

# FINANCIAL REGULATIONS

- Amended on 28/02/2015 – Board Meeting No. 02/2015
- Amended on 00/09/2024 – Board Meeting No. 00/2024
- Amended on 16/02/2026 – Board Meeting No. 02/2026

Pursuant to the provisions of the Articles of Association of the Kuwait Transparency Society, in “Chapter Three – Finances of the Society” and Article (51) thereof, the “Financial Regulations” have been established.

## Chapter One – Definitions

### Article (1)

The financial regulations are a flexible administrative instrument for one fiscal year, under the authority of the Board and the responsibility of the Treasurer. They translate and interpret the provisions of the Articles of Association into administrative systems that facilitate dealing with financial matters.

### Article (2)

Amending, deleting, or adding any provision of these regulations shall fall within the authority of the Board, subject to the following conditions:

- 1) The amendment, deletion, or addition shall not conflict with the Articles of the Association of the Society.
- 2) It shall be approved by the majority of board members (five members).
- 3) The change shall be made during the first quarter of each fiscal year. No changes are permitted during the remaining months of the year.

### Article (3)

In accordance with Article (15) of the Society’s Articles of Association, the fiscal year of the Society begins on the first day of January and ends at the end of December of each year. By way of exception, the first fiscal year shall commence from the date of the establishment of the Society until 31 December of the same year.

## Chapter Two – Financial Resources

## Article (4)

For clarification of Article (16) of the Articles of Association, the Society's resources shall consist of:

### **Registration Fee:**

A one-time fee of five (5) Kuwaiti Dinars is payable upon submission of the membership application. The amount shall be refunded in the event the application is rejected.

### **Subscription Fees:**

For an active member: ten (10) Kuwaiti Dinars annually, payable at least two weeks prior to the General Assembly meeting.

For a Visiting Member: five (5) Kuwaiti Dinars annually, payable before the General Assembly meeting. Payment must be made in person.

### **Donations and Grants:**

As approved by the Board in accordance with the rules and governance of donations (6).

### **Acceptance Controls:**

A donation shall not result in preferential advantages to the donor (such as contracts or licences), nor shall it grant privileges to employees of the beneficiary entity. The purpose must be lawful and must not violate the Articles of Association and the Code of Conduct.

### **Documentation and Administration:**

Donations and grants shall be made by bank cheque in the name of the Kuwait Transparency Society. The treasurer shall receive donations and grants and maintain a dedicated register recording the donor's name, the type of donation (cash or in-cheque), and its value.

### **Financial Procedures:**

Cash donations included within the Society's budget shall be disbursed and monitored in accordance with the applicable financial laws and regulations.

### **Service Fees:**

The Board shall determine the fees payable for each certificate issued by the Society to its members, as well as the fees due for services provided by the Society to its members and others and for publications and newsletters it issues.

### **Fees for Use of Society Facilities:**

In accordance with Article (14) of the Articles of Association, the Board shall determine the fees payable by visitors for the use of any Society facility.

**Honoraria and Professional Fees:**

If the Society nominates one of its members to perform work related to external committees, arbitration of matters, or any other work within the Society's scope, the Society shall receive ten percent (10%) of the fees or honoraria of its representative.

**Training Programs and Workshops Revenue:**

The Society may collect revenues in return for organizing training programs or workshops, considering all procedures stipulated in the internal regulations of the Kuwaiti Governance Institute affiliated with the Society.

**Other:**

Any revenues obtained from other sources approved by the Board, provided they do not conflict with the applicable laws and regulations in the State.

**Article (5)**

In the event of wishing to re-register after membership has lapsed due to failure to pay the annual subscription fee for two consecutive fiscal years (excluding the current year), the member shall pay the subscription fee for the current year and for one additional year from the cancellation period.

Taking into account all procedures stipulated in Article (4) of the Internal Regulations.

**Article (6)**

A member whose membership has lapsed for any reason, or his heirs in the event of death, shall not be entitled to recover the registration fee, subscription fees, donations, or grants paid during his membership.

**Article (7)**

The Society shall deposit its cash funds in its name with Kuwaiti banks.

**Article (8)**

The Society may not spend its funds for purposes other than those for which it was established. It may not aim to obtain material profit or engage in financial speculation. This does not include savings accounts and bank deposits.

#### **Article (9)**

The Society may host training courses at its premises organized by other entities for a financial consideration of fifty (50) Kuwaiti Dinars per day, and the Society shall not bear the costs of any services related to the organizer.

#### **Article (10)**

The Society shall disclose in its records all contributions provided to it by individuals or institutions.

### **Chapter Three – Audit of Accounts**

#### **Article (11)**

The accounts of the Society shall be reviewed by an auditor registered in the Register of Auditors, provided that he is not a member of the Board. The auditor shall undertake the following duties:

- (1) Continuous review of the Society's accounts.
- (2) Review of the implementation of the budget provisions and submission of any observations to the Board.
- (3) Review of the final account before it is presented to the Board.
- (4) Submission of a comprehensive report to the General Assembly on the financial position of the Society, including his observations on the Society's financial affairs in general.

#### **Article (12)**

If the position of the auditor becomes vacant, the Board shall appoint a replacement, provided that such appointment is presented to the first General Assembly meeting for approval or for the selection of an alternative.

### **Article (13)**

The Society shall submit to the Ministry of Social Affairs a copy of the final account for the concluded fiscal year and the proposed budget for the upcoming fiscal year within a period not exceeding one month from the end of the fiscal year, signed by the treasurer and the president after approval by the board.

The competent authorities in the ministry and other relevant governmental authorities may inspect the Society's accounts in accordance with the regulations applicable to them.

## **Chapter Four – Financial Disclosure**

### **Article (14)**

In accordance with Article (40) of the Society's Articles of Association concerning financial disclosure, any candidate for membership of the Board of Directors shall undertake, in the event of obtaining a seat on the Board, to submit his financial disclosure statement in accordance with these Regulations. The statement shall not be returned to him until at least six months after leaving board membership.

### **Article (15)**

The financial disclosure statement submitted by a board member shall include the following:

- Names: The name of the board member and the names of his minor children and their dates of birth.
- Funds: A certificate from each bank in which he maintains an account balance, including (account number, type of account, and balance).
- Company Shares: A certificate from Kuwait Clearing Company indicating the movement and trading positions of shares in the Kuwait Stock Exchange.
- Companies and Establishments: A certificate from the Ministry of Commerce indicating commercial companies and sole proprietorships and the percentage of ownership.
- Real Estate: A certificate addressed "To Whom It May Concern" issued by the Ministry of Justice – Real Estate Registration and Documentation Department. For real estate located outside Kuwait, a copy of the ownership document shall be attached if he owns property abroad.

- Usufruct Rights: Evidence from all governmental authorities of any usufruct rights over State property for any purpose whatsoever.
- Vehicles and Vessels of All Types: A certificate from the competent official authorities indicating ownership.
- Movable Assets: The total of valuable movable assets owned by him exceeds two thousand (2,000) Kuwaiti Dinars, including jewellery – gold, silver, diamonds, and precious stones—as well as paintings and artifacts of all types.
- Personal Undertaking: Completion of the financial disclosure form prepared for this purpose (a copy attached) and signing thereof.

#### **Article (16)**

A board member shall disclose his financial statement to the chairman of the ethics committee within three months from the date of winning the board elections.

#### **Article (17)**

The financial disclosure statements of board members shall be kept at the headquarters of the Kuwait Transparency Society in a secure place accessible only to the chairman of the Ethics Committee.

#### **Article (18)**

Each board member's financial disclosure statement shall be placed in a sealed envelope with red wax after the Ethics Committee verifies that it fulfills the requirements stated in Article (15).

#### **Article (19)**

The "Financial Disclosure Envelope" of any board member shall not be opened except by a decision of the Ethics Committee specifying the name of the Board member whose envelope is to be opened and the reasons therefor, provided that a special record of the meeting proceedings in which the envelope is opened is documented.

### Article (20)

Any board member who violates the provisions set forth in this chapter —Financial Disclosure — shall have the matter of violation referred to the Ethics Committee.

## Chapter Five – International Activities

### Article (21)

Allowances for participation in any “activity” – including general conferences, meetings, and encounters – shall be determined according to the funding entity, as follows:

**Ministry of Social Affairs and Labor:**

The Ministry shall bear the costs of airfare and provide daily allowances. In this case, the Society shall bear only the accommodation expenses at a rate of forty (40) Kuwaiti Dinars per day.

**Inviting Entity:**

The inviting entity shall bear the costs of airfare and accommodation. In this case, the Society shall bear the daily allowance at a rate of forty (40) Kuwaiti Dinars.

**The Society:**

The Society shall bear the cost of airfare in economy class and provide allowances ranging between eighty (80) and one hundred twenty (120) Kuwaiti Dinars, depending on the cost of living in the host country, as determined by the Board of Directors.

Due consideration shall be given to fairness in allowances among members of the same delegation in the event of multiple funding entities.

### Article (22)

The number of days of the “activity” shall be calculated according to the officially announced schedule, in addition to one day prior thereto. In the event that there is no flight available on the day following the conclusion of the “activity,” only one additional day shall be added.

In the cases referred to in Article (21) above, it shall not be permissible to combine benefits and allowances granted by more than one entity.

## Chapter Six – Treasury

### Article (23)

The treasurer shall undertake the following responsibilities:

- Collection of all revenues and funds of the Society and depositing them in the Society’s bank account or in the Society’s cash fund account for cash amounts.
- Following up on the implementation of Board decisions from a financial perspective and verifying their compliance with the budget provisions and the Financial Regulations.
- Co-signing disbursement vouchers and checks with the president.
- Supervising the Society’s accounts and maintaining supporting documents for revenues and expenditures, and being responsible for all accounting records entered in the books.
- Preparing the final account for the concluded fiscal year and, in cooperation with the secretary, preparing the proposed budget for the upcoming fiscal year and submitting it to the board.
- Maintaining financial registers, books, and documents and all matters related to financial affairs at the Society’s headquarters.
- Paying salaries and various purchase invoices.
- Maintaining the petty cash advance.
- Preparing a quarterly report on expenditures, revenues, and grants to be submitted to the Board.

### Article (24)

An amount of five hundred (500) Kuwaiti Dinars shall be deposited in the Society’s cash fund as a temporary petty cash advance to cover minor expenses. This amount shall not be replenished except with the approval of the Treasurer and the President of the Society.

## Chapter Seven – General Provisions

### Article (25)

Members of the Board shall not be granted any salary or remuneration for duties entrusted to them in their official capacity.

### Article (26)

The Society's funds, including subscriptions, fixed and movable assets, donations, grants, and subsidies, shall be considered the property of the Society. A resigned or dismissed member shall have no right to claim any part of the Society's funds.

Upon dissolution of the Society, its funds shall devolve to the Ministry of Social Affairs.

(انتهى)



## كشف الذمة المالية

الاسم:  الرقم المدني:

### أولاً - الاسم وأسماء الأبناء القصر والعمر

الاسم	تاريخ الميلاد	الصفة
		عضو مجلس الإدارة

### ثانياً - الأموال

الاسم	البنك	رقم الحساب	المبلغ	التاريخ

### ثالثاً - أسهم الشركات

الاسم	الشركة	عدد الأسهم	التاريخ

### رابعاً - الشركات والمؤسسات

الاسم	الشركة / المؤسسة	التخصص	نسبة التملك

### خامساً - العقارات

الاسم	العقار	المساحة	النسبة	المكان

### سادساً - حق الانتفاع

الاسم	العقار	المساحة	النسبة	المكان

### سابعاً - السيارات والسفن بأنواعها

الاسم	نوع السيارة	اللوحة	سنة الصنع

### ثامناً - المنقولات

الاسم	نوع السيارة	اللوحة	سنة الصنع

كما أتعهد أنني لا أملك شيئاً غير الوارد أعلاه.

التوقيع:

التاريخ: