

**12- RULES AND REGULATIONS FOR THE EXPERIENCE  
REQUIRED FOR FINANCE COMPANIES AS PER  
ARTICLE (68) OF THE LAW No. (32) OF 1968 AND  
ITS AMENDMENTS**

- A) Resolution No. (84/376/2011) regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments for Financing Companies.
- B) Resolution No. (76/383/2012) amending Article (4) of the Resolution No. (84/376/2011) regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments for Financing Companies.
- C) Circular No. (2/FS, IFS/405/2017) to all Financing Companies regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments.
- D) Circular No. (2/BS, IBS, FS, IFS/422/2018) to all Local Banks and Financing Companies regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments.
- E) Circular No. (2/ FS, IFS/448/2019) to all Financing Companies regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments.

**Resolution No. (84/376/2011)<sup>(1)(2)(3)(4)</sup> regarding the Rules and Regulations for the Experience Required as per Article (68) of the Law No. (32) of 1968 and its Amendments for Financing Companies.**

**The Central Bank of Kuwait Board of Directors,**

Having reviewed:

- Article (68) of the Law No. (32) of 1968 and its amendments, and
- The Minister of Finance's Resolution No. (38) of 2011 with respect to Regulation of Central Bank of Kuwait's Supervision of Financing Companies,

**Resolved**

**Article One**

In order to meet the condition of the experience provided for as per Article (68) of the Law No. (32) of 1968 and its amendments, a candidate for a financing company board membership must satisfy one of the following conditions:

- 1) Should hold a university qualification or be a graduate of one of the applied education institutes specialized in the economic, financial or banking studies, and should have the following experience:
  - a) Holders of university degrees in the economic, legal or administrative studies should have five-year experience in the said areas, or in the banking or financial field.
  - b) Holders of university degrees in other disciplines should have seven-year experience in banking or financial field.
  - c) Holders of certificates from one of the specialized applied education institutes should have ten-year experience in banking or financial field.

---

<sup>(1)</sup> Circular No. (76/383/2012) was issued, on 19/06/2012 amending the Rules and Regulations concerning the Experience required for Financing Companies as per Article (68) of the Law No. (32) of 1968 and its amendments.

<sup>(2)</sup> Circular No. (2/FS, IFS/405/2017) was issued, on 13/06/2017 regarding the Resolution of the Central Bank's Board of Directors amending the Rules and Regulations concerning the Experience required for Financing Companies as per Article (68) of the Law No. (32) of 1968 and its amendments.

<sup>(3)</sup> Circular No. (2/BS, IBS, FS, IFS/422/2018) was issued, on 03/12/2018 regarding the Resolution of the Central Bank's Board of Directors amending the Rules and Regulations concerning the Experience required for Financing Companies as per Article (68) of the Law No. (32) of 1968 and its amendments.

<sup>(4)</sup> Circular No. (2/FS, IFS/448/2019) was issued, on 10/9/2019 regarding the Resolution of the Central Bank's Board of Directors amending the Rules and Regulations concerning the Experience required for Financing Companies as per Article (68) of the Law No. (32) of 1968 and its amendments.

---

**12- RULES AND REGULATIONS FOR THE EXPERIENCE REQUIRED FOR FINANCING COMPANIES AS PER ARTICLE (68) OF THE LAW NO. (32) OF 1968 AND ITS AMENDMENTS.**

- A) Resolution No. (84/376/2011) regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments for Financing Companies.

*Or*

- 2) Had previously held board membership, for a minimum of six years, in local or foreign recognized banks or financial institutions, or in public institutions or financial or economic public bodies.

*Or*

- 3) Had held, for a minimum of three years, key positions in banking or financial institutions, with functions related to the basic activities of the institution.

*Or*

- 4) In the event the candidate does not meet the conditions specified under items 2 and 3, his/her accumulative experience in board membership and key positions in banking or financial institutions may be considered together, so that his/her accumulative experience in the said areas should be at least six years.

*Or*

- 5) Has been a businessperson of licensed commercial, economic or financial activity for at least ten years. The Central Bank of Kuwait believes that the business activity provides the candidate with the experience useful for his/her position as a board member of a financing company.

*Or*

- 6) Has occupied for at least three years the position of Minister or its equivalent, or the position of Ambassador in the diplomatic body, or a key position in government bodies or state institutions, in accordance with the law and system of civil service. The Central Bank of Kuwait Board of Directors may decide whether the position occupied by the candidate has provided him/her with experience useful for his/her work as a board member of a financing company.

### **Article Two**

In order to meet the condition of experience provided for as per Article (68) of the said law, candidates for the positions of the Managing Director and a Chief Executive Officer in a financing company should satisfy the following conditions:

- 1) Must hold a university degree in economic, legal or administrative sciences.
- 2) Must have ten-to fifteen-year experience, of which at least seven years in a banking or financial institution, with a minimum of five years in key positions, which functions were related to the basic banking or financial activities of the institution.
- 3) Must have the professional and leadership capabilities, which qualify him/her for this position.

---

#### **12- RULES AND REGULATIONS FOR THE EXPERIENCE REQUIRED FOR FINANCING COMPANIES AS PER ARTICLE (68) OF THE LAW NO. (32) OF 1968 AND ITS AMENDMENTS.**

- A) Resolution No. (84/376/2011) regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments for Financing Companies.

### **Article Three**

In order to meet the condition of experience provided for as per Article (68) of the said law, candidates for the positions of Deputy or Assistant Chief Executive Officer in a financing company should satisfy the following conditions:

- 1) Must hold a university degree in economic, legal or administrative sciences.
- 2) Must have worked for a period of seven to ten years, of which at least five years in a banking or financial institution, with a minimum of two years in key positions, which functions were related to the basic banking or financial activities of the institution.
- 3) Must have the professional and leadership capabilities, which qualify him/her for this position.

Deputy or Assistant of a financing company's Chief Executive Officer, who is required to meet the aforesaid conditions, is the person, who carries out the important functions related to the nature of the financing company's activities, such as credit, internal audit, risk and other functions.

### **Article Four<sup>(1)</sup>**

In order for the persons nominated as board members or key positions in a financing company to fulfill the condition of required experience as per Articles (One), (Two) and (Three) of this Resolution, such candidates must have not been convicted of a crime involving moral turpitude or dishonesty or declared bankruptcy, and must have a good reputation.

### **Article Five**

The Board of Directors of the Central Bank may exempt a candidate for the position of Managing Director of a financing company and any of the candidates for the position of the Chief Executive Officer, his/her Deputy or Assistant from the university degree requirement, if the experience and efficiency of such candidate so warrants.

### **Article Six**

The Central Bank of Kuwait may take the actions necessary for ascertaining that the candidate has the professional and leadership capabilities qualifying him/her for the position of the Managing Director in a financing company, or to the position of the Chief Executive Officer, his/her Deputy or Assistant, including a personal interview with the nominee, if so required.

---

<sup>(1)</sup> Circular No. (76/383/2012) was issued to amend Article 4 of Circular No. (84/376/2011) included under Item (B) of these instructions.

**Article Seven**

This resolution comes into effect from the date of its issuance, and shall be published in the official Gazette.

**Board of Directors of the Central Bank of Kuwait**

*Issued on Thul-Qi'da 26, 1432 H  
Corresponding to October 24, 2011*

---

**12- RULES AND REGULATIONS FOR THE EXPERIENCE REQUIRED FOR FINANCING COMPANIES AS PER ARTICLE (68) OF THE LAW NO. (32) OF 1968 AND ITS AMENDMENTS.**

- A) Resolution No. (84/376/2011) regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments for Financing Companies.

**Resolution No. (76/383/2012)<sup>(1)(2)(3)</sup> on Amending Article (4) of the Resolution No. (84/376/2011) regarding the Rules and Regulations for the Experience required companies as per Article (68) of the Law No. (32) of 1968 and its Amendments for Financing Companies.**

**The Central Bank of Kuwait's Board of Directors,**

Having reviewed:

- Article (68) of the Law No. (32) of 1968 and its amendments,
- The Minister of Finance's Resolution No. (38) of 2011 with respect to Regulation of Central Bank of Kuwait's Supervision of Financing Companies, and
- Resolution of the Central Bank of Kuwait's Board of Directors No. (84/376/2011) issued on 24/10/2011 regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments for Financing Companies.

Resolved:

**Article One**

The text of Article (4) of Resolution No. (84/376/2011) referred to in the preamble above shall be replaced by the following text:

“In order for the person nominated as a board member or holder of a position on the executive management in a financing company to fulfill the condition of required experience as per Articles (One), (Two) and (Three) of this Resolution, candidates must have not been previously dismissed from his/her position, or charged with negligence, omission or violation of the Law No. (32) of 1968 and its amendments during performance of his/her duties in banking or financial institutions”.

---

<sup>(1)</sup> Circular No. (2/FS, IFS/405/2017) was issued on 13/06/2017 regarding the Resolution of the Central Bank's Board of Directors to amend the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments.

<sup>(2)</sup> Circular No. (2/BS, IBS, FS, IFS/422/2018) was issued on 03/12/2018 regarding the Resolution of the Central Bank's Board of Directors to amend the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments.

<sup>(3)</sup> Circular No. (2/FS, IFS/448/2019) was issued on 10/9/2019 regarding the Resolution of the Central Bank's Board of Directors to amend the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments.

---

**12- RULES AND REGULATIONS FOR THE EXPERIENCE REQUIRED AS PER ARTICLE (68) OF THE LAW NO. (32) OF 1968 AND ITS AMENDMENTS FOR FINANCING COMPANIES.**

B) Resolution No. (76/383/2012) amending Article (4) of Resolution No. (84/376/2011) regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments for Financing Companies.

## **Article Two**

This resolution comes into effect from the date of its issuance, and shall be published in the official Gazette.

**Board of Directors of the Central Bank of Kuwait**

*Issued on Rajab 29, 1433 H  
Corresponding to June 19, 2012*

**THE GOVERNOR**

*Ramadhan 18, 1438 H  
June 13, 2017*

**The Chairman,**

**Circular No. (2/FS, IFS/405/2017)<sup>(9)(10)</sup> to all Financing Companies  
regarding the Rules and Regulations for the Experience Required as per  
Article (68) of the Law No. (32) of 1968 and its Amendments.**

Reference is made to the Resolution of the Central Bank of Kuwait's Board of Directors No. (84/376/2011), as amended by the Resolution No. (76/383/2012) regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 concerning Currency, the Central Bank of Kuwait and Regulation of Banking, and its amendments for Financing Companies.

I would like to inform you that the Board of Directors of the Central Bank of Kuwait resolved in its meeting held on 13/06/2017 to amend the rules and regulations for the experience required as per the mentioned Article (68) by issuing the Resolution No. (43-B/422/2017). The new resolution provides for the controls in case the financing companies' boards of directors delegate any board member of a third party to carry out a specific task, supervise a company's activity, or exercise some of the powers and competencies of the board of directors, as per the provisions of Article (185) of the Companies Law No. (1) of 2016 and its amendments. In addition, the conditions for the required experience for a person appointed as the chief executive officer in a financing company, his/her deputies or his/her assistants were amended in terms of the nature of the experience required to fill these positions.

Attach hereto is a copy of the Resolution No. (43-B/422/2017) regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments for financing companies.

With my best wishes,

**The Governor  
Dr. Mohammad Yousef Al-Hashel**

---

<sup>(9)</sup> Circular No. (2/BS, IBS, FS, IFS/422/2018) was issued, on 3/12/2018, regarding the Central Bank's Board of Directors' resolution to amend the rules and regulations for the experience required under Article (68) of Law No. (32) of 1968 and its amendments.

<sup>(10)</sup> Circular No. (2/FS, IFS/448/2019) was issued, on 10/9/2019, concerning the Central Bank's Board of Directors' resolution to amend the rules and regulations for the experience required under Article (68) of Law No. (32) of 1968 and its amendments.

---

**12- Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its Amendments for Financing Companies.**

C) Resolution No. (2/FS, IFS/405/2017) to all Financing Companies regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments.



**Resolution No. (43-B/422/2017) Regarding the Rules and Regulations for the Experience Required in Article (68) of Law No. (32) of 1968 and its Amendments for Financing Companies**

**The Central Bank of Kuwait Board of Directors,**

Having reviewed:

- Article (68) of the Law No. (32) of 1968 concerning Currency, the Central Bank of Kuwait and Regulation of Banking,
- Companies Law No. (1) for the year 2016 and its amendments,
- The Minister of Finance's Resolution No. (38) of 2011 with respect to Regulation of Central Bank of Kuwait's Supervision of Financing Companies,
- The Central Bank of Kuwait Board of Directors' Resolution No. (84/376/2011) as amended by Resolution No. (76/383/2012) concerning the rules and regulations for the experience required under the mentioned Article (68) of Law No. (32) of 1968.

Resolved:

**Article One**

In order to meet the condition of the experience provided for as per Article (68) of the Law No. (32) of 1968 and its amendments, a candidate for a financing company board membership must satisfy one of the following conditions:

- 1) Should hold a university qualification or be a graduate of one of the applied education institutes specialized in the economic, financial or banking studies, and should have the following experience:
  - a) Holders of university degrees in the economic, legal or administrative studies should have five-year experience in the said areas, or in the banking or financial field.
  - b) Holders of other university degrees should have seven-year experience in the banking or financial field.
  - c) Holders of qualifications from a specialized applied institute should have ten-year experience in the banking or financial field.

***Or***

- 2) Had previously held board membership, for a minimum of six years, in local or foreign recognized banks or financial institutions, or in public institutions or financial or economic public bodies.

---

**12- Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its Amendments for Financing Companies.**

- C) Resolution No. (2/FS, IFS/405/2017) to all Financing Companies regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments.

*Or*

3) Had held, for a minimum of three years, key positions in banking or financial institutions, with functions related to the basic activities of the institution.

*Or*

4) In the event the candidate does not meet the conditions specified under items 2 and 3, his/her accumulative experience in board membership and key positions in banking or financial institutions may be considered together, so that his/her accumulative experience in the said areas should be at least six years.

*Or*

5) Has been a businessperson of licensed commercial, economic or financial activity for at least ten years. The Central Bank of Kuwait believes that the business activity provides the candidate with the experience useful for his/her position as a board member of a financing company.

*Or*

6) Has occupied for at least three years the position of a Minister or equivalent, or the position of Ambassador in the diplomatic body, or a key position in government bodies or state institutions, in accordance with the law and system of civil service. The Board of Directors of the Central Bank of Kuwait may decide whether the position occupied by the candidate has provided him/her with experience needed for his/her work as a board member of a financing company.

### **Article Two**

The Central Bank of Kuwait shall determine the condition of experience required for a board member or a third party delegated by the board of directors in a financing company to carry out a specific task, supervise a financing company's activity, or exercise some of the board's powers. The Central Bank of Kuwait shall also determine whether the condition of experience shall be applied to whoever is appointed as the Chief Executive Officer in a financing company, his/her Deputy/Assistant, in accordance with the with Articles Three and Four of this Resolution, based on the type, scope and nature of the delegation to be issued by the board of directors.

In this respect, the financing companies must provide the Central Bank of Kuwait with a detailed description of the type, scope and nature of the intended delegation. Furthermore, the Central Bank of Kuwait's prior approval must be obtained for the candidate to be delegated by the board of directors prior to delegation by following the same procedures for obtaining the Central Bank of Kuwait's approval on the candidates for the position of chief executive officer or his/her deputy/assistant.

---

#### **12- Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its Amendments for Financing Companies.**

C) Resolution No. (2/FS, IFS/405/2017) to all Financing Companies regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments.

### **Article Three**

In order to meet the condition of experience provided for as per Article (68) of the said law, candidates for the position of Chief Executive Officer in a financing company should satisfy the following conditions:

- 1) Must hold a university degree in economic, legal or administrative sciences.
- 2) Must have at least ten-year experience, of which at least seven years in a banking or financial institution, with a minimum of five years in key positions, which functions were related to the basic banking or financial activities of the institution.
- 3) Must have the professional and leadership capabilities, which qualify him/her for this position.

### **Article Four**

In order to meet the condition of experience provided for as per Article (68) of the said law, candidates for the positions of Deputy or Assistant Chief Executive Officer in a financing company should satisfy the following conditions:

- 1) Must hold a university degree in economic, legal or administrative sciences.
- 2) Must have at least seven-year experience, of which at least five years in a banking or financial institution, with a minimum of two years in key positions, which functions were related to the basic banking or financial activities of the institution.
- 3) Must have the professional and leadership capabilities, which qualify him/her for this position.

Deputy or Assistant Chief Executive Officer in a financing company's, who is required to meet the aforesaid conditions, is the person, who carries out the important functions related to the nature of the financing company's activities, such as credit, internal audit, risk and other functions.

### **Article Five**

In order for the candidates to fulfill the condition of required experience as per Articles (One), (Two), (Three) and (Four) of this Resolution, candidates must have not been previously dismissed from his/her position, or charged with negligence, omission or violation of the Law No. (32) of 1968 and its amendments during performance of his/her duties in banking or financial institutions.

---

**12- Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its Amendments for Financing Companies.**

- C) Resolution No. (2/FS, IFS/405/2017) to all Financing Companies regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments.

### **Article Six**

The Central Bank Board of Directors may exempt any of the candidates mentioned in Articles (Two), (Three), and (Four) of this resolution from the university degree requirement, if the experience and efficiency of such candidate so warrants.

### **Article Seven**

The Central Bank may take the actions necessary for ascertaining that the nominees mentioned in Articles (Two), (Three) and (Four) of this Resolution have the qualifying professional and leadership capabilities, including holding an interview with the candidates, if necessary.

### **Article Eight**

This resolution comes into effect from the date of its issuance, and shall be published in the official Gazette.

**Dr. Mohammad Y. Al-Hashel**

**The Governor**

**Chairman of the Board of Directors of the Central Bank of Kuwait**

*Issued on Ramadan 18, 1438 H  
Corresponding to June 13, 2017*

---

**12- Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its Amendments for Financing Companies.**

C) Resolution No. (2/FS, IFS/405/2017) to all Financing Companies regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments.

**THE GOVERNOR**

*Rabi' Al-Awwal 25, 1440 H  
December 03, 2018*

**The Chairman,**

**Circular No. (2/ BS, IBS, FS, IFS/422/2018) to all Local Banks  
and Financing Companies regarding the Rules and Regulations  
for the Experience required as per Article (68) of the Law  
No. (32) of 1968 and its Amendments**

Reference is made to the Resolutions of the Central Bank of Kuwait's Board of Directors Nos. (43-A/ 422/2017) and (43-B/422/2017)<sup>(1)</sup> regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments for both local banks and financing companies.

We would to advise that the Board of Directors of the Central Bank of Kuwait has decided, at its meeting held on 03/12/2018, resolved to amend item (1) of both Articles (Three) (relating to the person appointed as the Chief Executive Officer of a bank/financing company) and Article (Four) (relating to the person appointed as Deputy or Assistant of Chief Executive Officer of a bank/financing company) under the two mentioned resolutions, to become as follows:

“1) Must hold a university degree in economic, legal or administrative sciences, or information technology.”

Attach hereto is a copy of the Central Bank of Kuwait's Board of Directors' Resolution No. (123/433/2018) in this regard.

Best Regards,

**The Governor  
Dr. Mohammad Y. Al-Hashel**

---

<sup>(1)</sup> This Resolution has been amended by virtue of the Circular No. (89-B/439/2019) included under item (E) of these Instructions.

**Resolution No. (123/433/2018) on Amending the Resolutions  
Nos. (43-A/422/2017) and (43-B/422/2017)<sup>(1)</sup> regarding the Rules and  
Regulations for the Experience required as per Article (68) of the Law  
No. (32) 1968 and its Amendments for both Local Banks  
and Financing Companies**

**The Board of Directors of the Central Bank of Kuwait,**

Having reviewed:

- Article (68) of the Law No. (32) of 1968 regarding Currency, the Central Bank of Kuwait and Regulation of Banking and its amendments, and
- Resolutions of the Board of Directors of the Central Bank of Kuwait Nos. (43-A/422/2017) and (43-B/422/2017) regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments for both local Banks and Financing companies,

Resolved:

**Article One**

Amending item (1) of both Articles (Three) (relating to the person appointed as the Chief Executive Officer of a bank/financing company) and Article (Four) (relating to the person appointed as Deputy or Assistant of Chief Executive Officer of a bank/financing company) under the Resolutions of the Board of Directors of the Central Bank of Kuwait Nos. (43-A/422/2017) and (43-B/422/2017) regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments for both local Banks and Financing companies, to become as follows:

“1) Must hold a university degree in economic, legal or administrative sciences, or information technology.”

**Article Two**

This resolution comes into effect from the date of its issuance, and shall be published in the official Gazette.

**Dr. Mohammad Y. Al-Hashel**

**The Governor**

**Chairman of the Board of Directors of the Central Bank of Kuwait**

*Issued on Rabi' Al-Awwal 25, 1440 H  
Corresponding to December 03, 2018*

---

<sup>(1)</sup> This Resolution has been amended by virtue of the Circular No. (89-B/439/2019) included under item (E) of these Instructions.

**THE GOVERNOR**

*Muharram 11, 1441 H  
September 10, 2019*

**The Chairman,**

**Circular No. (2/ FS, IFS/448/2019) to all Financing Companies  
regarding the Rules and Regulations for the Experience required  
as per Article (68) of the Law No. (32) of 1968 and its Amendments**

Reference is made to the Resolution of the Central Bank of Kuwait's Board of Directors No. (43-B/422/2017) regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments for Financing Companies.

I would to advise that the Board of Directors of the Central Bank of Kuwait has decided, at its meeting held on 10/09/2019, resolved to amend item (2) of Article Four (relating to the person appointed as Deputy or Assistant of Chief Executive Officer of a financing company) with respect to the required experiences in the technical areas to fill these positions.

Attach hereto is a copy of the Resolution of the Central Bank of Kuwait's Board of Directors' No. (89-B/439/2019) regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments.

With my best Regards,

**The Governor  
Dr. Mohammad Y. Al-Hashel**

---

**12- Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its Amendments for Financing Companies.**

E) Circular No. (2/FS, IFS/448/2019) to all Financing Companies regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments.

**Resolution No. (89-B/439/2019) regarding the Rules and Regulations  
for the Experience Required as per Article (68) of the Law  
No. (32) of 1968 and its Amendments for Financing Companies**

**The Board of Directors of the Central Bank of Kuwait,**

Having reviewed:

- Article (68) of the Law No. (32) of 1968 concerning Currency, the Central bank of Kuwait and Regulation of Banking, and its amendments,
- The Minister of Finance's Resolution No. (38) of 2011 with respect to Regulation of Central Bank of Kuwait's Supervision of Financing Companies, and
- The Central Bank of Kuwait Board of Directors' Resolutions (43-B/422/2017) and its amendments, regarding the Rules and Regulations related to the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments for Financing Companies,

**Resolved**

**Article One**

In order to meet the condition of the experience provided for as per Article (68) of Law No. (32) of 1968 and its amendments, a candidate for a financing company board membership must satisfy one of the following conditions:

- 1) Should hold a university qualification or be a graduate of one of the applied education institutes, and should have the following experience:
  - a) Holders of university degrees in the economic, legal, administrative or technical sciences should have five-year experience in the said areas, or in the banking or financial field. Holders of the other applied education qualifications should have seven-year experience in the banking or financial field.
  - b) Holders of qualifications from the applied education institutes specialized in the economic, legal, administrative or technical sciences should have seven-year experience in the said areas, or in the banking or financial field. Holders of the other applied education qualifications should have ten-year experience in the banking or financial field.

*Or*

- 2) Had previously held board membership, for a minimum of six years, in local or foreign recognized banks or financial institutions, or in public institutions or financial or economic public bodies.

---

**12- Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its Amendments for Financing Companies.**

E) Circular No. (2/FS, IFS/448/2019) to all Financing Companies regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments.



***Or***

3) Had held, for a minimum of three years, key positions in banking or financial institutions, with functions related to the basic activities of the institution.

***Or***

4) In the event the candidate does not meet the conditions specified under items (2) and (3), his/her accumulative experience in board membership and key positions in banking or financial institutions may be considered together, so that his/her accumulative experience in the said areas should be at least six years.

***Or***

5) Has been a businessperson of licensed commercial, economic or financial activity for at least ten years. The Central Bank of Kuwait believes that the business activity provides the candidate with the experience useful for his/her position as a board member of a financing company.

***Or***

6) Has occupied for at least three years the position of Minister or equivalent, or an Ambassador in the diplomatic body, or a key position in government bodies or state institutions, in accordance with the law and system of civil service. The Board of Directors of the Central Bank of Kuwait may decide whether the position occupied by the candidate has provided him/her with experience useful for his/her work as a board member of a financing company.

### **Article Two**

The Central Bank of Kuwait shall determine the conditions of experience required for a board member or a third party delegated by the board of directors in a financing company to carry out a specific task, supervise a financing company's activity, or exercise some of the board's powers. The Central Bank of Kuwait shall also determine whether the conditions of experience shall be applied to whoever is appointed as the Chief Executive Officer in a financing company, his/her Deputy/Assistant, in accordance with the with Articles (Three) and (Four) of this Resolution, based on the type, scope and nature of the delegation to be issued by the board of directors.

In this respect, the financing companies must provide the Central Bank of Kuwait with a detailed description of the type, scope and nature of the intended delegation. Furthermore, the Central Bank of Kuwait's prior approval must be obtained for the candidate to be delegated by the board of directors prior to delegation by following the same procedures for obtaining the Central Bank of Kuwait's approval on the candidates for the position of Chief Executive Officer or his/her Deputy/Assistant.

---

**12- Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its Amendments for Financing Companies.**

E) Circular No. (2/FS, IFS/448/2019) to all Financing Companies regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments.

### **Article Three**

In order to meet the condition of experience provided for as per Article (68) of the said law, candidates for the positions of Chief Executive Officer in a financing company should satisfy the following conditions:

- 1) Must hold a university degree in economic, legal, administrative or technical sciences.
- 2) Must have ten-year experience, of which at least seven years in banking, financial or economic areas relating to the banking business, with a minimum of five years in executive positions.
- 3) Must have the professional and leadership capabilities, which qualify him/her for this position.

### **Article Four**

In order to meet the condition of experience provided for as per Article (68) of the said law, candidates for the positions of Deputy or Assistant Chief Executive Officer in a financing company should satisfy the following conditions:

- 1) Must hold a university degree in economic, legal, administrative or technical sciences.
- 2) Must have seven-year experience, of which at least five years in a banking, financial, economic or technical areas, with a minimum of two years in key executive positions.
- 3) Must have the professional and leadership capabilities, which qualify him/her for this position.

Deputy or Assistant of a financing company's Chief Executive Officer, who is required to meet the aforesaid conditions, is the person, who carries out the important functions related to the nature of the financing company's activities, such as credit, internal audit, risk and other functions.

### **Article Five**

In order for the nominees to fulfill the condition of required experience as per Articles One, Two, Three and Four of this Resolution, they must have not been previously removed from his/her position, or charged with any negligence, omission or violation of the Law No. (32) of 1968 and its amendments during the performance of his/her duties in banking or financial institutions.

---

#### **12- Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its Amendments for Financing Companies.**

- E) Circular No. (2/FS, IFS/448/2019) to all Financing Companies regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments.

### **Article Six**

The Board of Directors of the Central Bank may exempt any of the candidates mentioned under Articles Two, Three and Four from the university degree requirement, if the experience and efficiency of such candidate so warrants.

### **Article Seven**

The Central Bank of Kuwait may take the actions necessary for ascertaining that the candidates mentioned under Articles Two, Three and Four of this Resolution have the qualifying professional and leadership capabilities, including a personal interview with the nominee, if so required.

### **Article Seven**

This resolution comes into effect from the date of its issuance, and shall be published in the official Gazette.

**Dr. Mohammad Y. Al-Hashel**  
**The Governor**  
**Chairman of the Board of Directors of the Central Bank of Kuwait**

*Issued on Muarram 11, 1441 H*  
*Corresponding to September 10, 2019*

---

**12- Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its Amendments for Financing Companies.**

E) Circular No. (2/FS, IFS/448/2019) to all Financing Companies regarding the Rules and Regulations for the Experience required as per Article (68) of the Law No. (32) of 1968 and its amendments.