



#### Withdrawals

- The GRF is the repository of all income of the State of Kuwait. Accordingly all State budget expenditures are paid out of the GRF. The transfers from the GRF to pay the State budgetary expenditures are sanctioned by law.
- No assets can be withdrawn from the FGF unless sanctioned by law. All investment income are reinvested as required by Law No. 106 of 1976.
- The only exception for the FGF was withdrawal of funds during the Iraqi invasion and occupation in 1990/1991 where funds are withdrawn for the FGF to pay for the cost of liberation and subsequent reconstruction. Nearly \$85 billion were withdrawn from the FGF during 1990 until 1994. In any event, all amounts of funds which were withdrawn were fully repaid to the FGF.

#### Borrowing

Kuwait's Constitution prohibits KIA from borrowing unless it is enacted by a specific law. However, KIA's holdings in companies is not subject to such prohibition.

#### Ownership Responsibilities

KIA does not seek to purchase majority or controlling interests in the companies in which it invests, other than shares in real estate investment entities and in investment holding companies that it establishes for particular transactions.

#### Voting Rights

KIA exercises its voting rights in the manner that it believes will protect the financial interests of KIA, and to the extent KIA votes for the election of any board members of a portfolio company, such board member will be subject to all the obligations of Board members under applicable laws.

#### Relationship with the Private Sector

- KIA operates as a responsible and generally passive investor and when KIA competes with other investors in the global market place, it is subject to the laws and regulations applicable to all such investors in the jurisdictions in which KIA invests in.
- KIA is committed to the excellence of the private sector in Kuwait while ensuring that it does not compete with or substitute for it in any field.