



اتحاد وكلاء السيارات - الكويت

UNION OF AUTOMOBILE AGENTS - KUWAIT

«تأسس سنة ١٩٧٨»

«Established in 1978»



Basic Regulations







CHAIRMEN OF THE UNION'S BOARDS OF DIRECTORS



Naser Mohammed Naser Al Sayer
1978 – 1980



Abdullah Abdul Latif Al Shaya
1981 – 2000



Sayer Bader Al Sayer
2000 – 2007



Omar Suleiman Al-Kazi
2008 – 2014



Yousuf Abdul Latif Al Shaya
2014 – 2021



Mohammed Fahad Al-Ghanim
2021 –

Members of the Union of Automobile Agents

1	Kuwait Automotive Imports Co. W.L.L	
2	Kuwait Automobile & Trading Co.W.L.L.	
3	Maseelah Trading Company S.P.C	
4	Mutawa Alkazi Company	
5	Abdul Mohsen Abdul Aziz Al Babtain Co. W.L.L.	
6	Mohamed Naser Al-Sayer & Sons Est.Co. W.L.L.	
7	Mohammad Saleh & Reza Yousuf Behbehani Co. W.L.L.	
8	Mustafa Karam & Sons Gen. Trad & Cont. Co. W.L.L	
9	Yusuf Ahmed Al Ghanim & Sons Co. W.L.L	
10	Al-Qurain Automotive Trading Co. K.S.C.	
11	Ali Mohammed Thunayan Alghanim & Sons Automotive Co. W.L.L.	
12	Behbehani Motors Company	
13	Northern Gulf Trading Co.	
14	Fouad Alghanim & Sons Automotive Company	
15	Alghanim International for the Sale & Purchase of Cars Co. S.P.C.	
16	Alghanim Auto for Sale & purchase of Cars S.P.C.	
17	Makfm Automotive CO. W.L.L.	
18	Alghanim Sons Group	
19	Boodai Trading Company LTD (W.L.L)	
20	Al Mulla & Behbehani Motor Company K.S.C.C.	
21	Bahrah Trading Company W.L.L.	
22	National Agencies Group For General Trad. & Cont. CO. W.L.L.	
23	First Trading Company	
24	Al Mulla international Auto Trading Company	
25	Al Mulla Automobiles for Buying & Selling Cars Co. S.P.C.	
26	Alamana Auto For Sale Automotive Vehicles Co. S.P.C	

In the Name of Allah, the Most Merciful and Compassionate

Union of Automobile Agents

Basic Regulations

Kuwait (2024)

Part One

Union Formation

Article (1)

On 23rd of August 1978, pursuant to Law No. (38/1964), an organized entity has been formed under the name of “Union of Automobile Agents” in Kuwait.

Article (2)

The Union is headquartered in the State of Kuwait.

Part Two

Union Purposes

Article (3)*

- A) The Union organizes and cares for the interests of the member business owners, achieving solidarity among them, defending and representing them.
- B) Developing the Union’s resources to achieve its objectives. ⁽¹⁾

(1) Paragraph (B) was added to Article (3) pursuant to Extraordinary General Assembly Resolution No. (15), dated 28/11/1995).

Part Three

Members Acceptance, Withdrawal and Dismissal Terms & Conditions

Article (4)*

The following persons shall be accepted as Union members:

- A) Every authorized agent or distributor of Kuwaiti nationality, whether a natural or legal person, under a contract concluded between him and the producing company directly, registered with the Commercial Agencies Department, the Ministry of Commerce and Industry in Kuwait, or a company that owns or is majority-owned by an authorized agent or distributor.⁽⁵⁾
- B) The membership applicant shall have actually carried out his agency's business through showrooms designated for cars and spare parts, in addition to a garage for that agency, taking into account that the area of the showrooms and garage shall not be less than (3000 m²) (three thousand square meters). The agency's capital shall not be less than (KD 500,000) (Five Hundred Thousand Kuwaiti Dinars), fully paid.⁽²⁾⁽⁴⁾
- C) Any person who meets the aforementioned conditions may be accepted as an affiliate member to the Union, except for Paragraph (B) and provided that his agency is wholly or partially owned by one of the Union members.⁽¹⁾

The associate member may benefit from the Union's services and full membership benefits, except for participation in the Board of Directors membership, election and nomination thereto.

The affiliate member shall pay a membership fee of KD (250) and an annual subscription fee of KD (500).⁽³⁾

(1) Added to Article (4) – (C) This amendment was made pursuant to the Ordinary and Extraordinary General Assembly Resolution No. (24), dated 24/03/2003.

(2) Added to Article (4) – (B) This amendment was made pursuant to the Extraordinary General Assembly Resolution No. (28), dated 12/06/2006.

(3) Added to Article (4) – (C) This amendment was made pursuant to the Extraordinary General Assembly Resolution No. (30), dated 18/03/2008.

(4) Added to Article (4) – (B) This amendment was made pursuant to the Extraordinary General Assembly Resolution No. (38), dated 28/10/2013.

(5) Added to Article (4) – (A) This amendment was made pursuant to the Union's Extraordinary General Assembly Resolution No. (54), dated 03/09/2023.

Article (5)

The employer who wishes to join the Union shall apply to the Board of Directors and the latter may accept or reject his application. However, any application submitted to join the Union shall be rejected only by a two-thirds majority of the members, stating the reasons thereof. The applicant employer whose application is rejected may file a grievance before the General Assembly in its first meeting, upon which the Assembly shall make a final decision to accept or reject that application.

Article (6)

Every member may withdraw from the Union membership at any time, upon which the Union shall only demand any subscriptions due therefrom until the end of the year in which the withdrawal occurs.

Article (7)

Any member who commits any of the following shall be dismissed from the Union membership:

- A) Ceasing to meet any of the Union membership conditions.
- B) Refraining from paying the annual subscription within two months from the beginning of the fiscal year without an acceptable excuse.
- C) Prejudicing the Union's reputation, defaming it, forcing other members to withdraw therefrom or violating any legal decisions issued by the Union.
- D) Embezzling the Union's funds, squandering its custody or committing a crime against public order or public morals.

Article (8)

No member shall be dismissed from the Union without the Board of Directors conducting an investigation thereon and dismissal shall only occur with the approval of two-thirds of the Board members.

Dismissed member may appeal the dismissal resolution before the General Assembly at its first meeting, where the General Assembly may issue a final resolution to accept or reject the grievance.

Part Four

Subscriptions and Fees

Article (9)*

(1)(2)(3)(5)

The Union's membership annual subscription value shall be KD 4000 (Four Thousand Kuwaiti Dinars).

Article (10)*

(1)(3)(4)

The fee for joining the Union shall be KD 5000 (Five Thousand Kuwaiti Dinars), to be paid once when the member's joining or re-registering the Union.

Article (11)

The Board of Directors may propose other fees if it deems it necessary. In order for it to apply to members, it must be approved by the General Assembly.

Part Five

Services and Assistance

Article (12)

Every member of the Union shall be entitled to benefit from the assistance, services and other benefits provided by the Union.

(1) Articles (9) and (10) are amended by Ordinary and Extraordinary General Assembly Resolution No. (11), dated 28/02/1989.

(2) Article (9) is amended by Ordinary and Extraordinary General Assembly Resolution No. (13), dated 31/01/1993.

(3) Articles (9) and (10) are amended by Extraordinary General Assembly Resolution No. (15), dated 28/11/1995).

(4) Article (10) is amended by Extraordinary General Assembly Resolution No. (28), dated 12/06/2006.

(5) Article (9) is amended by Extraordinary General Assembly Resolution No. (47), dated 10/04/2019).

Part Six

Union Finance

Article (13)*

The Union's finances consist of:

- A) Annual subscriptions paid by members.
- B) Fees for joining the Union.
- C) Profits obtained by the Union from guaranteed investments, such as automobile service projects and the issuance of publications. ⁽¹⁾
- D) Gifts and donations received by the Union, which the Board of Directors shall decide in term of accepting them, provided the approval of the Ministry of Social Affairs and Labor thereon.

Article (14)*

⁽²⁾

The Union's funds shall be spent in aspects that achieve its purposes and interests, as well as in supporting its activities, services, social events and duties and profit-guaranteed investments, subject to the provisions of Article (104) of the Private Sector Labor Law No. (6) of 2010.

Article (15)*

⁽²⁾

The Union's funds shall be deposited in its name in all Kuwaiti banks accredited by the Central Bank of Kuwait, where withdrawal therefrom shall be in accordance with the provisions and conditions included in these Articles.

(1) Article (13) Paragraph (C) is amended by Extraordinary General Assembly Resolution No. (15), dated 28/11/1995).

(2) Article (14) and (15) is amended by Extraordinary General Assembly Resolution No. (52), dated 22/08/2022).

Article (16)

The Union's fiscal year shall begin on the 1st of January until the end of December of each year, where the first fiscal year starts from the date of the Union's announcement until the end of December of the same year.

Part Seven

General Assembly

Article (17)

The General Assembly is deemed the highest authority in managing the Union's affairs and it shall consist of all members who have paid their subscriptions until the date of the meeting.

Article (18)

The General Assembly shall convene annually, at least, on a regular basis, within two months from the end of the fiscal year.

Article (19)

The Extraordinary General Assembly may be held at the request of at least one third of the members or at the request of the majority of the Board of Directors members.

The Board of Directors shall call the General Assembly to convene within the maximum of two weeks from the request date, specifying the issues and topics for which it shall be held. If the Board does not convene it within that period, it shall convene on its own.

Article (20)

The General Assembly shall be deemed valid if it is attended by at least half of the members. In case that quorum is incomplete, the meeting shall be postponed for two hours, after which it shall be deemed valid regardless of the number of attendees, provided that it shall not be less than a quarter of the members. Otherwise, the meeting shall be postponed for a maximum of two weeks.

Article (21)

The resolutions issued by the Union's General Assembly shall be final as long as they do not violate the provisions of the law, as well as the resolutions issued thereon. The Assembly's resolutions shall be issued by a majority of the votes of the present members, except in cases that require a special majority.

Article (22)

Only the General Assembly members shall attend its meetings, provided that the Union may delegate whomever it deems appropriate to seek the opinion of those with experience and expertise, provided that such opinion shall be on an advisory basis.

Article (23)

The General Assembly shall consider the following matters in particular:

- A) Board of Directors' report on the work of the previous year.
- B) Acknowledging the balance sheet and final accounts for the ending year, as ratified by a chartered accountant, and approving the draft budget for the coming year.
- C) Election of the Board of Directors' members by secret ballot.
- D) Considering members' reports and suggestions submitted by the Board of Directors at least one week before its meeting.
- E) Deciding on grievances submitted by employers whose applications to join the Union were rejected or whose dismissal therefrom is decided.

Article (24)

The Extraordinary General Assembly shall consider the following matters in particular:

- A) Amending the Union's Articles of Association, which shall be with the approval of at least two-thirds of the votes of the members present. The amendment shall be filed with the Ministry of Social Affairs and Labor.
- B) Significant and urgent issues that the Board of Directors or members consider presenting in accordance with what is stated in these Articles.
- C) Dissolving the Board of Directors or revoking the membership of any of its members.
- D) Voluntarily dissolving the Union or merging it with another by a resolution of at least two-thirds of the members present.

Part Eight

Board of Directors

Article (25)*

(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)

The Union's Board of Directors consists of nine members elected by the General Assembly for a three-year term, where a new Board of Directors shall be re-elected every three years.

Article (26)

Acceptance of nominations for the Union's Board of Directors membership begins from members who have paid their dues in full. Nominations' deadline shall be one week before the meeting's date and these dates shall be published on the Union's bulletin board.

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- (1) Article (25) is amended by Ordinary and Extraordinary General Assembly Resolution No. (14), dated 08/02/1994.
 - (2) Article (25) is amended by Extraordinary General Assembly Resolution No. (15), dated 28/11/1995.
 - (3) Article (25) is amended by Ordinary and Extraordinary General Assembly Resolution No. (16), dated 30/03/1996.
 - (4) Article (25) is amended by Extraordinary General Assembly Resolution No. (19), dated 26/05/1998.
 - (5) Article (25) is amended by Ordinary and Extraordinary General Assembly Resolution No. (20), dated 03/05/1999.
 - (6) Article (25) is amended by Ordinary and Extraordinary General Assembly Resolution No. (21), dated 24/04/2000.
 - (7) Article (25) is amended by Ordinary and Extraordinary General Assembly Resolution No. (24), dated 24/03/2003.
 - (8) Article (25) is amended by Ordinary and Extraordinary General Assembly Resolution No. (25), dated 21/03/2004.
 - (9) Article (25) is amended by Extraordinary General Assembly Resolution No. (42) dated, 30/11/2016).
 - (10) Article (25) is amended by Extraordinary General Assembly Resolution No. (47), dated 10/04/2019).

Article (27)*

The Board of Directors is the executive authority for the legal resolutions issued by the Union's General Assembly, and its terms of reference include the following:

1. Performing the internal relations of the Union and managing its affairs.
2. Setting the general policy of the Union and conveying its complete message.
3. Reviewing membership applications and deciding what it deems appropriate thereon.
4. Preparing the annual report on the Union's activity in the various fields.
5. Examining members' complaints and conducting investigations thereon.
6. Concluding contracts and agreements in the Union's name and representing it before the various entities.
7. Inviting the General Assembly to convene and preparing the final account.
8. Reviewing members' suggestions.
9. Assigning one of its members to represent the Union before official and judicial bodies in specific tasks.
10. The Board of Directors shall appoint a Director General for the Union and shall determine his powers, salary and remuneration. The Director General shall be the head the Union's administrative apparatus. In the event of his absence or in case his position becomes vacant, the Union's President shall assume the duties of the Director General till he resumes his functions, or a replacement thereof is appointed. The President of the Union may also authorize the Director General to carry out some duties and grant him approval to sign transactions with government institutions and agencies. ⁽¹⁾

Article (28)

At their first meeting, the members of the Board of Directors shall elect from among themselves the "Office Board", which consists of a president, vice president, secretary and treasurer.

(1) Clause (10) was added to Article (27) pursuant to Extraordinary General Assembly Resolution No. (51), dated 21/06/2022).

Article (29)*

(1)

The Chairman of the Board of Directors is the legal representative of the Union before the official, judicial and other authorities. He chairs the sessions, calls for convening Union's General Assembly, signs the disbursement checks after obtaining the approval of the Board of Directors and signs contracts and agreements concluded with the Union. In case of his absence, the Vice President shall act for the President, with all his powers.

Article (30)*

(1)

The Union's Secretary shall implement all the Union's regulations and the resolutions of the Board of Directors. The Secretary shall be responsible for preserving the Union's publications, correspondence and records. He also signs, along with the President, the minutes of the General Assembly and Board of Directors' meetings. He also receives Board membership nominations and prepares an annual report on the work of the Union for the Board.

Article (31)

The Treasurer shall be responsible for collecting subscriptions or other Union funds, in addition to implementing the resolutions of the Board of Directors from a financial standpoint. He disburses the lists of purchases and salaries, supervises the Union's accounts and maintains the relevant accounting documents. He prepares the final account for the ending fiscal year and prepares the draft budget for the coming year in cooperation with the Secretary.

(1) Articles (29) and (30) were amended by Ordinary and Extraordinary General Assembly Resolution No. (20), 03/05/1999.

Article (32)

The Board of Directors shall meet once every three months. For the meeting to be valid, more than half of its members shall have to attend. In case that quorum is not available, the meeting shall be postponed for three days and the Board members shall be notified of the date of convening the second meeting. This second meeting shall be valid if attended by at least half of the Board members.

Article (33)

The Board of Directors' resolutions shall be passed by a majority of those present, except for those excluded by a special provision in these Articles. In the event of equal votes, the President shall have a casting voice.

Article (34)

The Board of Directors shall call an extraordinary meeting at the request of the majority members.

Article (35)

Any member who misses three consecutive Board meetings without providing an acceptable excuse shall be deemed to have resigned from the Board membership.

Article (36)

The member next to the winning members in the last Board membership election shall replace any resigned, dismissed or deceased member, and his term of membership shall complete the term of his predecessor's membership.



Article (37)

The Board of Directors may form committees to organize the affairs of the Union, in which one or some members of the Board of Directors shall participate.

The Board shall determine the number of each committee's members and its terms of reference and shall set its modus operandi, provided that the outcome of the committee's research and works shall be presented to the Board to decide thereon as it deems appropriate thereto.

Article (38)

The Board of Directors shall appoint a legal advisor to the Union and shall determine his remuneration.

Part Nine

Accounts

Article (39)

The Union shall maintain in its accounts the following books as a minimum:

- 1) A special book in which revenues and expenses are recorded.
- 2) A book of bank accounts, in which the amounts deposited or withdrawn shall be recorded according to the dates.
- 3) A book of permanent advance accounts.
- 4) A numbered receipt book stamped with the Union's seal.
- 5) A subscription book, in which the names of subscribers are recorded according to their order in the members' registration register, where the amounts paid by each member shall be indicated.
- 6) A book of members' accounts, in which the amounts paid by each member shall be recorded.
- 7) A book to record all real estate, movables or other permanent trusts, with a brief description of each, along with its price, the name of its custodian and any change that occurs thereto.

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Email: admin@uaa-kw.com

