



**Bureau of Experts at the Council of Ministers
Official Translation Department**

**Law of the General Commission for Guardianship over Property of
Minors and those of Similar Status**

Royal Decree No. M/17
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Translation of Saudi Laws

NOTES:

1. This translation is provided for guidance. The governing text is the Arabic text.
2. The translation of Saudi laws takes the following into consideration:
 - Words used in the singular form include the plural and vice versa.
 - Words used in the masculine form include the feminine.
 - Words used in the present tense include the present as well as the future.
 - The word “person” or “persons” and their related pronouns (he, his, him, they, their, them, and who) refer to a natural and legal person.
3. Amendments to this Law are provided in the Appendix.

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Law of the General Commission for Guardianship over Property of Minors and those of Similar Status

Chapter 1: Establishment and Jurisdiction of the Commission

Article 1

Under this Law, a commission named The General Commission for Guardianship over Property of Minors and those of Similar Status, hereinafter referred to as “the Commission”, shall be established. It shall be headquartered in the city of Riyadh and shall have branches in the Kingdom’s provinces and counties. It shall have a legal personality and an independent budget, and shall report to the Minister of Justice.

Article 2

The Commission shall exercise guardianship over property with no de facto or de jure guardian except God. It shall have the powers of a guardian, trustee, conservator, attorney-in-fact, or endowment trustee and shall perform their assigned duties in accordance with Sharia and law. It shall, in particular, assume the following duties:

1. Guardianship and management of the property of minors or unborn children who have no guardian or trustee.
2. Custody of the property of fully or partially incompetent persons for whom the competent court has not assigned a conservator.
3. Management of the property of deceased persons with unknown heirs as well as of absent and missing persons, and representing them in financial matters.
4. Safekeeping the property of unknown persons as well as found and stolen property until ownership is legally established.
5. Overseeing actions carried out by trustees, conservators, and guardians.
6. Safekeeping disputed *Diya* [blood money], property, and estate assigned thereto by a competent court, until a final judgment is rendered.
7. Administration of private endowments the trusteeship thereof is assigned thereto by will or appointment.
8. Safekeeping the sale proceeds of public charitable endowments until a substitute is purchased by the Supreme Endowment (Awqaf) Council after obtaining the permission of the competent court.
9. Carrying out any task assigned thereto under this Law or pursuant to a resolution by the Council of Ministers or a high order.

The Implementing Regulations shall determine the rules necessary for the implementation of this Article.



Chapter 2: The Commission's Board of Directors

Article 3

The Commission's Board of Directors shall comprise the following:

1. Minister of Justice, chairman.
2. President of the Commission, vice-chairman.
3. Nine qualified members with relevant experience appointed for a term of three years, renewable once, provided they include two specialists in Sharia, two specialists in finance and economy, and one specialist in law. The appointment and renewal of said members as well as the determination of their remunerations shall be made pursuant to a resolution by the Council of Ministers upon the recommendation of the Minister of Justice.

Article 4

The Commission's Board of Directors shall be its highest authority. It shall oversee the Commission's management and the conduct of its affairs and set its general policy. It shall, in particular, have the following functions:

1. Proposing draft laws relating to the Commission's work and its relations with other institutions and submitting the same in accordance with legal procedures.
2. Drafting the Implementing Regulations of this Law.
3. Approving the Commission's financial and administrative regulations.
4. Forming committees and granting them the powers necessary to perform the tasks assigned thereto, provided the Ministry of Social Affairs participates in any committee related to its jurisdiction.
5. Delegating certain powers to any of the Commission's personnel in accordance with rules set thereby.
6. Safekeeping the property of persons subject to this Law which is located abroad and specifying the procedures and any other measures necessary for its management.
7. Devising methods and means of investing and managing the property of persons subject to this Law.
8. Establishing branches and offices for the Commission, as necessary.
9. Approving the Commission's annual report and final accounts and submitting the same to the Prime Minister in accordance with applicable procedures.
10. Approving the Commission's draft budget and estimates of annual revenues and expenditures covered by this Law.
11. Allocating a percentage of not more than 5% of the net investment returns of the property managed by the Commission to meet the purposes for which it is established and to cover part of its expenditures.
12. Approving the final accounts of revenues and expenditures of the endowments subject to this Law.

Article 5

The Board of Directors shall convene periodically at least twice a month. The Chairman may call for a meeting when necessary or if requested by three of its



members. Board meetings shall be valid only if attended by two-thirds of its members, including the Chairman or Vice-Chairman. Board deliberations shall be confidential.

Board decisions shall be passed by the absolute majority vote of its members. In case of a tie, the meeting chairman shall have the casting vote.

The Board may invite any of the Commission's personnel or any professional or expert to attend its meeting in a non-voting capacity.

The Board shall have a secretary-general to enter meeting minutes and decisions into a special record.

Article 6

If the seat of a Board member becomes vacant for any reason, the Minister of Justice shall nominate a replacement to be appointed pursuant to a resolution by the Council of Ministers.

The Minister of Justice may deem a member as having resigned if absent for three consecutive meetings without an acceptable excuse.

Article 7

The Board shall form, from among its members, the following standing committees:

Sharia Committee: to provide Sharia opinion regarding the Commission's work.

Investment Committee: to set strategies and policies for the investment of property and to follow-up on the implementation of plans related thereto.

Endowment Projects Committee: to oversee endowed property and their revenues and to follow-up on their expenditures in accordance with the endowers' conditions and instructions.

Chapter 3: Administration of the Commission

Article 8

The Commission shall have a president of the rank Grade Excellent to be appointed pursuant to a royal order. The President shall have a deputy, or more, to be appointed pursuant to a resolution by the Council of Ministers upon the recommendation of the Minister of Justice. He shall be in charge of the management of the Commission and shall report to the Board Chairman. His responsibilities shall be within the limits of this Law and Board decisions. In his absence, he shall, upon the approval of the Minister of Justice, designate one of his deputies to act on his behalf. The President shall exercise the following powers:

1. Following-up on the decisions issued by the Board and the implementation



- thereof.
2. Proposing a draft budget, financial estimates, and final accounts for persons subject to this Law and submitting the same to the Board.
 3. Preparing the Commission's annual report and submitting it to the Board.
 4. Overseeing the Commission's personnel in accordance with his powers and the Regulations.
 5. Issuing payment orders for the Commission's expenditures in accordance with the approved annual budget.
 6. Proposing the Commission's plans and programs and overseeing the implementation thereof upon their approval by the Board.
 7. Overseeing the preparation of the annual accounts for each endowment subject to this Law.
- The President may delegate some of his powers to any of his deputies.

Article 9

The Commission's President or his designee shall represent the Commission before other entities and the judiciary.

Chapter 4: Private Endowments (Progeny)

Article 10

The Commission shall have trusteeship over all private endowments with no endowment trustees as well as joint endowments with regard to private endowments. It shall have the right to oversee the appointed endowment trustees if it is assigned by the competent court or if interest so dictates. The appointed trustee shall provide the Commission with a periodic statement of the endowment's revenues and expenditures. If it is established that he engages in activities detrimental to the endowed property, the Commission may object to such activities and refer the matter to the competent court for punishment or dismissal.

Article 11

The Commission may request division of the endowment, and the competent court may approve such division if the endowment is a common property whether owned by the endower and one or more other owners, or involves two or more endowments.

Article 12

If an endowed property is ruined or no longer generates returns or if it is a land that does not generate returns, and no endowment income is available to develop such property or land, the endowment trustee may allow any person to develop the same by means of construction or cultivation, or the like, for a specified period and against a fixed consideration, provided the developer retains ownership of said construction or cultivation, including the right to



dispose of or bequeath the same which shall terminate at the end of the specified period. If the endowment generates returns, the developer may be entitled to compensation equivalent to the value of the construction or cultivation at the end of the specified period if the developer requires such compensation.

Chapter 5: Management and Investment of Property

Article 13

1. The Commission may not substitute an endowed property with a similar property, unless the endower has so stipulated for himself or for others, or if the endowed property becomes totally useless, unable to pay for itself, or is expropriated for eminent domain.
2. An endowed property may not be sold, substituted, developed, or moved without obtaining an approval from the competent court.

Article 14

All investments and financial actions of the Commission shall be in accordance with the provisions of Sharia.

Article 15

The Commission may, upon the approval of the Board of Directors, invest a percentage of the property it manages under its name, and the returns thereof shall be distributed among the persons subject to this Law.

The Implementing Regulations shall specify the procedures necessary for the distribution of returns and the method for the creation of reserves.

Article 16

The Commission's property shall comprise the following:

1. All movable and immovable property of persons subject to this Law as well as any property that may be transferred thereto.
2. Income realized through its activities.
3. Property contributed by the State.
4. Aid, gifts, and donations accepted by the Board of Directors.

Article 17

Without prejudice to applicable laws, the Commission's administration may not undertake any of the following actions without the approval and supervision of the Board of Directors:

1. Acquisition of real property, movables, and securities.
2. Acquisition of existing companies or participation therein.
3. Establishment of companies or participation in the establishment thereof.



4. Disposition of real property, if it results in title transfer or the establishment of an original or subordinate right in rem, or changing or transferring it.
5. Disposition of firearms and ammunition.
6. Disposition of antiques and antiquities.
7. Disposition of jewelry, precious stones, and the like, of a value that exceeds 50 thousand riyals.
8. Disposition of non-perishable movables, personal rights, or securities, of a value that exceeds 50 thousand riyals.
9. Acceptance or refusal of donations, aid, and gifts.
10. Engaging in or liquidating commercial, industrial, or agricultural activities.
11. Lease of real property for a term of more than three years or for a term of more than one year after the minor reaches the age of maturity.
12. Implementation of all agreements concluded by the testator after confirming his commitment thereto.
13. Fulfillment of the obligations that are proven to be binding on the estate or on persons subject to this Law if there is no enforcement document.
14. Determining the maintenance necessary for persons under its care and persons it is responsible for their expenses.
15. Determining the amount to be paid for providing marriage grants and residence to persons whose properties are managed by the Commission.
16. Assignment of rights or part thereof if it is in the interest of the persons subject to this Law.
17. Reconciliation and arbitration in disputes the value of which exceeds 50 thousand riyals.
18. Investment of property and liquidation; the Commission may, for performing the liquidation procedure, carry out division, buying-in, buying-out, and sale, upon obtaining authorization from the heirs or partners in the property or pursuant to a ruling issued by the competent court.
19. Any act the Board deems necessary for the Commission to obtain its prior approval.

The Board may delegate some of the powers specified in this Article or any other Article in this Law to the Commission's President, any of the Commission's personnel, or any of the committees formed by the Board.

Article 18

The Commission shall manage the common property owned by the persons subject to this Law and others, upon the approval of the partners not subject to this Law, or pursuant to a ruling issued by the competent court. In such case, the Commission shall charge a percentage of not less than 5% of the net returns of the shares of persons not subject to this Law.

The Commission may request the competent court to assign the management of the shares of persons subject to this Law to their relatives or the partners in the property who are not subject to this Law, provided they submit to the Commission a periodic statement on such property, including profits or losses.



Chapter 6: Reporting Death, Incompetence, and Absence

Article 19

Adult heirs of the deceased, relatives living with him in the same household, civil servants who have established his death, or others shall, within a maximum of three days, notify the Commission of the death of a person survived by an unborn child or minor, or by fully or partially incompetent, absent, missing, or unknown person; or of the death of the guardian, trustee, custodian, conservator, or attorney-in-fact of an absent person.

Relatives shall also, within a maximum of three days, notify the Commission if any family member living with them in the same household becomes incompetent, or is absent or lost.

Article 20

The trustee or guardian of an unborn child shall, within a maximum of three days, notify the Commission of the end of the pregnancy term or the delivery of the child, whether alive or dead.

Article 21

Physicians, hospital directors, as well as administrative and judicial authorities shall, within a maximum of three days, notify the Commission of cases established during the course of their work to be fully or partially incompetent due to mental disorder.

Article 22

Courts shall, within a maximum of three days from the appointment date, notify the commission of the appointment of trustees, conservators, guardians, and endowment trustees in order to allow the Commission to oversee their actions in accordance with the provisions of this Law.

Article 23

All government and non-government entities shall provide the Commission with the required data and documents relating to its jurisdiction or to persons subject to this Law.

Chapter 7: Identification and Safekeeping of Property

Article 24

The Commission shall, upon receiving the list of heirs or the notifications stipulated in previous Articles, take the measures necessary to safeguard the rights of persons subject to this Law, identify their movable and immovable property, and determine all their rights and obligations. To this end, it may, upon



notifying all adult heirs, verify the contents of their places of residence and other places in their possession, as well as other places where they are likely to have property, in the presence of one or more adult heirs, an officer from the competent court, or a member of the Bureau of Investigation and Public Prosecution. The Commission shall have the right to receive and manage said places and property in accordance with this Law.

Article 25

Heirs, or others, or partners of a deceased person survived by minors or unborn children subject to this Law may not dispose of the estate or the common property after his death until the same is identified by the Commission. Any act carried out during this period without a written permission from the competent body in the Commission shall be deemed null and void. The estate shall be identified within three months from the date of notifying the Commission of the death, and the Commission shall take the measures necessary to provide for their daily sustenance and other necessities.

Article 26

The provisions of Article 25 of this Law shall apply to the partners of an interdicted person, an absent person, or a person with unknown heirs from the date the interdiction ruling is issued or the absence or nonappearance of heirs is established. The period stipulated in Article 25 shall apply from the issuance date of the ruling.

Article 27

If the Commission determines that the period for considering the petition for guardianship over persons subject to this Law, or the termination or suspension of guardianship granted to people under its supervision may result in loss of rights or disposition of property, it shall petition the competent court to take any precautionary measure it deems appropriate.

Article 28

The Commission shall, if Sharia and legal conditions apply, file with the competent court, in accordance with this Law, a petition for the following:

1. Issuing an interdiction ruling against an adult if he shows sign of incompetence, or a ruling establishing the absence of an absent person or nonappearance of heirs of a deceased person.
2. Termination of interdiction, establishing the return or death of an absent person, or establishing the existence of heirs.

Such petitions shall be subject to relevant Sharia provisions.

Article 29

The Commission may challenge all rulings and decisions that are not final in lawsuits to which it is party and appeal such rulings and decisions in accordance with Sharia and law.



Article 30

If the guardian, trustee, conservator, attorney-in-fact or endowment trustee is absent or interdicted, or if he neglects to manage the property of persons subject to this Law, the Commission shall request the competent court to dismiss him and assign the Commission or another person to manage the property, as the case may be.

The appointed person shall receive all property previously managed by the dismissed person and shall document the same in detail. The dismissed person shall submit a detailed account covering the period of his management within three months from the issuance date of the ruling. If he refuses to submit such account, the matter shall be referred to the court.

Article 31

The Commission shall petition the competent court to appoint a litigation trustee if there is a conflict of interest between:

1. the Commission and any person subject to this Law; or
2. any person subject to this Law and his guardian, trustee, or conservator, or the endowment trustee.

Chapter 8: Termination of the Commission's Guardianship

Article 32

The Commission's guardianship over any person subject to this Law shall terminate in the following cases:

1. The minor's maturity, to be established in accordance with Sharia, or his death, unless the competent court, based on a petition made by the Commission or the parties concerned upon the existence of a justifiable reason, orders the Commission to continue its guardianship.
2. Termination of interdiction, reinstatement of guardianship, return of absent or missing person, establishing the existence of heirs or the identity of an unknown person, pursuant to a ruling by the competent court.

The competent court may terminate the Commission's guardianship over any person subject to this Law if it deems such termination is in his interest.

The Commission shall, upon termination of its guardianship over any person subject to this Law, hand over all movable or immovable property under its control to the parties concerned within a period not exceeding six months from the date the Commission is notified of such termination. The handing over shall be recorded in minutes signed by the President of the Commission or his designee. If the concerned parties do not receive the property within three months from the date of notification without an excuse acceptable to the Commission, the Commission shall refer the matter to the competent court to appoint a receiver to be in charge of such property, provided that the Commission continues to manage the same against a consideration of 20% of the net investment returns until a ruling is issued by the competent court. Such



consideration shall be allocated to meet the objectives of the Commission.

Chapter 9: General Provisions

Article 33

Members of the Board of Directors or the Commission's personnel or representatives may not disclose any of the Commission's confidential information they become privy to in the course of performing their duties; nor may they, in their capacity, buy or rent any property of persons subject to this Law; or sell to the Commission or lease thereto or barter therewith any of their own property, directly or indirectly, even through a public auction; or enter, in their personal capacity, into any contract executed or supervised by the Commission.

Any act conflicting with the provisions of this Article shall be deemed null and void.

Article 34

Without prejudice to the provisions of Sharia and law, a violator of any provision of this Law shall be subject to a fine not exceeding one hundred thousand riyals and imprisonment for a period not exceeding thirty days, or to either penalty.

Article 35

Courts shall have jurisdiction to determine the penalties stipulated in Article 34 of this Law, and may impose harsher penalties if it deems appropriate. The Commission shall be in charge of prosecution in this regard.

Article 36

Parties concerned may, in accordance with Sharia and law, challenge before the competent authority the Commission's decisions or actions taken against them.

Article 37

Without prejudice to the jurisdiction of the General Auditing Bureau to audit the Commission's accounts, the Board of Directors shall appoint a comptroller, or more, licensed to practice in the Kingdom and determine his fees. In case of multiple comptrollers, they shall be jointly liable before the Commission for their work. The comptroller's report shall be submitted to the Board of Directors and a copy thereof shall be provided to the General Auditing Bureau and the Minister of Justice.

Article 38

The Commission's fiscal year shall be the same as the State's fiscal year. As



an exception, the Commission's first fiscal year shall commence on the date this Law enters into force.

Article 39

1. The General Commission for Guardianship over Property of Minors and those of Similar Status shall supersede the Public Treasury Department at the Ministry of Justice. Rights and obligations of said Department as well as of public treasuries at courts shall be transferred to the Commission.
2. This Law shall repeal all provisions conflicting therewith, except the Law of the Supreme Endowment Council issued by Royal Decree No. (M/35) dated 18/7/1386H, and the Charitable Endowment Regulations issued pursuant to Council of Ministers Resolution No. (80) dated 29/1/1393H.

Article 40

The Chairman of the Board of Directors shall issue the Implementing Regulations of this Law.

Article 41

This Law shall be published in the Official Gazette and shall enter into force 90 days following the date of publication.



Appendix

Amendments

September 26, 2017 (Muharram 6, 1439H)

Council of Ministers Resolution No. 11 provides for the following:

- Replacing the phrase "the Minister of Justice" in Article 1 with "the Prime Minister".
- **Amending Article 3 to read as follows:**
 - "The Commission's Board of Directors shall comprise a chairman appointed pursuant to a royal order and the following members:
 1. President of the Commission, member.
 2. Nine qualified members with relevant experience appointed for a term of three years, renewable once, provided they include two specialists in Sharia, two specialists in finance and economy, and one specialist in law.

The appointment and renewal of said members as well as the determination of their remuneration shall be made pursuant to a resolution by the Council of Ministers upon the recommendation of the Board Chairman.
- **Amending the beginning of Article 5 to read as follows:**
 - "The Board of Directors shall convene periodically at least twice a month. Board meetings shall be presided over by the Chairman or his designee from among the members referred to in Article 3(2) of this Law. The Chairman may call for a meeting when necessary or if requested by three of its members. Board meetings shall be valid only if attended by two-thirds of its members, including the Chairman or his designee. Board deliberations shall be confidential."
- **Amending Article 6 to read as follows:**
 - "If the seat of a Board member becomes vacant for any reason, the Board Chairman shall nominate a replacement to be appointed pursuant to a resolution by the Council of Ministers.

The Board Chairman may deem a member as having resigned if absent for three consecutive meetings without an acceptable excuse."
- **Adding the following at the end of Article 7:**
 - **Audit Committee:** to review control-related activities of the Commission.
- **Amending the beginning of Article 8 to read as follows:**
 - "The Commission shall have a president whose appointment and dismissal shall be made pursuant to a decision issued by the Board of Directors. The appointment decision shall determine his wages and other



financial benefits. The President shall have a deputy, or more, to be appointed pursuant to a decision by the Board of Directors upon his recommendation. He shall be in charge of the management of the Commission and shall report to the Board Chairman. His responsibilities shall be within the limits of this Law and Board decisions. In his absence, he shall, upon the approval of the Board Chairman, designate one of his deputies to act on his behalf."