

**Market Director's Decision No. (1) For the year 2009 concerning shareholding Companies
procedures to buy and sell their equities in the Market**

Market Director of Kuwait Stock Exchange,

After perusal of the amended Amiri Decree issued on 14/8/1983 organizing the Kuwait Stock Exchange.

And the Decree issued on 8/8/1984 concerning listing of brokers and their assistants in Kuwait Stock Exchange.

And the Minister of Commerce's Resolution No. (35) Of 1983 promulgating the Kuwait stock Exchange by-Law.

And the Minister of Commerce's Resolution No. (10) For the year 1987 concerning organizing the shareholding company buying its own shares and the means of using and managing its acquired shares.

And the Ministerial Resolution No. (11) For the year 1988 for the amendments of some rules in the Ministerial Resolution No. (10) For the year 1987 concerning shareholding company buying their shares and how to use and manage acquired shares.

And the Market Director's Decision No. (22) For the year 1987 concerning shareholding companies buy/sell their shares in the market.

And the Market Director's Decision No. (13) For the year 1988 for the amendments of some rules in Decision no. (22) For the year 1987 concerning shareholding companies buying/selling their shares in the market.

And the Market Committee's Decision in its session No.3/2009 held on 9/4/2009.

The following has been decided:

Article (1)

The following words and expressions shall carry the meanings as specified hereunder:

Company: Kuwaiti shareholding companies listed in Kuwait Stock Exchange.

The Market: Kuwait Stock Exchange.

Buying: Company buying its own shares within the ten percent limit which is referred to in law No. 132 for the year 1986.

Selling: Company selling its own shares that it bought through the ten percent limit.

Trading Rules: Decisions and instructions issued by the market committee or market management concerning organizing the process of completing the transactions.

Article (2)

Each Company shall notify the market management of the rules issued by the Company's general assembly by delegating its Board of Directors in buying and selling its own shares, this notification should be prior to the end of the next working day of the issuance of such decisions.

Article (3)

The amounts used to finance the buying of the Companies own shares should not exceed the total balance of reserves consisted of total profit dividends, retained earnings and premium on issue. If the Company is regulated by the Central Bank of Kuwait the Company then is obliged to adhere to the financing sources identified by the said Bank and any other specified rules in this matter.

Article (4)

The Company is obliged to get a prior approval from the Market before buying or selling its own shares. This approval shall remain valid as long as the delegation issued by the general assembly of the Company to its board members to sell or buy is still applicable. If the Company is regulated by the Central Bank of Kuwait, then it is obliged to get a prior approval from the Central Bank of Kuwait for buying or selling its own shares before approaching the market's management seeking the previously mentioned approval.

Article (5)

The Company must take into consideration at the time of practicing its right in selling or buying its own shares to avoid the harmful speculation on its own shares in the market.

Article (6)

The buying transactions of the Company of its own shares or selling what has been acquired are made according to the rules applied in Kuwait Stock Exchange. The Company is only permitted to buy or sell its own shares through the spot market.

Article (7)

The Company shall submit to the Market a detailed proclamation of what the Company has bought or sold out of its own shares on the determined time and process required by the market management.

Article (8)

The Decision of the Market Director (No. 22) for the year 1987 and the Decision of the Market Director No.(13) For the year 1988 shall be canceled, this decision shall come into force and the concerned departments shall execute it.

Director General of Kuwait stock Exchange

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