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Law No. 24 of the Year 1962¹

On Clubs and Public Welfare Societies

We, Abdullah Al Salem Al Sabah, Emir of Kuwait
Having obtained the approval of the Constitutional Council on the Law hereunder, we ratify and issue the law.

Chapter 1

Founding Societies and Clubs

Article 1

For purposes of implementing the provisions of this Law, Public Welfare Societies and Clubs refer to organized societies and clubs working for a limited or unlimited period of time and comprised of natural or artificial persons for purposes other than achieving profit and shall target social, cultural, religious or sports activities.

Article 2²

Societies or clubs may not conduct any activities and shall not be proved an artificial person if their statute is not announced in accordance with the provisions of this Law.

Article 3

Ministry of Social Affairs and Labor shall undertake registration of societies and clubs and shall publish the founding thereof in the official gazette and assist them in achieving their goals in serving society when conforming to conditions stated in this Law.

Article 4 (3)

For establishing any society or club, the following conditions must be fulfilled:

- A. Number of founders shall not be less than ten persons provided that all of them are Kuwaiti nationals.
- B. The age of any founder shall not be less than twenty one years and must not be sentenced with a crime violating honor or honesty before unless cleared thereof.

Article 5

For purposes of founding societies or clubs, founders must convene in the capacity of a founding committee to enact a written statute signed by them and including the following data in particular:

- A. Name of the club or society incorporated in Kuwait.
- B. Purpose of establishing such society or club.
- C. Names of founding members, their titles, ages, nationalities and occupations.
- D. Membership conditions and rights as well as duties of members.
- E. System of the management board and general assembly, specializations of each, methods of election of members, manners of expelling them and legal representatives of the society of club.

¹ Al Kuwait Al Yawm – Edition 389 on 12/8/1965

² 2, 3 and 4 replaced with Law no. 28 of the year 1965 – Al Kuwait Al Yawm – Edition 534 on 4/7/1965

- F. Resources of the club or society and manners of utilizing and disposing of them as well as the beginning and end of the fiscal year.
- G. Methods of internal financial monitoring.
- H. Manner of amending the statute, merger, division and establishing branches.
- I. Rules of optional dissolving of the club or society and the party entitled for their monies in case of dissolve.

Societies and clubs shall seek guidance from the standard statute prepared by the Ministry of Social Affairs and Labor when enacting their own statutes.

Article 6 (4)

Societies and clubs are not allowed to seek achieving any purpose that is illegal or defies ethics or related to purposes stipulated in the statute of any. Clubs or societies are prohibited from interfering with politics and religious conflicts or provoking fanaticism, sectarianism and racism.

Article 7

A special record shall be kept at the Ministry of Social Affairs and Labor for each society or club showing name, headquarters, purposes, fiscal year, number of management board members, name of chairman and treasurer and legal representative of each society or club. The Ministry shall undertake announcing the establishment of the club or society by publishing a summary of its statute in the official gazette for free. The provisions of this Article shall apply on any amendment affected on the statute.

Article 8

Registration of any club or society shall be studies by means of an application submitted to the Ministry of Social Affairs and Labor within thirty days of establishment accompanied with the following documents:

- A. Two copies of the statute ratified by founders.
- B. Copy of the minutes of meeting of the founding committee during which management board members are selected.
- C. Names of members of the management board.
- D. Certificate from the Ministry of Interior stating its approval on all founders.

Article 9

The Ministry of Social Affairs and Labor may reject the registration of any club or society within one month of the date of submitting documents stated in the previous Article, showing reasons for rejection. It may also amend the regulations thereof in line with public welfare. The club or society may appeal the rejection or amendment before the Minister of Social Affairs and Labor or the committees he appoints for that purpose. The decision issued after the appeal shall be considered final and not subject to any further appeal.

Chapter Two Management Board

Article 10

Each society or club must have a management board whose specializations, manner of members selection and end of their membership shall be specified by the statute

thereof. Members of the management board shall not be less than five and their membership shall not exceed five years. Membership may be renewed in accordance with the statute of the club or society.

Article 11

Any management board member must be a Kuwaiti national and entitled to attend the general assembly. It is not allowed to simultaneously be a member of the management board and assume any paid position in the society or club³

Article 12

The management board shall run the affairs of the society or club and provide all ways for members to perfectly carry out their duties.

Chapter Three General Assembly

Article 13

The General Assembly is comprised of all members who have covered the commitments stipulated by the statute and have been members for at least six months.

Article 14

The General Assembly must convene once a year two months before the end of the fiscal year to look into the following matters:

- A. Report of the management board
- B. Budget and closing statement
- C. Proposals of members submitted in the date specified by the statute.
- D. Election of management board members
- E. Draft budget of the next year.

Article 15

The management board may call on the general assembly for an extraordinary meeting if needed or requested by one third of members entitled to attend the general assembly provided that they shall explain reasons for requesting a meeting.

Article 16

The Extraordinary General Assembly shall look into the following matters:

- A. Important and urgent issues that the management board and members decide to discuss.
- B. Deciding on the resignation of the head of the club or resignations submitted by members of the management board due to reasons related to the society or club or public welfare
- C. Withdrawing membership from all or some members of the management board.
- D. Amendment of the statute of the club.
- E. Dissolving, entering into federation or merger of the club.

³ Replaced with Law no. 28 of the year 1965 – Al Kuwait Al Yawm – Edition 534 on 4/7/1965

Article 17

The General Assembly may not look into issues not listed on the agenda. Also, an extraordinary general assembly shall not convene to look into matters previously decided upon except after one year of the issuance of decision.

Chapter Four Finances of Societies or Clubs

Article 18

Monies of societies or clubs include membership fees, fixed and transferable assets, grants, donations, assistance and others are considered a property of the society or club and its members has no right thereon and withdrawn or expelled members has no right in such monies.

Article 19

The Society or club must deposit their cash monies in one of the banks in Kuwait under the name of the society or club. Regulations and statutes of societies shall state the system of preserving sustainable loans and their value for unexpected expenses.

Article 20

Societies and clubs may not spend monies thereof for purposes other than those for which it is established and they may not be involved in stock exchange.

Article 21

Management boards of established societies and clubs must provide the Ministry of Social Affairs and Labor with a copy of the closing statement of the ended year as well as draft budget of the coming year during a period not exceeding one month of the end of the fiscal year of the society or club signed by the treasurer and chairman after the approval of the board. The Ministry of Social Affairs and Labor may review books and records and dispatch representatives at meeting of the general assembly.

Article 22

Registered and established societies may request permission for collecting money to achieve their goals once a year abiding by rules and manners stated in the Law of Permitting Collection of Money for Public Purposes.

Article 23

Clubs and societies must keep at their headquarters the following records in particular:

- A. Records of names of subscribed members and coverage of subscription fees.
- B. Records of minutes of meetings of the management board and general assemblies.
- C. Financial records of revenues, expenditures and donations supported by related documents.

Article 24

The budget of the Ministry of Social Affairs and Labor shall include an allocation for providing assistance to public welfare clubs and societies. The Ministry of Social

Affairs and Labor may provide the determined assistance one time or gradually after the submission of draft budget of the following year ratified by the General Assembly.

Article 25

The Ministry of Social Affairs and Labor may contribute to the financing of societies and clubs on the conditions determined by the committee in charge at the ministry provided that the following shall be among the bases for granting governmental assistance:

1. Carrying out activities that fill gaps in the fields of cultural or social care to develop society.
2. Level of activity in achieving goals, increasing members and payment of related membership fees.
3. Implementing a creative social project that serves social objectives in Kuwait.
4. Serving local society in the social, cultural, sports or religious fields.
5. Periodical reports prepared by the ministry of Social Affairs and Labor on the activity of the club or society.

Article 26

Ministry of Social Affairs and Labor may increase or stop assistance according the circumstances of the society or club or to the annual budget of the Ministry.

Chapter Five Dissolving the Society or Club

Article 27

By a decision of the Minister of Social Affairs and Labor club or society may be dissolved in one of the following cases:

- 1- If members are decreased to ten.
- 2- If it breached its objectives or committed a serious violation of its statute.
- 3- In case it became incapable of fulfilling its financial commitments.
- 4- In case if violated any of the provisions of this Law.

Notwithstanding the above, the Minister of Social Affairs and Labor may appoint a provisional management board to carry out the duties of the elected management board instead of dissolving the club or society if for the welfare of members and social targets.

Article 28

Society of club may be optionally dissolved by means of a decision of an extraordinary general assembly attended by more than half members and by approval of the majority of attendance. The Ministry of Social Affairs and Labor must be notified of the date and place of such meeting at least fifteen days in advance.

Article 29

Persons responsible for any society or club decided dissolved optionally or compulsory may not dispose of its monies and documents except by a decision of Ministry of Social Affairs and Labor that determines manner of liquidation and disposal of monies and documents as well as the party entitled for monies if not stated by the statute or in case implementing the statute is hindered.

Article 30

Any club or society may not join any society, commission or club incorporated outside the state of Kuwait before obtaining an approval from the Ministry of Social Affairs and Labor. Also, any club or society is prohibited from receiving or obtaining directly or indirectly or by any means money or benefits in the form of subscriptions or assistance of any kind from any individual, society, commission or club incorporated outside the state of Kuwait without the prior approval of the Ministry of Social Affairs and Labor.

Article 31

A person violating the provisions of this law shall pay a fine not exceeding fifty dinars without prejudice to any harsher penalty stipulated by the penal law or any other law.

Article 32

Recording violations of the provisions of this law and related decisions shall be undertaken by employees appointed by the Minister of Social Affairs and Labor and they shall report such violations to the authorities concerned.

Article 33

Societies and clubs established in accordance with this Law may form federations among themselves provided that each shall maintain their artificial personality. Such federations shall have their artificial personality upon registration and announcement in accordance with the provisions of this Law.

Article 34

Established public welfare societies and clubs at the time of issuing this Law must apply for registration and announcement in accordance with the provisions of this Law within two months of the date of entrance into force or otherwise shall be considered dissolved and the Ministry of Social Affairs and Labor shall liquidate their monies and specify the party entitled to receive them.

Article 35

Minister of Social Affairs and Labor shall issue needed decisions for the implementation of this Law.

Article 36

Minister of Social Affairs and Labor shall implement this Law and it shall enter into force upon publication in the official gazette.

Issued on 6/8/1962.