address	
Web Address	

2.2 Liaison Officer	
Name of Liaison Officer	
Title	
Phone No.	
Mobile No.	
Fax No.	
Email Address	



3. Information pertaining to Members of the Office

Name of Person	Position of Person			Years of Experience
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	

#### 4. Declarations and Undertakings

I, in my capacity as representative of External Sharia Auditing Office (a copy of delegation shall be submitted to the Authority), undertake that the External Sharia Auditing Office

Name of the office: \_\_\_\_\_

Which is to be registered has submitted all its documents as per the system of practicing the profession of external Sharia auditing for persons licensed to operate in accordance with the provisions of Islamic Sharia, and pledge the following:

<p>To adhere to the provisions of 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 all systems, decisions, directives and all special restrictions pertaining to external auditing issued by the Capital Markets Authority, and to adjust the direction of the office with such systems and amendments within the time limit set by the Authority for such a purpose.</p>	<input type="checkbox"/> Yes
<p>The report of the External Sharia Auditing Office shall include the following:</p> <ol style="list-style-type: none"> <li>1. An evaluation of the efficiency and effectiveness of the Sharia risk management procedures.</li> <li>2. An evaluation of the Licensed Person's compliance with the relevant resolutions of the Capital Markets Authority.</li> <li>3. The scope of work of the External Sharia Auditing Office to include the activities, contracts and Securities transactions of the Licensed Person or Collective Investment Schemes.</li> <li>4. A statement of the reference used for the Sharia standards of the Licensed Person in case it differs from the Sharia standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI).</li> <li>5. Opinion regarding the Licensed Person's commitment to the provisions of Islamic Sharia in accordance with the Sharia reference it follows, including Sharia violations in the activities, contracts or transactions of the Licensed Person - if any - whether in Securities transactions or their execution.</li> <li>6. Procedures of auditing that led to the results of its works mentioned in such report.</li> <li>7. Evidence of viewing the report of the Internal Sharia Auditing Unit.</li> <li>8. The signature of the External Sharia Auditor registered at the Authority.</li> </ol> <p>The External Sharia Auditing Office shall also issue quarterly periodic Sharia auditing reports that include the results of following up and examining the Licensed Person's compliance with the Islamic Sharia principles in its transactions and activities and publish them through the periodic disclosures of the person licensed to work in accordance with the Islamic Sharia principles . It is necessary to present these reports to the Board of Directors to clarify the contents of the report.</p>	<input type="checkbox"/> Yes
<p>The Sharia auditor shall have a good reputation and manner and have not been convicted of a crime involving a breach of honor or trust or a crime related to</p>	<input type="checkbox"/> Yes

money laundering, financing terrorism, financial crimes or corruption unless he has been discharged.	
The External Sharia Auditing Office of the Licensed Person shall be appointed for one financial year, renewable annually for a period not exceeding four consecutive financial years. It may be reappointed after a period of suspension not less than two consecutive financial years.	<input type="checkbox"/> Yes
Maintain confidentiality of information and data that he viewed while undertaking external Sharia auditing.	<input type="checkbox"/> Yes
To notify the Authority in conjunction with informing the Licensed Person's management body of the existence of significant and material violations committed by the Licensed Person.	<input type="checkbox"/> Yes
To notify the Authority as soon as one of its registration requirements or conditions is missing.	<input type="checkbox"/> Yes
To provide all data and information requested by the Authority.	<input type="checkbox"/> Yes
To notify the Authority immediately upon the issuance of any decision or judgment of any penalty or legal violation by any regulatory body or judicial authority against him.	<input type="checkbox"/> Yes

<b>The External Sharia Auditing Office represents and warrants, as well as its members, to refrain from carrying out any of the following acts:</b>	
To disclose in the office's report if the partner in an External Sharia Auditing Office or any affiliate thereof occupies the position of chairman or Member of a Board of Directors or a member of the Sharia Supervisory Board – if any – of the Licensed Person, or if he is a member of the Executive Committee of the Fund or the Executive Team of the Contractual Collective Investment Scheme concerned. This shall be applied to relatives of first of kin who supervise the management of the Licensed Person or its accounts.	<input type="checkbox"/> Yes
The Licensed Person or any affiliate thereof shall not be a partner or a shareholder in the appointed External Sharia Auditing Office.	<input type="checkbox"/> Yes
The partner of the External Sharia Auditing Office shall not work for any other External Sharia Auditing Office registered at the Authority.	<input type="checkbox"/> Yes
To audit the transactions of the Licensed Person of which the External Sharia Auditor is relative of third of kin of a Member of the Board of Directors and the CEO.	<input type="checkbox"/> Yes
The Sharia Auditors team who undertake external Sharia auditing on the Licensed Persons or Collective Investment Schemes shall not provide Sharia consultations for	<input type="checkbox"/> Yes

the same client throughout the appointment period of the External Sharia Auditing Office.	
To provide any works or services for a fee or for free whether directly or indirectly, other than the profession of Sharia auditing to the Licensed Person.	<input type="checkbox"/> Yes
To provide any Sharia consultations or training assignments to the Licensed Person subject of the auditing.	<input type="checkbox"/> Yes
To represent the Licensed Person before third parties, particularly membership of any Board of Directors of companies wherein the Licensed Person is a shareholder.	<input type="checkbox"/> Yes
To receive financial benefits or other benefits than those approved by the general meeting for the Licensed Persons. This includes receiving preferential benefits with the rest of the Clients, whether such benefits were granted by the Licensed Person themselves or by any of their associate companies.	<input type="checkbox"/> Yes
To provide any of the services that may have an impact on its independence or neutrality.	<input type="checkbox"/> Yes
To accept tasks that may constitute conflict of interest.	<input type="checkbox"/> Yes
To accept tasks that jeopardize the honor of the profession.	<input type="checkbox"/> Yes

#### 5. List of documents Attached upon Submission of Application

Sr.	Document	Attached	Inapplicable	Status of Auditing (For the Authority's use)	Notes
1	License issued from the Ministry of Commerce & Industry for External Sharia Auditing Office	<input type="checkbox"/>	<input type="checkbox"/>		
2	A copy of proof of fulfilling the same academic or professional qualifications of the Sharia Audit Officer	<input type="checkbox"/>	<input type="checkbox"/>		

	stipulated in Appendix (3) of Module Five.				
3	A copy of the approved supporting documents of the professional expertise or an official copy of them.	<input type="checkbox"/>	<input type="checkbox"/>		
4	A declaration by the Sharia Auditor of working full-time at the Sharia Auditing Office	<input type="checkbox"/>	<input type="checkbox"/>		
5	A certificate of criminal clearance from criminal evidence department for the Sharia Auditor	<input type="checkbox"/>	<input type="checkbox"/>		
6	A copy of the identification number and the passport (in the event the applicant is non-Kuwaiti subject).	<input type="checkbox"/>	<input type="checkbox"/>		
7	A copy of the delegation issued to the representative of the External Sharia Auditing Office.	<input type="checkbox"/>	<input type="checkbox"/>		
8	A copy of receipt of payment of registration fees.	<input type="checkbox"/>	<input type="checkbox"/>		

I, the undersigned, hereby declare that all information set out in the present application (including all appendices and attachments) are complete, accurate and true. I also declare that I have reviewed Law No. 7 of 2010 and its Executive Bylaws and their amendments.

I have knowledge of the Capital Market Authority's right to take any criminal or disciplinary measure against any person who submits any untrue or misleading information or declarations in this application.

Until issuance of the approval on this application, I commit to notify the Authority in writing once any change in the information or data submitted by virtue of this application occurs or takes place.

I also declare my approval that the Capital Markets Authority uses or discloses any information that I have submitted in the present application or will submit in the future for the purpose of enabling the Authority from carrying out its duties.

Name:	Signature of the Office Representative:
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Applicant:  Name:  Title:	Signature:
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**NB: No application shall be admitted unless this form is filled in full.**

**Annex (3)**

**Appendix 17**  
**Application for Renewing the Registration of an External  
Sharia Auditing Office**

## List of Contents

Section 1	Instructions
Section 2	Information pertaining to the Office and Liaison Officer
Section 3	Information pertaining to Members of the Office
Section 4	Declarations and Undertakings
Section 5	List of required documents upon submission of application



## 1. Instructions

- ❖ **This form shall be submitted by the External Sharia Auditing Office who wish to renew the registration of an External Sharia Auditing Office registered at the Authority.**
- ❖ **Any application form that is not complete will not be accepted. In the event of non-applicability or unavailability of a statement or information or document required in the form, “not applicable” or “not available” shall be selected, depending on the circumstances.**
- ❖ **The Authority may notify the applicant at any time after receiving the registration request to submit any further information or documents. In the event that the applicant fails to provide the information and documents within the period set by the Authority for the notification without an acceptable excuse, the application shall be deemed withdrawn.**
- ❖ **The Authority may refuse the request of registration renewal in the event that the External Sharia Auditing Office registered at the Authority fails to comply with the conditions and provisions related to its work stipulated in Chapter Three of this Module. In the event of rejection, the decision shall be justified.**

2.1 Information of the Office	
Name of Person	
License issued from Ministry of Commerce & Industry to practice the activity of providing Sharia consultation or Sharia auditing	<input type="radio"/> Office <input type="radio"/> Company
Address of Main Office	
Telephone No.	
Mobile No.	
Fax No.	
Email Address	
Web Address	

2.2 Liaison Officer	
Name of Liaison Officer	
Title	
Phone No.	
Mobile No.	
Fax No.	
Email Address	

3. Information pertaining to Members of the Office

Name of Person	Position of Person			Years of Experience
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	
	<input type="radio"/> Sharia Auditor	<input type="radio"/> Legal Advisor	<input type="radio"/> Accountant	

#### 4. Declarations and Undertakings

I, in my capacity as representative of External Sharia Auditing Office (a copy of delegation shall be submitted to the Authority), undertake that the External Sharia Auditing Office

Name of the office: \_\_\_\_\_

Which is to renew its registration has submitted all its documents as per the system of practicing the profession of external Sharia auditing for persons licensed to operate in accordance with the provisions of Islamic Sharia, and pledge the following:

<p>To adhere to the provisions of 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 all systems, decisions, directives and all special restrictions pertaining to external auditing issued by the Capital Markets Authority, and to adjust the direction of the office with such systems and amendments within the time limit set by the Authority for such a purpose.</p>	<input type="checkbox"/> Yes
<p>The report of the External Sharia Auditing Office shall include the following:</p> <ol style="list-style-type: none"> <li>1. An evaluation of the efficiency and effectiveness of the Sharia risk management procedures.</li> <li>2. An evaluation of the Licensed Person's compliance with the relevant decisions of the Capital Markets Authority.</li> <li>3. The scope of work of the External Sharia Auditing Office to include the activities, contracts and Securities transactions of the Licensed Person or Collective Investment Schemes.</li> <li>4. A statement of the reference used for the Sharia Standards of the Licensed Person in case it differs from the Sharia Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI).</li> <li>5. Opinion regarding the Licensed Person's commitment to the provisions of Islamic Sharia in accordance with the Sharia reference it follows, including Sharia violations in the activities, contracts or transactions of the Licensed Person - if any - whether in Securities transactions or their execution.</li> <li>6. Procedures of auditing that led to the results of its works mentioned in such report.</li> <li>7. Evidence of viewing the report of the Internal Sharia Auditing Unit.</li> <li>8. The signature of the External Sharia Auditor registered at the Authority.</li> </ol> <p>The External Sharia Auditing Office shall also issue quarterly periodic Sharia auditing reports including the results of following up and examining the Licensed Person's compliance with the Islamic Sharia principles in his transactions and activities and publish them through the periodic disclosures of the person licensed to work in accordance with the Islamic Sharia principles. It is necessary to present these reports to the Board of Directors to clarify the contents of the reports.</p>	<input type="checkbox"/> Yes
<p>The Sharia auditor shall have a good reputation and manner and have not been convicted of a crime involving a breach of honor or trust or a crime related to</p>	<input type="checkbox"/> Yes

<b>money laundering, financing terrorism, financial crimes or corruption unless he has been discharged.</b>	
<b>The External Sharia Auditing Office of the Licensed Person shall be appointed for one financial year, renewable annually for a period not exceeding four consecutive financial years. It may be reappointed after a period of suspension not less than two consecutive financial years.</b>	<input type="checkbox"/> Yes
<b>Maintain confidentiality of information and data that he viewed while undertaking external Sharia auditing.</b>	<input type="checkbox"/> Yes
<b>To provide all data and information requested by the Authority.</b>	<input type="checkbox"/> Yes
<b>To notify the Authority in conjunction with informing the Licensed Person's management body of the existence of significant and material violations committed by the Licensed Person.</b>	<input type="checkbox"/> Yes
<b>To notify the Authority as soon as one of its registration requirements or conditions is missing.</b>	<input type="checkbox"/> Yes
<b>To notify the Authority immediately upon the issuance of any decision or judgment of any penalty or legal violation by any regulatory body or judicial authority against him.</b>	<input type="checkbox"/> Yes

<b>The External Sharia Auditing Office represents and warrants, as well as its members, to refrain from carrying out any of the following acts:</b>	
<b>To disclose in the office’s report if the partner in an External Sharia Auditing Office or any affiliate thereof occupies the position of chairman or Member of a Board of Directors or a member of the Sharia Supervisory Board – if any – of the Licensed Person, or if he is a member of the Executive Committee of the Fund or the Executive Team of the Contractual Collective Investment Scheme concerned. This shall be applied to relatives of first of kin who supervise the management of the Licensed Person or its accounts.</b>	<input type="checkbox"/> Yes
<b>The Licensed Person or any affiliate thereof shall not be a partner or a shareholder in the appointed External Sharia Auditing Office.</b>	<input type="checkbox"/> Yes
<b>The partner of the External Sharia Auditing Office shall not work for any other External Sharia Auditing Office registered at the Authority.</b>	<input type="checkbox"/> Yes
<b>To audit the transactions of the Licensed Person of which the External Sharia Auditor is relative of third of kin of a Member of the Board of Directors and the CEO.</b>	<input type="checkbox"/> Yes
<b>The Sharia Auditors team who undertake external Sharia auditing on the Licensed Persons or Collective Investment Schemes shall not provide Sharia consultations for the same client throughout the appointment period of the External Sharia Auditing Office.</b>	<input type="checkbox"/> Yes
<b>To provide any works or services for a fee or for free whether directly or indirectly, other than the profession of Sharia auditing to the Licensed Person.</b>	<input type="checkbox"/> Yes
<b>To provide any Sharia consultations or training assignments to the Licensed Person subject of the auditing.</b>	<input type="checkbox"/> Yes
<b>To represent the Licensed Person before third parties, particularly membership of any Board of Directors of companies wherein the Licensed Person is a shareholder.</b>	<input type="checkbox"/> Yes
<b>To receive financial benefits or other benefits than those approved by the general meeting for the Licensed Persons. This includes receiving preferential benefits with the rest of the Clients, whether such benefits were granted by the Licensed Person themselves or by any of their associate companies.</b>	<input type="checkbox"/> Yes
<b>To provide any of the services that may have an impact on its independence or neutrality.</b>	<input type="checkbox"/> Yes
<b>To accept tasks that may constitute conflict of interest.</b>	<input type="checkbox"/> Yes
<b>To accept tasks that jeopardize the honor of the profession.</b>	<input type="checkbox"/> Yes

### 5. List of documents Attached upon Submission of Application

Sr.	Document	Attached	Inapplicable	Status of Auditing (For the Authority's use)	Notes
1	License issued from the Ministry of Commerce & Industry for External Sharia Auditing Office	<input type="checkbox"/>	<input type="checkbox"/>		
2	A copy of proof of fulfilling the same academic or professional qualifications of the Sharia Audit Officer stipulated in Appendix (3) of Module Five.	<input type="checkbox"/>	<input type="checkbox"/>		
3	A copy of the approved supporting documents of the professional expertise or an official copy of them.	<input type="checkbox"/>	<input type="checkbox"/>		
4	A declaration by the Sharia Auditor of working full-time at the Sharia Auditing Office	<input type="checkbox"/>	<input type="checkbox"/>		
5	A certificate of criminal clearance from criminal evidence department for the Sharia Auditor	<input type="checkbox"/>	<input type="checkbox"/>		
6	A copy of the identification number and the passport (in the	<input type="checkbox"/>	<input type="checkbox"/>		

	event the applicant is non-Kuwaiti subject).				
7	A copy of the delegation issued to the representative of the External Sharia Auditing Office.	<input type="checkbox"/>	<input type="checkbox"/>		
8	A copy of receipt of payment of registration fees.	<input type="checkbox"/>	<input type="checkbox"/>		
9	A copy of the receipt of payment for fees of registration renewal	<input type="checkbox"/>	<input type="checkbox"/>		

**I, the undersigned, hereby declare that all information set out in the present application (including all appendices and attachments) are complete, accurate and true. I also declare that I have reviewed Law No. 7 of 2010 and its Executive Bylaws and their amendments.**

**I have knowledge of the Capital Market Authority's right to take any criminal or disciplinary measure against any person who submits any untrue or misleading information or declarations in this application.**

**Until issuance of the approval on this application, I commit to notify the Authority in writing once any change in the information or data submitted by virtue of this application occurs or takes place.**

**I also declare my approval that the Capital Markets Authority uses or discloses any information that I have submitted in the present application or will submit in the future for the purpose of enabling the Authority from carrying out its duties.**

Name:	Signature of the Office Representative:
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Applicant:  Name:  Title:	Signature:
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**NB: No application shall be admitted unless this form is filled in full.**

**Annex (4)**

**Appendix 18**

**Application for Adding an External Sharia Auditor, Legal  
Advisor or Accountant**

## List of Contents

Section 1	Instructions
Section 2	Information pertaining to the Office and Liaison Officer
Section 3	Information pertaining to Members of the Office
Section 4	Declarations and Undertakings
Section 5	List of required documents upon submission of application

## 1. Instructions

- ❖ **This form shall be submitted by the External Sharia Auditing Office who wish to add or cancel a Sharia Auditor, legal advisor, or accountant at the External Sharia Auditing Office registered at the Authority, taking into consideration the provision of Article (3-5-4) of this Module.**
- ❖ **The application of adding or cancelling a Sharia Auditor, legal advisor, or accountant at the External Sharia Auditing Office of each person required to be added or cancelled shall be submitted separately.**
- ❖ **Any application form that is not complete will not be accepted. In the event of non-applicability or unavailability of a statement or information or document required in the form, “not applicable” or “not available” shall be selected, depending on the circumstances.**
- ❖ **The Authority may notify the applicant at any time after receiving the registration request to submit any further information or documents. In the event that the applicant fails to provide the information and documents within the period set by the Authority for the notification without an acceptable excuse, the application shall be deemed withdrawn.**

2.1 Information of the Office	
Name of Person	
License issued from Ministry of Commerce & Industry to practice the activity of providing Sharia consultation or Sharia auditing	<input type="radio"/> Office <input type="radio"/> Company
Address of Main Office	
Telephone No.	
Mobile No.	
Fax No.	
Email Address	
Web Address	

2.2 Liaison Officer	
Name of Liaison Officer	
Title	
Phone No.	
Mobile No.	
Fax No.	
Email Address	

3. Information pertaining to Members of the Office	
Name of Person	
Position of Person	<input type="radio"/> Sharia Auditor <input type="radio"/> Legal Advisor <input type="radio"/> Accountant
Required amendment	<input type="radio"/> Addition <input type="radio"/> Cancellation
If he was a legal advisor or accountant	<input type="radio"/> Person <input type="radio"/> External entity

Years of Experience	
Academic qualification	
Professional qualification	

#### 4. Declarations and Undertakings

##### The External Sharia Auditing Office pledges the following

<p>To adhere to the provisions of 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 all systems, decisions, directives and all special restrictions pertaining to external auditing issued by the Capital Markets Authority, and to adjust the direction of the office with such systems and amendments within the time limit set by the Authority for such a purpose.</p>	<input type="checkbox"/> Yes
<p>The report of the External Sharia Auditing Office shall include the following:</p> <ol style="list-style-type: none"> <li>1. An evaluation of the efficiency and effectiveness of the Sharia risk management procedures.</li> <li>2. An evaluation of the Licensed Person's compliance with the relevant decisions of the Capital Markets Authority.</li> <li>3. The scope of work of the External Sharia Auditing Office to include the activities, contracts and Securities transactions of the Licensed Person or Collective Investment Schemes.</li> <li>4. A statement of the reference used for the Sharia Standards of the Licensed Person in case it differs from the Sharia Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI).</li> <li>5. Opinion regarding the Licensed Person's commitment to the provisions of Islamic Sharia in accordance with the Sharia reference it follows, including Sharia violations in the activities, contracts or transactions of the Licensed Person - if any - whether in Securities transactions or their execution.</li> <li>6. Procedures of auditing that led to the results of its works mentioned in such report.</li> <li>7. Evidence of viewing the report of the Internal Sharia Auditing Unit.</li> <li>8. The signature of the External Sharia Auditor registered at the Authority.</li> </ol> <p>The External Sharia Auditing Office shall also issue quarterly periodic Sharia auditing reports including the results of following up and examining the Licensed Person's compliance with the Islamic Sharia principles in his transactions and activities and publish them through the periodic disclosures of the person licensed to work in accordance with the Islamic Sharia principles. It is necessary to present these reports to the Board of Directors to clarify the contents of the reports.</p>	<input type="checkbox"/> Yes
<p>The Sharia auditor shall have a good reputation and manner and have not been convicted of a crime involving a breach of honor or trust or a crime related to money laundering, financing terrorism, financial crimes or corruption unless he has been discharged.</p>	<input type="checkbox"/> Yes
<p>The External Sharia Auditing Office of the Licensed Person shall be appointed for one financial year, renewable annually for a period not exceeding four consecutive financial years. It may be reappointed after a period of suspension not less than two consecutive financial years.</p>	<input type="checkbox"/> Yes

<b>Maintain confidentiality of information and data that he viewed while undertaking external Sharia auditing.</b>	<input type="checkbox"/> Yes
<b>To notify the Authority in conjunction with informing the Licensed Person's management body of the existence of significant and material violations committed by the Licensed Person.</b>	<input type="checkbox"/> Yes
<b>To notify the Authority as soon as one of its registration requirements or conditions is missing.</b>	<input type="checkbox"/> Yes
<b>To provide all data and information requested by the Authority.</b>	<input type="checkbox"/> Yes
<b>To notify the Authority immediately upon the issuance of any decision or judgment of any penalty or legal violation by any regulatory body or judicial authority against him.</b>	<input type="checkbox"/> Yes



<b>The External Sharia Auditing Office represents and warrants, as well as its members, to refrain from carrying out any of the following acts:</b>	
<b>To disclose in the office’s report if the partner in an External Sharia Auditing Office or any affiliate thereof occupies the position of chairman or Member of a Board of Directors or a member of the Sharia Supervisory Board – if any – of the Licensed Person, or if he is a member of the Executive Committee of the Fund or the Executive Team of the Contractual Collective Investment Scheme concerned. This shall be applied to relatives of first of kin who supervise the management of the Licensed Person or its accounts.</b>	<input type="checkbox"/> Yes
<b>The Licensed Person or any affiliate thereof shall not be a partner or a shareholder in the appointed External Sharia Auditing Office.</b>	<input type="checkbox"/> Yes
<b>The partner of the External Sharia Auditing Office shall not work for any other External Sharia Auditing Office registered at the Authority.</b>	<input type="checkbox"/> Yes
<b>To audit the transactions of the Licensed Person of which the External Sharia Auditor is relative of third of kin of a Member of the Board of Directors and the CEO.</b>	<input type="checkbox"/> Yes
<b>The Sharia Auditors team who undertake external Sharia auditing on the Licensed Persons or Collective Investment Schemes shall not provide Sharia consultations for the same client throughout the appointment period of the External Sharia Auditing Office.</b>	<input type="checkbox"/> Yes
<b>To provide any works or services for a fee or for free whether directly or indirectly, other than the profession of Sharia auditing to the Licensed Person.</b>	<input type="checkbox"/> Yes
<b>To provide any Sharia consultations or training assignments including organizing exhibitions, seminars or workshops to the Licensed Person or Collective Investment Scheme subject of the auditing.</b>	<input type="checkbox"/> Yes
<b>To represent the Licensed Person before third parties, particularly membership of any Board of Directors of companies wherein the Licensed Person is a shareholder.</b>	<input type="checkbox"/> Yes
<b>To receive financial benefits or other benefits than those approved by the general meeting for the Licensed Persons. This includes receiving preferential benefits with the rest of the Clients, whether such benefits were granted by the Licensed Person themselves or by any of their associate companies.</b>	<input type="checkbox"/> Yes
<b>To provide any of the services that may have an impact on its independence or neutrality.</b>	<input type="checkbox"/> Yes
<b>To accept tasks that may constitute conflict of interest.</b>	<input type="checkbox"/> Yes
<b>To accept tasks that jeopardize the honor of the profession.</b>	<input type="checkbox"/> Yes

### 5. List of documents Attached upon Submission of Application

Sr.	Document	Attached	Inapplicable	Status of Auditing (For the Authority's use)	Notes
1	License issued from the Ministry of Commerce & Industry for External Sharia Auditing Office	<input type="checkbox"/>	<input type="checkbox"/>		
2	A copy of proof of fulfilling the same academic or professional qualifications of the Sharia Audit Officer stipulated in Appendix (3) of Module Five.	<input type="checkbox"/>	<input type="checkbox"/>		
3	A copy of the approved supporting documents of the professional expertise or an official copy of them.	<input type="checkbox"/>	<input type="checkbox"/>		
4	A declaration by the Sharia Auditor of working full-time at the Sharia Auditing Office	<input type="checkbox"/>	<input type="checkbox"/>		
5	A certificate of criminal clearance from criminal evidence department for the Sharia Auditor	<input type="checkbox"/>	<input type="checkbox"/>		
6	A copy of the identification number.	<input type="checkbox"/>	<input type="checkbox"/>		
7	A copy of the identification number and the passport (in the event the applicant is non-Kuwaiti subject).	<input type="checkbox"/>	<input type="checkbox"/>		

**I, the undersigned, hereby declare that all information set out in the present application (including all appendices and attachments) are complete, accurate and true. I also declare that I have reviewed Law No. 7 of 2010 and its Executive Bylaws and their amendments.**

**I have knowledge of the Capital Market Authority's right to take any criminal or disciplinary measure against any person who submits any untrue or misleading information or declarations in this application.**

**Until issuance of the approval on this application, I commit to notify the Authority in writing once any change in the information or data submitted by virtue of this application occurs or takes place.**

**I also declare my approval that the Capital Markets Authority uses or discloses any information that I have submitted in the present application or will submit in the future for the purpose of enabling the Authority from carrying out its duties.**

Name:	Signature of the Office Representative:
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Applicant:  Name:  Title:	Signature:
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**NB: No application shall be admitted unless this form is filled in full.**

**Annex (5)**

**Appendix 19**

**Application for Cancellation of the Registration of an External  
Sharia Auditing Office**

## List of Contents

Section 1	Instructions
Section 2	Information pertaining to the Office and Liaison Officer
Section 3	Cancellation details
Section 4	List of required documents upon submission of application

## 1. Instructions

- ❖ **This form shall be submitted by the External Sharia Auditing Office who wishes to cancel the registration of an External Sharia Auditing Office from the Concerned Register of the Capital Markets Authority determining the date of registration cancellation.**
- ❖ **The application of cancelling the registration shall be submitted upon the termination of any contracts signed with Persons or Collective Investment Schemes licensed at the Authority.**
- ❖ **Any application form that is not complete will not be accepted. In the event of non-applicability or unavailability of a statement or information or document required in the form, “not applicable” or “not available” shall be selected, depending on the circumstances.**
- ❖ **The Authority may notify the applicant at any time after receiving the registration request to submit any further information or documents. In the event that the applicant fails to provide the information and documents within the period set by the Authority for the notification without an acceptable excuse, the application shall be deemed withdrawn.**

2.1 Information of the Office	
Name of External Sharia Auditing Office	
Registration number issued by the Authority	

2.2 Liaison Officer	
Name of Liaison Officer	
Title	
Phone No.	
Mobile No.	
Fax No.	
Email Address	

3. Cancellation details	
Reasons of Cancelling the Office	<input type="radio"/> Resignation
	<input type="radio"/> Liquidating the Office
	<input type="radio"/> Changing the Office
	<input type="radio"/> Others
Reasons in details	
Date of cancelling the office	

#### 4. List of required documents upon submission of application

Sr.	Document	Attached	Inapplicable	Notes
1	The approval of the General Assembly.	<input type="checkbox"/>	<input type="checkbox"/>	
2	Evidence of finishing the works of the External Sharia Auditing Office with the clients.	<input type="checkbox"/>	<input type="checkbox"/>	

Applicant:  Name:  Title:	Signature:
---------------------------------------	------------

**NB: No application shall be admitted unless this form is filled in full.**