



مركز إيداع الأوراق المالية
Securities Depository Center

**Instructions for Regulating the Mechanism for Settlement of Securities Prices
Traded Cross-market under Cross-market Agreements with Foreign Financial
Markets for the Year 2025, issued Pursuant to the Provisions of Article (81/a) of
the Securities Law No. (18) of 2017**

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Definitions and Scope of Application

Article (1):

These Instructions shall be called the (Instructions for Regulating the Mechanism for Settlement of Securities Prices Traded Cross-market under Cross-market Agreements with Foreign Financial Markets for the Year 2025) and shall come into effect as of the date determined by the Board.

Article (2):

a. The following words and expressions used in these Instructions shall have the meanings ascribed thereto hereunder unless the context indicates otherwise:

Law	: Securities Law
The Commission	: The Securities Commission
The Board	: The Board of Commissioners of the Commission
Center	: The Securities Depository Center.
Board of Directors	: The Center's Board of Directors.
Chief Executive Officer	: The Center's Chief Executive Officer.
The Market/Stock Exchange	: The Amman Stock Exchange or any Trading market in securities licensed by the Commission.
Foreign Market	: Any organized market for trading securities outside the Kingdom, licensed by a regulatory authority that is a member of the International Organization of Securities Commissions (IOSCO). For the purposes of these instructions, the term "foreign market" shall also include the entity responsible for settling the prices of securities traded on that foreign market, if such an entity exists and as the case may require.
Local Broker	: The judicial person licensed by the Commission as a financial broker or dealer.
Foreign Broker	: The company licensed to conduct financial brokerage activities in the foreign market.
Agreement	: Any cross-market agreement concluded by the Market and the Center, with the approval of the Board, with the Foreign Market, for the purpose of regulating the mechanism of cross-market trading by local and foreign brokers in securities registered with the Host Market, and for the execution of ownership transfers and the financial settlements related to such trading.
Cross-market Registration	: The registration of the local broker or the foreign broker through the cross-market trading system for the purpose of engaging in cross-market trading in the host market, in accordance with the provisions of the Agreement.
Cross-market Trading	: The sale or purchase of securities in the host market through the intermarket trading system.

Cross-market Trading System	: The electronic trading system implemented pursuant to the agreement, which enables the entry of buy or sell orders for securities by the local broker or the foreign broker, as applicable, and the direct execution of such orders within the electronic trading system approved by the host market.
Host Market	: The market or the foreign market, as the case may be, to which the local broker or foreign broker submits an application for registration for intermarket trading on securities registered therein, originating from the other market.
Daily Trading Cap	: The upper limit allowed for the daily net purchases by the local broker or the foreign broker in the host market.
Net Purchases	: The total value of buy orders entered into the intermarket trading system, minus the total value of sell orders executed in the intermarket trading system.

- b. The words and expressions not defined in these Instructions shall have the meanings assigned to them in the Law, Regulations and Instructions issued accordingly.

Article (3):

These instructions regulate the provisions, requirements, and procedures for the settlement of the prices of securities traded in the host market pursuant to the agreement, as well as all regulatory matters related to defining the obligations of intermarket trading participants, including local and foreign brokers, and the regulatory framework governing the relationship between the Center and the foreign market for this purpose.

Chapter One

Settlement of Securities Prices Traded Cross-market by the Local Broker in the Foreign Markets

Article (4):

- a. Within five business days from the date on which the local broker is notified of the market's approval of its intermarket registration to engage in intermarket trading activity in the foreign market pursuant to the agreement, the local broker must approach the Center to complete the following procedures:
- 1- Providing the Center with the Jordan Securities Commission (JSC)'s approval to engage in intermarket trading activity in the foreign market.
 - 2- Determining the broker's daily trading limit, provided that the value of such limit is not less than the amount specified by the Center for this purpose.
 - 3- Depositing a cash amount equivalent to the daily trading limit into the bank account designated by the Center for this purpose.

- 4- Designating the bank account for the settlement and receipt of amounts arising from its intermarket trading activity in the foreign market.
- 5- Submitting a written acknowledgment and undertaking, in a form acceptable to the Center, whereby the local broker undertakes to settle all obligations arising from its intermarket trading activity in the foreign market pursuant to the agreement, in accordance with the mechanism and deadlines specified by the Center for this purpose. The broker shall also acknowledge and grant the Center an irrevocable authorization to use the trading limit as a cash guarantee against the foreign market in the event of delay or failure by the local broker to fulfill any of such obligations, within the limits of the trading cap, without the Center bearing any claims or liabilities exceeding that amount from any party.
- b. The Center shall notify the JSC, the market, and the concerned local broker upon the completion of the procedures set forth in paragraph (A) of this article.
- c. The market shall provide the Center with the date on which the local broker becomes entitled to commence intermarket trading activity in the foreign market.

Article (5):

- a. Subject to the provisions of these instructions, the intermarket trading conducted by the local broker in the foreign market, as well as the mechanisms and procedures for settling the obligations related to the settlement of securities prices for trading contracts executed through the intermarket trading system, shall be governed by the rules and procedures applicable in the foreign market and those stipulated in the agreement.
- b. The local broker shall be restricted in its intermarket trading activity in the foreign market to not exceed the daily trading limit assigned to it by the Center within the intermarket trading system pursuant to the provisions of Article (4/A/1) of these instructions.
- c. The Center, upon the local broker's request, may increase or decrease the daily trading limit through the intermarket trading system, provided that the following conditions are met:
 - 1- Depositing the requested increase amount to the daily trading limit into the bank account designated by the Center for this purpose.
 - 2- The daily trading limit resulting from the reduction shall not be less than the amount specified by the Center for this purpose.
- d. The Center shall request the foreign market to update the daily trading limit data of the local broker on the intermarket trading system and shall notify the market accordingly.

Article (6):

- a. The Center shall open a bank account with any of the banks operating in the Kingdom to deposit and manage transactions related to the daily trading limits of the local brokers registered intermarket with the foreign market. This account shall be used for the receiving, payment, and settlement of obligations or rights related to the intermarket trading of these brokers in the foreign market.
- b. The foreign market shall open a bank account with any of the banks operating in the Kingdom for the purposes of receiving amounts due to the foreign broker and settling the amounts payable by it resulting from the settlement of the prices of

securities related to intermarket trading conducted by the local broker in the foreign market.

Article (7):

- a. The amounts due to each local broker in respect of their cross-market trading in the foreign market shall be calculated on a daily basis based on the reports issued by the system, and the local broker shall be notified accordingly through this system.
- b. The net amount due by each local broker shall be calculated by deducting the total value of their purchases from the net value of their sales of securities for each trading day, in addition to any taxes, commissions, fees, or other amounts incurred as a result thereof.
- c. The local broker shall settle the net cash obligations arising from their cross-market trading in the foreign market by depositing the required amount into the bank account designated by the Center in accordance with article (6/A) of these Instructions, no later than 9:30 a.m. local time on the following day. In the event that such day falls on a weekend, official, or religious holiday in the Kingdom while being a trading day in the foreign market, the local broker must settle such obligations no later than 3:30 p.m. on the same day on which the settlement reports are issued through the cross-market trading system.
- d. If the local broker delays or fails to settle any of the cash obligations arising from the settlement of its trades in the foreign market before the deadline specified in Paragraph (C) of this article, the Center may take the following measures:
 - 1- Request the foreign market to suspend the concerned local broker from engaging in trading in the foreign market as of the date of the delay or failure to settle, and notify the JSC and the market accordingly. The Center shall not be held liable for the settlement of any further obligations incurred by the relevant local broker as a result of any transactions carried out by it in the foreign market after the request for its suspension from trading has been made through the foreign market.
 - 2- Settle the obligations incurred by the concerned local broker within the time frame specified for this purpose under the agreement, by depositing the amounts into the foreign market's designated bank account, up to the daily trading limit of the concerned local broker. The local broker shall be required to settle any amounts exceeding such limit, as applicable.

Article (8):

- a. The Center shall transfer the net receipts of the cash obligations incurred by each local broker to the bank account designated by the foreign market in accordance with article (6/B) of these Instructions, within the time frame specified for this purpose under the agreement.
- b. The foreign market shall take the necessary measures to transfer the settlement amounts received from the Center, arising from the cross-market trading of each local broker in the foreign market, to the designated bank accounts of each foreign broker, within the timeframes specified by the foreign market for this purpose, without any intervention by the Center or any liability on its part.

Article (9):

- a. The foreign market shall transfer the net amounts due to each local broker resulting from their intermarket trading in the foreign market to the bank account designated by the Center in accordance with article (6/A) of these Instructions, and within the timeframes specified for this purpose under the Agreement.
- b. The Center shall transfer the settlement amounts received from the foreign market pursuant to Paragraph (A) of this article to the designated bank account of each eligible local broker.

Article (10):

- a. The Center's liability towards the foreign market for fulfilling the obligations of the local broker arising from their intermarket trading in the foreign market shall be limited to the daily trading limit assigned to each local broker. Under no circumstances shall the Center bear any payment obligation to the foreign market exceeding the value of such limit.
- b. The Center's procedures related to the settlement of obligations incurred by the local broker as a result of their intermarket trading in the foreign market, and the use of the trading limit for this purpose, shall be carried out during the official business days and hours adopted by the Center.
- c. If the Center's payment obligation on the settlement date to the foreign market falls on a holiday for the Center but a business day for the foreign market, the Center's payment obligation shall instead be due on the last official business day of the Center preceding the settlement date. Conversely, if the payment obligation falls on a holiday for the foreign market, the Center's payment obligation shall be deferred to the first business day of the foreign market following such holiday.
- d. The local broker shall have the right to recover their daily trading limit upon the cancellation of their intermarket registration with the foreign market for any reason, and after verification that all obligations arising from their intermarket trading have been fully settled.

Article (11):

- a. The Center shall maintain the necessary records to document and record the data related to the daily trading limits of each local broker, the settlement amounts due from each local broker, and the amounts received or transferred by the Center to bank accounts pursuant to these Instructions in connection with their intermarket trading in the foreign market.
- b. The currency adopted for the purpose of settling intermarket trading obligations by the local broker in the foreign market shall be the currency recognized by the foreign market under the Agreement. Such obligations shall be paid in Jordanian Dinars in accordance with the provisions of these Instructions, based on the daily exchange rates entered into the intermarket trading system, in addition to any applicable fees or commissions.

Chapter Two

Settlement of Securities Prices Traded Cross-market by Foreign Broker in the Markets

Article (12):

- a. The foreign broker shall be prohibited from engaging in intermarket trading in the market unless prior approval is obtained from the Board.
- b. A foreign broker who has obtained the Board's approval to engage in intermarket trading in the market shall not be considered a member of the Center. This shall not prejudice the applicability of the provisions of the regulations, instructions, and decisions issued pursuant to the Law, to the extent necessary for the settlement of obligations arising from such intermarket trading in the market.

Article (13):

- a. The Market shall provide the Center with the documents and data related to the foreign broker who has obtained the Board's approval for intermarket registration, as well as any amendments thereto upon being notified by the Market. This shall include, in particular, the following:
 - 1- The name of the foreign broker, its legal status, and the address of its principal place of business.
 - 2- A copy of the registration certificate issued by the competent official authorities in the country where it is registered.
 - 3- A valid copy of the license to practice brokerage activities granted to it in the foreign market.
 - 4- A copy of the approval issued by the regulatory authority in the foreign market authorizing the foreign broker to undertake intermarket registration in the Market pursuant to the Agreement.
- b. The foreign market shall coordinate with the Center to complete the intermarket registration procedures for its brokers in accordance with the following requirements:
 - 1- Determination of the daily trading limit for each of its foreign brokers.
 - 2- Depositing an amount equivalent to the total daily trading limits determined by it for all its brokers into the bank account designated by the foreign market for this purpose, in accordance with the provisions of article (16/A) of these Instructions.

Article (14):

The Market shall determine the effective date on which the foreign broker is authorized to commence intermarket trading, in coordination with the foreign market, and shall notify the Center accordingly.

Article (15):

- a. The foreign broker's intermarket trading in the Market shall be limited to a daily trading limit set for them by the foreign market. For this purpose, their transactions shall be calculated on the basis of the net settlement amounts payable for purchase orders entered and amounts receivable for executed sell orders through the intermarket trading system for each trading day.
- b. The foreign broker registered for intermarket trading in the Market shall be obligated to restrict transactions to clients' accounts on a cash basis, and such transactions shall be conducted through segregated securities accounts.

Article (16):

- a. The foreign market shall open or designate a bank account with any of the banks operating within the Kingdom for the purpose of receiving amounts due to the foreign broker and settling amounts payable by the foreign broker arising from the settlement of securities prices related to intermarket trading by the foreign broker in the Market. The details of this bank account shall be documented in the Center's electronic system.
- b. The foreign market authorizes the Center to transfer any amounts from the bank account referred to in Paragraph (A) of this article to the Center's settlement account in the event of delay or default by any of the foreign brokers in settling any obligations arising from their transactions in the market to the Center's settlement account.

Article (17):

- a. The amounts due by each foreign broker for their intermarket trading in the Market shall be calculated on a daily basis, and the foreign broker and the foreign market shall be notified thereof through the intermarket trading system.
- b. The net amount due to each foreign broker shall be calculated by deducting the total value of their purchases from the net value of their sales of securities for each trading day, in addition to any applicable taxes, commissions, fees, or other charges.
- c. On the settlement date, the foreign market shall settle the net cash obligations resulting from the foreign broker's intermarket trading in the Market by transferring the respective amounts to the Center's designated settlement bank account, within the timeframe specified for this purpose under the Registration, Deposit, and Settlement of Securities Instructions in force at the Center, or as amended from time to time pursuant to circulars issued by the Center.
- d. If the foreign market delays or fails to settle any of the cash obligations arising from the settlement of its brokers' intermarket trades in the Market before the deadline specified in Paragraph (C) of this article, the Center shall take the following actions:
 - 1- Request the Market to suspend the concerned foreign broker from intermarket trading in the Market, and notify the JSC and the foreign market accordingly.
 - 2- Settlement of the obligations incurred by the concerned foreign broker on the settlement date shall be made from the foreign market's designated bank settlement account, within the limits of the authorization granted to the Center for this purpose by the foreign market pursuant to these Instructions and the Agreement.
- e. The Center may request the Market to suspend all foreign brokers registered on the intermarket from taking the actions specified in paragraph (D) of this article.
- f. The measures taken pursuant to paragraphs (D) and (E) of this article shall not preclude the continued obligation of the foreign market to settle all amounts due from its brokers for the settlement of their transactions in the Market, in accordance with the provisions of these Instructions.

Article (18):

- a. The Center shall transfer the amounts due to each foreign broker resulting from their interfacing trading in the Market from the Center's settlement account to the foreign market's designated bank settlement account, on the date specified for this purpose in the Instructions for the Registration, Deposit, and Settlement of Securities in force at the Center.
- b. The foreign market shall take the necessary measures to transfer the settlement amounts received from the Center, resulting from each foreign broker's interfacing trading in the Market, to the respective bank accounts of each broker, within the timeframes specified by the foreign market for this purpose and without any involvement or liability on the part of the Center.

Article (19):

- a. The foreign market shall be liable to the Center for the fulfillment of the obligations of the foreign broker arising from its interfacing trading in the Market, in accordance with the provisions of these Instructions and the relevant terms set forth in the Agreement.
- b. The official currency adopted for the purpose of settling obligations related to interfacing trading by the foreign broker in the Market shall be the Jordanian Dinar. The foreign market shall bear the exchange rate difference in the event settlement is made in its local currency.

General Provisions

Article (20):

The procedures, provisions, and requirements for the settlement of prices of securities traded on an interfacing basis by the foreign broker in the Market shall be subject to the provisions of the Instructions for the Registration, Deposit, and Settlement of Securities, to the extent that they do not conflict with the provisions set forth in these Instructions and the terms stipulated in the Agreement.

Article (21):

The Board of Directors shall determine, based on the recommendation of the Chief Executive Officer, the following:

- 1- One or more banks for the purpose of opening the Center's designated accounts in accordance with these Instructions, and the Center's authorized signatories from among its employees.
- 2- The minimum limit of the interfacing trading for the local broker.

Article (22):

The Center may specify in its internal proceeds by-law any fees or financial allowances it collects in return for the operations it manages or completes, or the services it provides to local or foreign financial brokers pursuant to these Instructions.

Article (23):

The Board of Directors shall issue the necessary decisions to implement the provisions of these Instructions based on the recommendation of the Chief Executive Officer.

Article (24):

The JSC board based on the recommendation of the Center's Board of Directors, issue the necessary decisions to address any situation not specifically regulated by these Instructions.

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