مركـــز إيـــداع الأوراق المـــالية

Securities Depository Center

The Instructions of Registration, Deposit and Settlement of Securities For the Year 2017

Issued Pursuant to Article (81/A) of the
Securities Law No. (18) for the Year 2017

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Article (1) These Instructions shall be called the (Instructions of Registration, Deposit and Settlement of Securities For the Year 2017) and shall come into effect as of 01/10/2017.

Chapter One
Definitions

Article (2) A- The following words and expressions used in these Instructions shall have the meanings ascribed thereto hereunder unless the context indicates otherwise:

The Law	:	The Securities Law in force.
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.
Trading	:	Selling and buying securities in the Market.
Trading System	:	Trading system used in the Market.
Trading Contract	:	The contract of buying and selling securities in the market.
Settlement Contract	:	The contract of settling the obligations of each the Broker and the Custodian related to a Trading Contract executed by the Broker to a custody client in accordance to these instructions.
Transfer Contract	:	The contract of transfer of securities' ownership from the transferor to the transferee executed at the Center.
Broker	:	The judicial person licensed by the Commission as a financial broker or dealer.
Custodian	:	Any legal person engaged in the business of providing safe custody of securities.
Issuer	:	Any judicial person issuing or announcing the intention to issue securities
Member	:	The public shareholding company, the Public Issuer, the Broker, the Custodian and any other entity determined by the Board.
Center Number	:	The number issued by the Center to the investor.
Account Number		The client's account number verified and adopted by the Broker at the Center that is used for the purposes of Trading in securities for the benefit of the client.
Ownership Restriction	:	Any restriction or limitation that prevents or restricts the absolute disposal of the security.

Depositing Securities	:	Authentication of the ownership of registered securities, the data pertaining to its owners and any ownership restrictions at the Center in accordance with these Instructions.
Settlement Guarantee Fund	:	The Settlement Guarantee Fund established in accordance with the Law.
Clearing	:	The process of computing the net rights and obligations of Trading counter-parties arising from a Trading Contract, in order to deliver the securities or settle their price payments on the specified settlement date.
Settlement	:	The process by which a Trading Contract is completed with the final, unconditional transfer of securities from the seller to the buyer and the final settlement of price payments in their respect.
Delivery Versus Payment	:	A method of settlement according to which the securities are delivered in exchange for price payment.
Settlement Bank	:	The bank designated by the Center for the purposes of receiving and making payments of the value of the traded securities
Settlement Account	:	The bank account that the Center opens in its name at the Settlement Bank and which is used for the receipt of payment and disbursement of payment of the traded securities.
Liquidity Reserve Account	:	The bank account that the Center opens in its name at the Settlement Bank into which amounts due from Brokers, Center Members, are paid by them for the purposes of Traded securities Settlement.
Settlement Day	:	The Day specified by the Center for the completion of Settlement.
Center's Database	:	The database that contains all the necessary information concerning issuers of registered and deposited securities at the Center; in addition to the information concerning the Center Members, the owners of securities and any ownership restrictions.
Account	:	The securities account.
Free Balance	:	The Investor's balance of Securities that is free from any restrictions that would prevent its absolute disposal.
Day	:	The Center's official working Day.

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) The Center shall undertake the following main functions:

A- Registration of issued securities.
B- Depositing securities.
C- Transfer of securities' ownership.
D- Conducting Clearing and Settlement for securities transactions.
E- Authenticating ownership restrictions on deposited securities.

F- Registering and authenticating any changes initiated by the Issuer on its' issued securities and validating such changes on the Center's Database.

Article (4) The Center shall provide the following services to investors in accordance with these Instructions:

A- The issuance and Designation of the Center Number for the investor.
B- Freezing of Securities.
C- Issuance of an ownership Statement for deposited securities.
D- Issuance of a statement of account for deposited securities.
E- Placing of Pledge over deposited securities.
F- Any other services determined by the Center.

Article (5) The Center shall maintain a special register for the necessary information and data related to the following:

A- Members of the Center.
B- Securities' Issuers.
C- Securities registered at the Center.
D- Securities deposited at the Center.
E- Owners of Deposited Securities.
F- Ownership restrictions placed on deposited securities and the rights of related Parties.
G- Transfer of securities' ownership.
H- Any other data that the Center deems necessary to maintain.

Article (6)

A- The depositing of securities, transfer of ownership and authenticating ownership restrictions shall be authenticated by records in the appropriate Accounts at the Center.
B- Unless otherwise proven, the entry records and the accounts maintained by the Center, whether manually or electronically, as well as any document issued by the Center, shall constitute prima facie legal evidence of ownership, registration, transfer of ownership and Settlement of the securities, at the prices and on the dates stated in those records, accounts or documents.

Article (7) It shall be prohibited for any person to access the Center's Database whereby such unauthorized access would enable that person to obtain information regarding the Accounts, its owners and any ownership restrictions related thereto unless authorized thereby by virtue of the Law, the By-Laws and Instructions issued by the Center.

Chapter Two Registration and Deposit of Securities

Article (8)

A- Pursuant to registering the issuance of Securities at the commission, the issuer should register the issuance at the center providing the following relevant information and data:

1. The type of Securities.
2. The number of securities.
3. The nominal or face value of the security.
4. The prospectus of the security (if applicable).
5. A copy of the Commission's letter approving the registration of the securities.
6. The register of the owners of its issued securities in accordance with the data, specifications and method acknowledged by the Center.

B- Registration of the issued securities in accordance with paragraph (a) of this article shall take place within the periods stated within the Instructions issued by the commission thereto.

Article (9)

Notwithstanding the provision of article (8) of these instructions, Special acts for the governmental issuances of securities as per the related legislations in force shall be taken into consideration.

Article (10)

The Issuer shall provide the Center with the register of the owners of its issued securities in accordance with the data, specifications and method acknowledged by the Center.

Article (11)

A- The register of the owners of securities shall include the date of this register in addition to the following information and data for each owner:

1. The number of the owner assigned by the Issuer.
2. The full name of the owner.
3. The Center's Number for the owner (if available).
4. The Nationality of the owner.
5. The ownership balance.
6. The Free Balance.
7. Any restrictions on the ownership of securities and the number of securities subject to restrictions.

B- The Issuer shall be responsible for the correctness, accuracy and completeness of the content of the register of the owners of securities submitted to the Center. The Center shall not bear any responsibility thereto.

C- The Center's receipt of the register of the owners of securities shall not constitute an acknowledgement on the part of the Center as to the correctness, accuracy or completeness of its content or a presumption of such correctness, accuracy or completeness.

D- The Center shall not bear any liability nor responsibility that may occur as a result of the incorrectness, inaccuracy or incompleteness of the information

and data provided to the Center by the Issuer related to the ownership of securities, its owners and any ownership restrictions related thereto.

Article (12) The register of the owners of securities shall be divided into:

A- Deposited Securities: which are deposited by the Issuer at the Center in accordance with the provisions of these instructions.

B- Non- Deposited Securities: which have not fulfilled the conditions for being deposited according to the provisions of these instructions, and is still kept with the Issuer and upon his responsibility.

Article (13)

A- The securities shall be deposited after the Issuer provides the Center with the following information and data about the securities' owner:

1. The Center's Number.
2. The full name.
3. The Nationality.
4. The ownership Balance.
5. Any ownership restrictions placed upon the Securities and the number of Securities subject to the restrictions (if available).

B- The information and data specified in Sub-Paragraphs from (1) to (3) of Paragraph (A) of this Article must be identical to the Center's Database.

Article (14)

A- The securities will be deposited on the date of receiving the registry of the securities' owners or any subsequent date and the Issuer shall be notified thereby.

B- The certificates of the ownership of securities shall be deemed cancelled upon the depositing of securities at the Center.

C- The records and registers of securities deposited at the Center shall substitute the records and registers of the securities' Issuers.

D- The ownership of deposited Securities shall be registered at the Center in the related accounts upon records in the Center's Database.

E- The securities deposited at the Center from the same type, category, issuance and currency shall be deemed equal in rights and obligations.

Article (15)

A- The Issuer shall keep with it a register or more in which it shall record the names of the owners of non-deposited securities, the data related to them, the number of securities owned by each of them, the transfers that occur thereto, ownership restrictions and any other data deemed necessary by the Center. The Issuer shall bear the full responsibility that may occur in this regard.

B- The Issuer shall update the registers of the owners of securities maintained by it or any data related thereto after ascertaining of the correctness of the information and documents submitted to the Issuer in that regard.

The Issuer shall inform the Center immediately of any change that occurs to the registers of the owners of non-deposited securities including the following:

1. Any change that occurs to the data related to the owners of securities.
2. Any correction that occurs to the balances of ownership of securities.

3. The placement and release of lien (s).
4. The release of pledge (s).
5. Any other cases determined by the Center.

Article (16)

A- The Center shall maintain ownership statements for non-deposited securities in accordance with the Issuer's registers which are submitted to the Center.

B- The Center shall update the statements of the owners securities referred to in Paragraph (A) of this Article in accordance with the following:
1. Ownership transfers conducted through the Center directly.
2. Placing of Liens and their release and the release of Pledge as notified to the Center by the securities' Issuer.

C- The ownership statements referred to in this Article shall not substitute the non-deposited ownership registers kept by the Issuer, whereas such registers held with the Issuer for non-deposited securities shall be the legal proof of ownership for these securities until such securities are deposited at the Center.

D- The Center's maintenance of the ownership statements mentioned in this Article is for the purposes of illustrating the ownership balance, and any pledges, liens or any ownership restrictions imposed on the securities without any other obligation on the Center and without holding the Center responsible for the accuracy or correctness of this data.

Article (17)

The Issuer shall complete the procedures for depositing the non-depositing part of the securities by requesting the Center to deposit such securities and provided with information and data specified in article (13) for each owner of non- deposited securities in addition to the number assigned by the Issuer for each owner.

Article (18)

The Issuer shall bear full responsibility that may occur as a result of the following:

A- The incorrectness, inaccuracy or incompleteness of the information and data for each owner of deposited securities as specified in Article (13) of these Instructions.

B- Any errors occurred before the date of depositing securities at the Center that have affected the correctness of the ownership balance of any owner of deposited securities.

C- Not providing the Center with ownership restrictions related to any deposited securities.

Article (19)

A- The ownership of deposited securities shall be recorded in the Center's registers where only deposited securities are eligible to be sold, transferred, or pledged or be subject to any other transactions.

B- The provision of Paragraphs (A) of this Article shall not apply to ownership transfers of securities in the following cases:
1. Inheritance Transfers.
2. Transfers in accordance with the Law of the Government's Acquisition of Monies due to statute of Limitation.
3. Transfers executed in implementation of court orders and execution departments verdicts.

4. Transfers executed in wills of securities.
5. Transfers due to acquisition in accordance with the laws in force.

C- The Center informs the Issuer electronically of non-deposited securities ownership transfers that occur in any of the cases mentioned in paragraph (B) of this article

Article (20)

A- The Center shall update the registers of the owners of deposited securities upon the Issuer's decisions that have obtained the official approvals in the following cases:

1. Increase or decrease of the Issuer's capital.
2. Stock split (s) (division of the nominal value of the security).
3. Merger (s).
4. Any other cases determined by the Board of Directors in accordance with the Law.

B- Updating of the registers of the owners of non-deposited securities in result of the cases referred to in Paragraph (A) of this Article shall be the responsibility of the Issuer.

Article (21)

A- The Center shall cancel the ownership of securities in its records and deliver the concerned Issuers the registers of the owners of securities in the following cases:

1. The termination of the issuer's membership at the Center.
2. Redemption of bonds and corporate bonds issuances.
3. Any other cases determined by the Board of Directors in accordance with the provisions of the Law.

B- Notwithstanding the provision of Paragraph (A) above, the Center shall maintain the historical records and copies of the ownership registers as of the date of delivery to the Issuers.

Chapter Three Investor Identification and Securities Account Set-Up

Article (22)

The investor shall be identified and securities Accounts shall be established for him/her on the Center's Database through the Center's electronic systems.

A- The Center shall issue a unique number for each investor upon being identified through the Center's electronic system called the Center Number for the investor.

B- The same Center Number shall not be designated for more than one investor.

Article (23)

Upon submitting the request for identification on the Center's database, The Investor should disclose to the Center in writing the nationalities he acquires and shall present the required documents thereto, and the investor must designate a single Center number under which his securities ownership shall be recorded.

Article (25)

The Center Number for the investor shall be as follows:

A- The National Identification Number for the Jordanian natural persons inevitably.

B- A unique number issued by the Center for other entities.

Article (26) The investor shall be identified on the Center's electronic systems upon his request and by any of the following means:

A- Through the Center Directly.

B- Through the Broker or Custodian.

Article (27) The investor shall be identified through the Center in accordance with the following measures:

A- The investor shall submit a written application to be identified on the Center's electronic systems with the following documents and data attached:

1. For a natural person:
   - a- The identification document.
   - b- The address as required by the Center.
2. For a judicial person:
   - a- The registration certificate, or an official document issued by the competent authorities.
   - b- The headquarters' address, the postal address for the correspondences, the telephone number, the fax number and e-mail (if available)

B- The Center shall issue the investor's Identification Notice which shall be signed by the concerned investor in acknowledgement of the correctness of the information and data therein.

Article (28) The investor shall be identified through the Broker or Custodian in accordance with the following measures:

A- The investor shall submit a written application to be identified on the Center's electronic systems attached with the documents and data referred to in Article (27) of these Instructions.

B- The Broker or Custodian shall identify the investor on the Center's Database through the Center's electronic system and submit the following data:

1. The investor's full name.
2. The investor's Nationality.
3. The Center's Number.
4. The Investor Type.
5. The Investor Classification.
6. The Type of the account.
7. The Documents information.
8. The full address of the Investor.
9. The Investor's account number.
10. The name of the agent, custodian, guardian, caretaker, receiver, trustee or liquidator (if available).
11. The investor's other nationalities (if available).
12. Any other information or data determined by the Center.

C- The Broker or Custodian shall provide the Center with the identification application verified by the Broker or Custodian attached with the investor's identification papers.

D- After receiving the identification application, the Center shall take the necessary measures and inform the Broker or Custodian electronically.

E- Identifying Jordanian natural investors are excepted from the procedures stated in paragraphs (c) and (d) of this Article, and shall be identified by the broker or custodian directly and under its full responsibility and without the Center's intervention.

Article (29)

A- The Broker or Custodian shall bear full responsibility that occurs or may occur as a result of identifying their Clients on the Center's database. The Broker or Custodian is also liable for the correctness of the client's information and data entered to the Center's electronic systems.

B- The Broker or Custodian shall obtain the client's signature on the identification notice issued by the Center's electronic system, and shall Certify the validity of the client's signatures after verifying their identities and capacities for contracting.

C- The Broker or Custodian shall retain the identification application and the identification notice referred to in Paragraph (B) of this Article. The concerned Broker or Custodian shall bear the responsibility of the authenticity and correctness of the signature of its client on the identification application and the identification notice.

D- The stamp and signature of the Broker or Custodian on the identification application shall be considered an acknowledgement by the Broker or Custodian of the correctness of the data and information specified therein, and of the correctness and completeness of the client's identification documents. The center does not bear any responsibility thereto.

E- The Center shall be not responsible for any inaccuracy, incorrectness or incompleteness of the investor identification data on the Center's Database.

Article (30)

A- A person who wishes to Trade in securities shall open an Account with a licensed Broker.

B- Before trading securities on behalf of a client, a Broker or Custodian shall check the client is identified on the Center's database and establish an Account for the client on the Center's electronic system.

C- Except for the custody accounts where the broker may open more than one custody account provided that each custody account is related to a different broker, it shall be prohibited for the broker or the custodian to open more than one account of the same type for the same client on the Center's database.

D- The Broker shall use the client Account Number by including the said number in buying order or selling order entered into the Trading System.

Article (31)

The ownership of deposited securities shall be registered on the Center's Database in the appropriate securities Accounts.

A- The securities Accounts referred to in Paragraph (A) of this Article shall include the following:

1. The information and data related to the owner of the security.
2. The balance of securities deposited in the Accounts.
3. The transactions related to the transfers and ownership transfers of securities.
4. Any ownership restrictions imposed on the deposited securities.

B- The person under whose name any number of securities is registered shall be deemed the legal owner of those securities.

Article (32) The Broker or Custodian is authorized to access a specified part of the Center's electronic systems for the following purposes:

A- Identify and establish Accounts for its clients in accordance with these Instructions.

B- Enter information and data related to transfer of deposited securities between Accounts.

C- Inquire on the movements and balances of its clients deposited securities.

D- Any other information related to the Broker or Custodian or to their clients.

Article (33) Investors Accounts established on the Center's Database shall be divided into:

A- Accounts at the Center.

B- Accounts under the control of the Center's Members.

Article (34) Investors Accounts that may be opened on the Center's Database shall be of any of the following types:

A- Independent Account: an Account that is opened for one person only (natural or judicial).

B- Margin Account: an Account opened by a Broker licensed by the Commission to provide margin financing for its clients.

C- Joint Account: an Account that can be opened for two persons or more where the ownership of securities shall be registered in the joint name. This Account shall be opened in accordance with the following conditions:

1. Identification of each investor of the investors that constitute the components of the Joint Account independently and in advance. The Type of Account for each investor shall be (Independent) in accordance with these Instructions.
2. Specification of the name of the Joint Account, identification of the type of client (Joint) and identification of the type of Account (Joint) and identification of the Account on the Center's electronic systems in accordance with these Instructions.
3. If the Broker is one of the components of the joint name, then the Broker shall use the Center Number assigned to it and its Account Number at the Center for the purpose of opening Joint Accounts with its clients.
4. It shall not be permitted to open Joint Accounts except for the purposes of selling securities registered in the name of two persons or more, or for the purpose of allocating the securities to the joint account owners.

D- Custody account: an account opened by the Broker and linked to an independent custody account opened with the Custodian.

E- Allocation account: A principal account under which sub-accounts are linked, such account is used to allocate buying and selling transactions between the principal account and the sub-accounts, processes and measures for opening this type of account on the Center's database shall be governed by specific procedures issued by the Board of Directors as of the date determined by the Board of Directors thereto.

Article (35) Deposited securities shall be transferred from the owner's account at the Center to the Owner's Account under the control of the Broker or Custodian according to the following procedures:

A- The client shall submit a request to the concerned Broker or Custodian to transfer a number of securities owned by him from his account at the Center to his account with the concerned Broker or Custodian.

B- The concerned broker or shall submit the data of the transfer referred to in sub paragraph (1) above to the Center's electronic system and post the data without any responsibility on the Center accordingly.

Article (36) A- Deposited Securities shall be transferred from the owner's account with the Broker or Custodian to the owner's account at the Center according to the following procedures:-

1. The Broker or Custodian may transfer the securities from the client's account with the broker or custodian to the client's account at the Center.
2. The client may request the Broker or Custodian to transfer a number of securities owned by him to the client's Account at the Center.

B- The Broker or Custodian shall submit the data of the transfer referred to in Paragraph (A) of this Article on the Center's electronic system and post it accordingly.

Article (37) Securities shall be transferred from the client's Account with the Broker to the client's Account with the Custodian and vice versa directly without the intervention of the Center, unless the Center decides otherwise.

Article (38) A- The Broker or Custodian shall submit the following data and information upon submitting the request to transfer Securities between accounts on the Center's database:

1. The name of the Security to be transferred.
2. The number of Securities to be transferred.
3. The name of the Owner of the Securities.
4. The Center's Number for the owner of the Securities.
5. The Account Number to which the securities will be transferred.

B- The Broker's or Custodian's submission of the information and data of the requested transfer posted to the Center's electronic system shall be considered an acknowledgement of the correctness of such data and information.

C- The Broker or Custodian shall bear the full responsibility that occurs or may occur as a result of the transfer of securities in accordance with the provisions of this article.

D- The Center shall not bear any responsibility as a result of the transfer of securities in accordance with the provisions of this Article.

Article (39) The Broker or Custodian may not refrain from transferring the securities owned by his clients unless the Broker or Custodian had legal reasoning for such refrainment, the Broker or Custodian shall be held liable for his refusal or delay in executing the transfer.

Article (40) Notwithstanding the provisions of Article (36) of these instructions, The Center shall transfer Securities from the owners' accounts with any of the Center's members to the specified owners' accounts at the Center for the purposes of the execution of securities sale operations performed in accordance with court orders and relevant official authorities' decisions.

Article (41) The following conditions are required to be met in order to transfer deposited securities from owner's account in accordance with the provisions of articles (35) and (36) of these instructions:

A- The free balance of the securities account should be sufficient to execute the required transfer.

B- No legal restraints preventing the execution of the Securities transfer.

Article (42) If the membership of a Broker or Custodian is terminated, the Center shall transfer the securities from the Accounts under with the Broker or Custodian to the Main Accounts at the Center.

Article (43) The Center shall update the information and data of the owners of deposited securities upon the owner's request and in accordance with the adopted working procedures.

Article (44) The Center shall update the information and data related to the owners of deposited securities upon the information and data issued by the relevant official authorities, specifically information and data related to any of the following:

1. Change of the name of the owner of the security.
2. Change of the National Identification Number of the owner of the security.
3. Change of the nationality of the owner of the security.
4. Change of the identification documents of the owner of the security.
5. Change of the legal status of the owner of the security.

Article (45) The owner of deposited securities shall be entitled to obtain the following from the Center in exchange for the determined charges:

A- Any information related to his Account or Accounts.

B- A statement of his deposited securities Account which illustrates the balance of his deposited securities, transfer transactions, ownership transfer and any other disposal or transactions that occurred to this Account.

C- An ownership notice of deposited securities owned by him.

Article (46) The Issuer shall be entitled to obtain the names of the owners of its deposited securities, and their ownership in exchange for the determined charges or fees.

Article (47) The Issuer shall have the right to electronically access the Ownership Registers of securities issued by the Issuer and deposited at the Center for viewing purposes only. An Issuer shall not be permitted to make any changes or amendments to the Ownership Registers except in accordance with these Instructions.

Chapter Four Securities Clearing and Settlement

Article (48) The rights and obligations between the seller of a security and its' buyer and any other Party shall arise on the date of the execution of the Trading Contract in the Market.

Article (49) The Center shall implement the Clearing and Settlement for Trading Contracts for the purpose of determining the net rights and obligations of the Brokers and Custodians, and shall take the measures to settle the financial positions and transfer the ownership accordingly and in compliance with the provisions of these instructions.

Article (50) The Center shall settle the Trading Contracts for securities deposited at the Center on a Delivery Versus Payment basis.

Article (51)
- A- The settlement day for Traded securities is the second Day after Trading Day (T+2). The Board of Directors may from time to time and upon the approval of the Commission change the Settlement day according to what it deems appropriate.
- B- Notwithstanding paragraph (A) of this article, the Board of Directors can implement a settlement period for any type of Securities that differs from what is mentioned in paragraph (A) of this article.

Article (52) A Broker and Custodian shall provide sufficient funds needed to fulfill their financial obligations related to the Settlement in accordance with these Instructions.

Article (53) The Board of Directors may upon the approval of the Commission determine the Broker's maximum limit of obligations that is subject to the Clearing and Settlement procedures performed by the Center as a result of his Trading in the Market.

Article (54)
- A- The owner of deposited securities who wishes to sell such securities or any part of it shall make certain of its availability in his own designated account with the Broker or Custodian in accordance with these Instructions.
- B- Prior to placing the sell order on the trading system, the Broker shall make certain that there are sufficient securities in the client's Account with him or with the client's concerned Custodian, and that such securities are not subject to any pledge, lien or any other ownership restriction that prevents their unrestricted disposal.

Article (55)
- A- The Market shall provide the Center with an electronic Trading file containing the daily Trading transactions which includes all the Trades executed in the Market in the same Trading Day, this file contain the following minimum information and data for each Trading Contract:
  1. The Trading date

2. The code of the issuing entity.
3. The code of the security.
4. The number of the Account of the selling client.
5. The code of the selling Broker.
6. The number of the Account of the buying client.
7. The code of the buying Broker.
8. The number of securities.
9. The market price of the security.
10. The total value of the Trading Contract.
11. The number of the Trade.
12. The execution time of the Trade.

B- The Center may return any of the Trading Contacts delivered to it by the Market and inform the Commission and the concerned Brokers in any of the following cases:

1. If the numbers of the Accounts of the selling client and the buying client with the same Broker were identical in the same Trading Contract.
2. Any other cases determined by the Law, the by-laws, instructions or decisions issued pursuant thereto.

C- The Trading file referred to in Paragraph (A) of this Article shall be deemed final with all the Trading file's contents, information and data. The finality of the Trading file excludes Trading Contracts returned to the Market as per Paragraph (B) of this Article.

Article (56)

A- For Settlement purposes, Trading Contracts shall be divided into:

1. Accepted trading contracts.
2. Suspended trading contracts.

B- A Trading Contract shall be suspended if there was a deficit in the free balance of securities in any of the following cases:

1. If the number of securities registered in the client's Account with the selling Broker were insufficient to execute the sale.
2. If the sold securities were subject to a pledge, lien or any other ownership restriction that prevents unrestricted disposal.

C- The Center may withhold the amounts that represent the value of suspended Trading Contracts for the benefit of the Settlement Guarantee Fund until the selling Broker or the Settlement Guarantee Fund removes the reasons of the suspension.

Article (57) Subject to the provisions of Article (56) of these Instructions and after receiving the daily Trading file from the Market, the Center shall provide each Broker with the data and information related to the trading contracts executed by it.

Article (58) The Broker shall maintain all the papers, documents, data and records that support the Trading Contracts executed by it.

Section One
Ownership Transfer of Securities Traded in the Market

Sub- Section One
Ownership Transfer of Deposited Securities

Article (59) A- Subject to the provisions of Paragraph (C) of Article (55) and Article (56) of these Instructions, the transfer of the ownership of deposited securities shall be effected according to the electronic file of the daily Trading transactions delivered to the Center by the Market by means of electronic records recorded in the Accounts of the sellers and buyers with the Center's Members, and without obtaining the approval of the seller to transfer the ownership of securities from a his Account to a buyer's Account.

B- The inclusion of a trading contract within the trading file received by the Center as referred to in paragraph (A) of this article, confirms that the selling owner of securities has issued an order to the selling broker to transfer ownership of the concerned securities from the selling owner's Account to the Account of the concerned securities buyer.

C- The selling Broker shall bear the full responsibility that occurs or may occur as a result of the sale of any securities on behalf of any his clients without receiving an order from its client. The Center shall not bear any responsibility as a result of such transactions.

Article (60) A- The sold securities shall be debited from the Account of the seller and credited to the Account of the buyer on Trade date in accordance with the Trading file delivered to the Center by the Market. The Center shall not bear any responsibility that may occur accordingly.

B- The securities shall remain impending in the Account of the buyer until the completion of its Settlement. Such securities shall not be transferred to the Center or between Accounts with the concerned Broker nor shall it be pledged prior to that.

C- Notwithstanding what is stated in Paragraphs (A) and (B) of this Article, the authentication of the ownership transfer of deposited securities shall take place on Trade date, subject to the completion of Settlement procedures.

D- Transfer of the ownership of deposited securities to the buyer shall be subject to the buying Broker's payment of the value of those securities purchased within the specified timeframes.

E- All corporate actions and ownership entitlements such as cash dividends, stock distributions, interests or benefits shall be the right of the buyer as of Trade date (T+0).

Sub-Section Two
Suspended Contracts

Article (61) The Center shall notify the selling Broker electronically of its impending Trading Contracts.

Article (62) A- The Broker shall resolve the causes related to impending the Trading Contracts within the following next Day of Trade date by maximum. Otherwise; the Center shall take any of the following measures:

1. Inform the Commission and notify the Market to suspend the Broker from Trading and suspend the services provided by the Center to the concerned Broker.
2. Impose a lien on the securities owned by the concerned Broker for the benefit of the Settlement Guarantee Fund.
3. The Settlement Guarantee Fund shall substitute the concerned Broker and shall take the necessary measures to buy the deficit securities on behalf of this Broker in accordance with the provisions and measures specified in the Internal By-Law of the Settlement Guarantee Fund.

B- If the deficit in the balance of securities sold by the broker is linked to a trading contract in the custody account, the period referred in Paragraph (A) of this Article shall be extended to (10:00) am maximum on the second day after the trading day (T+2).

C-
1. The concerned Broker shall bear the fines, fees and service charges specified in the Internal By-Law of the Proceeds issued by the Center for each pending Trading Contract.
2. If the value for covering the deficit in securities exceeded its sale value, the Broker shall bear the difference in the two values.
3. If the value for covering the deficit in securities was less than its sale value, the difference in the two values shall be transferred to the benefit of the Center.

D- If the Settlement Guarantee Fund didn't cover the securities in deficit on behalf of the defaulting Broker within five days at the most, the Center shall have the right to cancel the impending Trading Contract which resulted in the deficit sale of securities and return the value of the securities purchased to the buying Broker on behalf of its client. The Settlement Guarantee Fund shall indemnify the buying client for this cancellation in accordance with the Internal By-Law of the Settlement Guarantee Fund.

Article (63) The selling Broker shall be liable for all the damages incurred by the transferee in the impending Trading Contract including cash dividends, stock distributions or the transferee’s exclusion from his right in private offering.

Article (64) The Center shall pay the value of the securities that have been previously withheld for impending Contracts after the removing the reasons for suspension and after deducting any expenses, costs, fines or fees that resulted from those suspended Contracts.

Section Two Financial Settlements

Article (65) A- For the purposes of these Instructions, Financial Settlements shall mean the receipt and payment of the value of securities as a result of Trading Contracts executed in the Market.

B- For the purposes of these Instructions, the prices of corporate bonds traded in the market shall be settled by adding the value of the cash entitlements related to the interest accrued in favor of the seller of the security during the period of his holding thereof, calculated from the date of the last distribution of such entitlements and in accordance with the interest rate specified in the issuance prospectus by the relevant issuer.

C- The calculation of the prices of corporate bonds in the manner specified in paragraph (B) of this Article shall not be deemed a guarantee by the Center of the relevant issuer's obligation to pay the value of the cash entitlements to the holders of such securities on their respective maturity dates.

Article (66)

A- The Center shall carry out the Financial Settlements for all contracts traded in the Market, unless the Center decided otherwise and informed all relevant parties.

B- Financial settlements of trading contracts that the Center decides to exempt from the financial settlements conducted by it pursuant to paragraph (A) of this Article shall be carried out directly through the relevant brokers.

Sub-Section One Financial Settlements through the Center

Article (67) Receipt and payment of the value of securities from and to the Brokers and Custodians shall be through the Settlement Account at the Settlement Bank in accordance with these Instructions.

Article (68)

A- Each Broker and each Custodian shall open one bank account for the purposes of financial Settlement and inform the Center of this account and any change that occurs thereto.

B- The Center shall have the right to view the bank account referred to in Paragraph (A) of this Article and obtain statements of the movements made on this account. The Broker and Custodian shall authorize the Center to do so.

Article (69)

A- Based on the daily electronic trading file received by the Market, the Center shall electronically initiate a Settlement Contract for each trading contract (Purchase or Sale) performed by the Broker for Custody accounts' clients with that Broker.

B- The Settlement date for the Settlement Contracts referred to in paragraph (A) of this article shall be the same Settlement Date for the original related trading contract.

Article (70) The Center shall inform the concerned Brokers and Custodians with the Settlement Contracts related to trades executed for Custody accounts electronically.

Article (71) The Custodian shall either accept or reject the Settlement Contract through the Center's electronic System within the next day following the trading day (T+1) by Maximum (3:00) pm, otherwise the Settlement Contract is deemed rejected by default by the custodian.

Article (72)

A- In the case where the Custodian rejected the Settlement Contract in accordance with the provisions of article (71) of theses instructions, the Broker remains liable towards the Center of settling the trading contract executed by it in accordance with the procedures and timings stipulated within these instructions.

B- In the case where the Custodian accepted the Settlement Contract within the specified time referred to in article (71) of these instructions, the said contract shall be settled along with the trading Contract related to it in accordance with these instructions.

Article (73)

A- The Center shall calculate the net amounts due to be paid to/by the Broker on Settlement Day for each trading day and for all the Brokers.

B- The amount referred to in Paragraph (A) of this Article shall be calculated by subtracting the total value of the securities purchased by the Broker for the Trading Day from the net value of the Securities Sold by the Broker for the same Day.

C- The net amount of the value of the securities' purchases by the Broker shall be calculated through subtracting the value of the Impending Trading Contracts in accordance with these Instructions from the total value of the Broker's sales of securities.

Article (74)

A- The Center shall calculate the net amounts due to be paid to/by the Custodian on Settlement Day for each trading day and for all the Custodians.

B- The amount referred to in Paragraph (A) of this Article shall be calculated by subtracting the total value of the accepted Settlement contracts of Purchases by the Custodian for the Trading Day from the net value of the accepted Settlement contracts of Sale by the Custodian for the same Day.

Article (75)

The Center shall recalculate the net amounts due to be paid to the Brokers and Custodians or by them on the Settlement day based on the accepted Settlement Contracts.

Article (76)

A- The Broker shall deposit the amount due to be paid by it in Settlement Account at the time specified for that.

B- At the end of the trading session, and for each trading day, the Center shall calculate the amount that the Broker shall pay as a liquidity reserve in accordance with the following formula:

The amount of the liquidity reserve = the amount due to be paid by the Broker calculated in accordance with Article (73) of these Instructions subtracted by half of the contribution of the Broker in the Settlement Guarantee Fund (the cash contributions + the bank guarantee).

C- The amount to be paid as a Liquidity Reserve referred to in Paragraph (A) of this Article shall be subtracted from the net amount that is to be paid by the Broker on Settlement Day.

D- The Center may conduct clearing between the amount of the liquidity reserve in addition to any other amounts due to be paid by the broker, and the amounts due to be paid to the broker from settlement.

Article (77) On each trading day, the Center shall, transmit an electronic notice to each Broker and each Custodian, the notice shall include the following data and information:

A- The net amount due to be received or paid by the Broker or Custodian for the Settlement Purpose

B- The amount to be paid by the Broker as Liquidity Reserve in the Settlement Account

C- The amount due to be paid by the Broker or Custodian in the Settlement Account on the Settlement day.

Article (78) A- Each Broker and each Custodian shall pay the amount due to be paid by it on the Settlement day by depositing the said amount in the Settlement Account at the time specified for this purpose.

B- The Center shall transfer the amount calculated by it and due to be paid to the Broker or Custodian on Settlement Day from the Settlement Account to the account of the concerned Broker or Custodian after the completing all payment due to be paid by all the other Brokers and Custodians.

Article (79) A- The Notice sent to the Broker related to the Liquidity Reserve amount referred to in paragraph (B) of article (77) of these instructions, shall be considered final on trading day by (3:00) pm. unless another notice was sent by the Center to the Broker afterwards.

B- The Notice sent to the Broker and the Custodian in accordance with paragraph (C) of article (77) of these instructions shall be considered final by (3:00) pm. of the next day following the trading day (T+1) unless another notice was sent by the Center to the Broker or Custodian afterwards.

Article (80) A- The Broker shall pay the amounts due to be paid by it as Liquidity Reserve by ten (10:00) am. Maximum, on the first Day following the Trading Day (T+1) by transferring the required amount from its account to the Center's Settlement Account.

B- The Broker and the Custodian shall pay the amounts due to the Settlement Account by ten (10:00) am. Maximum, on the second Day after the Trading Day (T+2) by transferring the required amount from its account to the Center's Settlement Account.

Article (81) A- If the Broker does not pay the liquidity reserve amount referred to in Paragraph (A) of Article (80) of these Instructions by the specified time, the Center may take any of the following measures:

1. Inform the Commission and notify the Market to suspend the Broker from Trading.
2. Suspend all services provided to that Broker by the Center.

B- If the Broker does not pay the liquidity reserve amount by (1:00) pm. on the first Day following the Trading Day (T+1), the Center shall add that amount to the net amount that the Broker shall pay on Settlement Day whereby the Broker is required to pay both amounts on Settlement Day.

Article (82) If the Broker or the Custodian does not pay the amounts due to be paid to the Settlement Account on Settlement Day by ten (10:00) am., the Broker or Custodian shall be considered in breach of its obligations and the Settlement Guarantee Fund shall substitute that Broker or Custodian to fulfill those obligations. The Center shall take the following measures:

A- Transfer the amount-that has not been paid- from the Settlement Guarantee Fund account to the Center's Settlement Account.

B- Inform the Commission and notify the Market to suspend the Broker from Trading.

C- Suspend the services provided by the Center to the concerned Broker or Custodian.

D- Impose a lien on the securities owned by the Broker or the Custodian for the benefit of the Settlement Guarantee Fund.

E- Request the concerned Broker or Custodian to pay all its obligations due towards the Center and the Settlement Guarantee Fund including the delay charges and any expenses or costs incurred by the Center as a result of the breach of obligation.

Article (83) The Settlement Guarantee Fund shall have the right to possess any bought securities which have not been paid for and sell them in accordance with the Internal By-Law of the Settlement Guarantee Fund.

Article (84) The Center shall issue payment orders to the Settlement Bank to pay the amounts due to be paid to the concerned Brokers and Custodians on the settlement day by (2:00) pm. after the accumulation of sufficient funds in the Settlement Account equal to the amounts due to be paid to Brokers and Custodians on Settlement Day.

Article (85) If a Broker or a Custodian does not fulfill its financial obligations on Settlement Day, said Broker or Custodian is required to fulfill all these obligations within one Day after the date of the default on payment.

Article (86) If a Broker does not pay the required amounts due as a Liquidity Reserve or for Settlement, the Center shall have the right to deduct the due amounts from the amounts due to be paid to this Broker from the Settlement Account, if available.

Article (87)

A- The Broker shall not resume operations and Trade in securities unless it has paid all its obligations towards the Settlement Guarantee Fund and the Center.

B- After the Broker or Custodian pays all its' obligations towards the Settlement Guarantee Fund and the Center, the Center decides to resume the services provided to the said Broker or Custodian and inform the Commission and the Market of the Center's decision immediately.

Article (88) The Settlement Contracts accepted by the Custodian shall be registered by electronic records shown on the concerned Statements of accounts with the Custodian and the related Broker.

Article (89) A- On exceptional circumstances to be determined by the Chief Executive Officer, The Center may, postpone the Settlement in accordance with what the Chief Executive Officer deems appropriate. The Commission, the Market, the Settlement Bank and the concerned Brokers and Custodians shall be informed accordingly.

B- Upon postponement of the Settlement in accordance with the provisions of paragraph (A) of this article, the Center shall re-calculate the amounts due to be paid by the Brokers and Custodians or for their benefit. The concerned Brokers, Custodians and the Settlement Bank shall be informed by the Center's decision accordingly

Sub-Section Two Financial Settlements of Block Trades

Article (90) A- As of the date determined by the Center, the Center shall carry out Financial Settlements for all Block Trades executed in the Market unless the two selling and Buying Brokers agreed prior to execution to settle the Block Trade directly between them without the intervention of the Center and without holding the Center responsible thereto.

B- Notwithstanding the provisions of Article (51) of these instructions, the Settlement Day for all Block Trades shall be on the Same trade Day (T+0).

Article (91) A- Before entering the selling order for a Block Trade on the Trading System, the selling Broker must make certain the Securities to be sold are available in the concerned Client's account with that Broker, and that those Securities are free from any ownership restrictions that may prevent its absolute disposal or direct delivery.

B- Before executing the Block Trade on the Trading System, the Buying Broker must transfer the price of the Securities to be bought according to its determined price agreed upon with the Selling Broker to the Center's Settlement account at the Settlement Bank and inform the Center in accordance with the method decided by the Center for this purpose.

C- C. Block Trades, in which the Selling Broker is at the same time the Buying Broker, are excluded from the provisions of Article (90) of these instructions.

Article (92) In the case where the two concerned Brokers in a Block Trade agree to settle the trade between them directly, Financial Settlements shall be performed bilaterally between them in a direct manner and without the intervention of the Center and without holding the Center responsible accordingly.

Chapter Five Transactions Excluded From Trading Through The Market

Article (93) The Center shall effect the ownership transfer of transactions excluded from Trading in accordance with these Instructions, in the following cases:

A- Inheritance Transfers which includes the transfer of securities from a deceased's Account to the Accounts of his legitimate inheritors, and the inheritance division of securities by transferring the securities registered Jointly under the name of all the inheritors of a deceased to the separate Accounts of those legitimate inheritors.

B- Family transfers that occur between ascendants and descendants, siblings or half-siblings and between spouses.

C- Transfers for the purpose of dividing the joint ownership of securities.

D- Donating securities to religious, charitable or social associations registered at the competent authorities.

E- Waqf of securities whether charitable or descendentiary.

F- Executing will deeds in Securities.

G- Transfers that occur in accordance with the Law of the Government's Acquisition of Monies due to statute of Limitation.

H- Transfers in accordance with decisions of courts and execution departments.

I- Transfers in accordance with the Commissions Decisions.

J- Transfers that occur between the Founders of an Issuer in accordance with the relevant Laws and/or authorities' decisions during the period of lock-up of the founding shares.

Article (94) A- For transactions exempted from Trading in the Market, the concerned person or his legal representative shall submit an application form to transfer Securities and provide the Center with the following documents as the case may be:

1. The identification documents of the transferor and the transferee.
2. The identification documents for the deceased and the inheritors. If it is not possible to present an identification document for the deceased, then the death certificate will suffice.
3. The inheritance deed or waiver deed (general or specified) issued by the competent authorities for inheritance transfers.
4 A certificate of securities ownership or a written document provided by the issuer one month prior to the date of the transfer, maximum, that proves the concerned person's ownership of non-deposited securities which will be transferred and that said securities are not subject to any pledge or lien.
5. Any documents and information required in accordance with the Center's executive procedures issued for this purpose or required by the laws and by-laws in force.

B- The transfer application form shall be signed in the presence of authorized personnel at the Center.

C- The identification documents referred to in Paragraph (A), above shall be provided to the Center by the concerned person or his legal representative duly certified.

Article (95)

A- The securities of the deceased shall be distributed to the inheritors in accordance with the inheritance rations specified in the inheritance deed.

B- The number of Securities or its trading units and the fractions of the numbers that represent the inheritor's shares shall be adjusted by the waiver of the present inheritors or some of them, and in the case where the disposal of Securities occur using a Power of Attorney, the Power of Attorney shall grant the agent the power to waiver the rights of the owner.

C- The waiver of any number of the Securities Units or fractions shall be duly signed in the presence of the authorized personnel at the Center or any other official competent entity.

Article (96)

Any disposal of the deceased's securities before executing an inheritance transfer shall be prohibited with the exception of the disposal in accordance to the provisions of the legislation in force or by virtue of an official decision issued by the competent authorities.

Article (97)

The Center shall:

A- Identify each of the deceased and the inheritors in accordance with the identification documents submitted to it and provide the inheritors with copies of the identification statements.

B- Distribute the securities owned by the deceased to the inheritors and calculate the share of each.

C- Transfer the securities from the deceased's Account to the Accounts of the inheritors.

D- Provide the inheritors with documents that illustrate the completion of the transfer of deposited securities.

Article (98)

The concerned transferor and transferee or their legal representative shall submit an application to transfer the concerned securities from the transferor's Account to the Account of the transferee in accordance with the designated form, attaching the following identification documents:

A- Identification documents for each of the transferor and the transferee.

B- The certificate of securities ownership or a written document provided by the issuer one month prior to the date of the transfer, maximum, that proves the transferor's ownership of non-deposited securities which will be transferred and that these securities are not subject to any pledge or lien.

C- The Center's Number for each of the transferor and the transferee.

D- Any documents and information required by the Center in accordance to its executive procedures which is issued for this purpose.

Article (99)

A- The Center shall identify the transferor and the transferee and establish Accounts for them in the Center's electronic systems unless any of them was previously identified in the Center's Database and provide them with the identification statements.

B- The Center shall transfer the ownership of securities from the transferor's Account to the transferee's Account.

C- The Center shall provide the transferor and the transferee with documents that illustrate the completion of the ownership transfer of deposited securities.

Article (100) The Center shall carry out the transfer of ownership of securities from a Joint Account to an Independent Account or more provided that the Independent Account being an element of the Joint Account.

Article (101) The financial settlements between the parties of transfers in any of excluded transactions set in this chapter shall occur between the transferor and the transferee directly without Center's intervention.

Article (102) The Chief Executive Officer, or whomever he authorizes, shall take the necessary measure to execute any decisions issued by the courts, execution departments or the commission with regard to the transfer of securities' ownership.

Chapter Six Transfer of Ownership of "Non-Traded Securities"

Article (103) Subject to Commission decision's related to securities, the Center shall carry out the transfer of ownership of "non-Traded securities" in the Market in accordance with these Instructions.

Article (104) The transfer of ownership of non-Traded securities through the Center shall be conducted in accordance with the following measures:

A- The transferor and the transferee or their legal representatives shall submit an application according to the designated form to transfer the securities from the transferor to the transferee. The application must be signed by the transferor and the transferee or their legal representatives and attached with all the required identification documents and papers.

B- The Center shall identify the transferor and the transferee in the Center's electronic systems unless they were previously identified.

C- The Center shall check that the balance of the deposited sold securities is sufficient and that the securities involved are not subject to any pledge, lien or any ownership restrictions whatsoever in the account of the transferor.

D- The Center shall transfer the ownership of securities from the transferor's Account to the transferee's Account and shall inform the concerned parties of the transfer.

E- The financial Settlements between the transferor and the transferee shall occur between them directly without the intervention of the Center unless the center decided otherwise.

Chapter Seven Ownership Restriction Over Securities

Article (105) Ownership restrictions over deposited Securities shall include the following:

A- Pledge.

B- Lien.

C- Freeze.

Article (106)

A- Upon depositing any securities, the Issuer must inform the Center in writing of any existing ownership restriction placed upon those securities.

B- Upon depositing securities, the Center shall place ownership restrictions on those securities in its registers.

C- The ownership restrictions referred to in Paragraph (A) of this Article shall remain placed in the Center's registers until the Issuer requests the Center to release such restrictions in writing.

D- The Issuer shall bear the responsibility resulting from the placement and release of ownership restrictions in accordance with Paragraphs (A) and (B) of this Article.

E- In relation to the release of ownership restrictions referred to in this Article, the relationship between the pledger or the pledgee, or the entity that imposed the lien and the Issuer shall be direct.

F- The Issuer shall maintain all the documents supporting the ownership restrictions referred to in this Article, including original pledge deeds or lien documents or decisions.

Article (107)

A- Only Securities deposited at the Center shall be subject to pledge.

B- Pledging of Securities shall only be a first ranking right of pledge.

C- The Center shall place ownership restrictions on deposited Securities after the Securities' depositing date, and in accordance to the documents submitted to it, and in compliance with these Instructions in exchange for the determined service charges or fees.

D- The pledge shall not be considered effective unless registered and placed in the registers of the owners of deposited securities at the Center.

E- It shall be prohibited to pledge the deposited securities owned by a minor unless an authorization is obtained from the competent relevant court.

Article (108)

A- The Issuer remains responsible for placing liens in its registers by virtue of court decisions, execution departments and official related entities for non-deposited securities.

B- The Issuer shall not be permitted to place pledges on any non-deposited securities.

C- The Issuer remains responsible for the pledges imposed over non-deposited securities and the release of such pledges.

Article (109)

A- Pledge shall be placed on deposited Securities in compliance with the Center's executive procedures, based on the request submitted to the Center by each of the pledger and the pledgee and in accordance to the designated

form presented to the Center with all the documents required as determined in the set executive procedures, provided with the following minimum information and data:

1. The Pledger's full name.
2. The Center's number for the Pledger.
3. The Pledgee's full name.
4. The Center's number for the Pledgee.
5. The address for each of the Pledger and the Pledgee.
6. The name of the Security which will be pledged.
7. The number of deposited securities to be pledged.

B- The following rights resulting from the Pledged Securities shall be defacto pledged directly unless the Pledger and Pledgee determined explicitly otherwise as stated in the Pledge designated form presented by them in virtue of the provision of paragraph (A) of this article:

1. The Dividends or interests or revenues earned from the Securities.
2. The Bonus Shares.
3. Refunds resulting from redemption of the corporate Bonds or Sukuk or Bonds throughout its duration or as of as of its due date.
4. Refunds resulting from the decrease of the Issuer's Capital.

C- The concerned party shall pay the determined service charges and fees.

D- Unless previously identified at the Center's database, the Center shall identify and open an account for the Pledgee on the Center's database and provide him with the identification statements.

E- The Center shall make certain of the balance of deposited securities in the Account of the pledger and in case the balance is sufficient, the Center shall place the pledge on the securities in of the owner.

F- For Securities Pledged through the Electronic Pledge System, the Center's notification for the Pledgee of the Placement of pledge shall be considered acknowledged through the Electronic Pledge System, the Pledgee must notify the Pledger of the pledge on his address specified on the Pledge Form.

Article (110) A- Notwithstanding article (106/C) of these instructions, the release of Pledge upon deposited Securities shall occur upon the Pledgee's request or by the Pledgee in compliance with the executive procedures issued by the Center and in accordance with the form designated for this purpose, that will include the following minimum information and data:

1. The Pledger's full name.
2. The Center's number for the Pledger.
3. The Pledgee's full name.
4. The Center's number for the Pledgee.
5. The name of the Security.
6. The number of securities from which the pledge will be released.

B- The concerned party shall pay the determined service charges and fees.

C- The Center shall release the pledge on deposited securities in its registers and the Pledgee must inform the Pledger of the release of Pledge.

Article (111) Releasing the pledge is directly executed by the pledgee for the securities pledged through the Electronic pledge System in accordance with the executive procedures and the pledgee shall inform the pledger of the release of Pledge.

Article (112)

A- In case of a stock split (division of the nominal value) of pledged securities, shares resulting from the Split shall be pledged.

B- In case of the decrease of the number of deposited securities as a result of a decrease of the Issuer's capital, the pledged securities shall be decreased according to the same percentage.

C- Notwithstanding paragraph (B) of article (109) of these instructions, Pledge shall be placed over the Bonus Shares deriving from the pledged securities, and shall also include the dividends and/or the interests and/or the revenues earned from the pledged Securities, and the refunds resulting from the decrease of the number of securities or its redemption throughout its duration or as of as of its due date.

Article (113) The Center shall release Ownership restrictions on deposited securities directly in the case of securities sale operation for the execution of court's order and official entities' decision and without any liability on the Center.

Article (114) Upon receiving lien decisions from the official competent entities and after the completion of the transfer of ownership of securities, the Center shall undertake the following measures on the Day on which the lien decision was received:

A- Ascertain that the owner of the securities subject to the lien is identified at the Center's Database.

B- Ascertain that the person whose securities are subject to the lien owns the deposited securities according to the Center's records.

C- If the lien was placed on the Securities on the same day of such Securities being sold by virtue of a Trading Contract, the Trading Contract shall prevail and is considered effective between its parties.

Article (115)

A- The lien decision should contain the following:

1. The following information and data related to the owner of the Securities:
   - a- The full name of the owner of the security in accordance with his/her identification documents for a natural person or the certificate of registration issued from the competent authorities for a judicial person.
   - b- The Center's Number for the owner of the security.
   - c- The nationality.
   - d- The name of the mother (for a natural person).
   - e- The date of birth (for a natural person).
2. The number of securities subject to the lien , the Issuer's name and the type of Securities.

B- If the lien decision did not contain the information and data required by Paragraph (A) of this Article, the Center shall inform the concerned entities of

the measures taken by the Center without holding the Center responsible thereto.

Article (116) If a number of shareholders exist in the Center's Database that are similar in their names or data to the name mentioned in the lien decision, the lien shall be initially imposed on the deposited securities of all those shareholders until making enquires to the entity that imposed the lien as to the identity of the person whose securities are subject to the lien.

Article (117)

A- The Center shall place the lien on deposited securities in its registers on the date of the Center's receipt of the lien decision, unless it is proven that such Securities were sold in the market or transferred by the Center before receiving the said decision.

B- The Issuer shall place lien restrictions or release liens for non-deposited securities and inform the entities concerned of the actions taken by it accordingly.

Article (118)

A- If the lien decision did not clearly illustrate the securities subject to the lien, its type and the name of the Issuer, and the lien decision was limited to a certain amount of value, the lien shall be imposed on any securities owned by the concerned person which is equal in value to the amount specified in the lien decision in accordance with the Center's executive procedures. The securities value shall be calculated based on its market value, and if there is no market value then it shall be calculated based on the nominal value.

B- The Center shall not be responsible towards any entity if the person whose securities were subject to the lien did not possess any shareholdings, or if his ownership balance of Securities was insufficient to cover the required value of the lien or for any other reason on the day the Center received the lien decision.

C- Notwithstanding paragraph (A) of this article, lien restrictions shall not be placed upon Securities financed on Margin basis, unless such Securities' rights were settled in accordance with the executive procedures issued by the Center by virtue of these instructions.

Article (119) Ownership Restrictions upon deposited Securities shall be released on the concerned accounts after the Center receives decisions to release such restrictions accordingly.

Article (120)

A- Freezing securities shall mean the prevention of any disposal of securities, by any means whatsoever, based on the request of the securities' owner.

B- The owner of securities shall have the right to freeze the securities owned by him by virtue of a written application submitted to the Center in accordance with the form designated for this purpose.

C- The freezing of securities shall be imposed only upon deposited securities available at the Center and after the payment of the determined service charges or fees.

D- The owner of securities that have been frozen in accordance with these Instructions shall not dispose of such securities until the release of the freeze by the Center upon his the request.

E- The freezing of securities shall be released upon a written application submitted to the Center by the security's owner in accordance with the form designated for this purpose.

Chapter Eight Corporate Actions and General Assembly Meetings

Article (121) For the purposes of implementing these Instructions, Corporate actions shall include the following:

A- Increase or decrease of capital.

B- Stock split (division of the nominal value of security).

C- Mergers.

Article (122) A- Upon the decision to make any amendment to its' issued Securities by method of any of the actions specified in article (121) of these instructions, the Issuer must inform the Center in writing of the required action, at least ten days prior to the effective date of the corporate action, such notification shall be attached with the following supporting documentation explaining:

1. The required amendment.
2. The closing date of the shareholders' registers.
3. The effective date of the amendments.

B- The Issuer shall pay all the applicable service charges as determined by the Center.

Article (123) The Center shall provide the Issuer with a shareholders statement which contains the names of the owners of deposited securities and the number of securities owned by each shareholder and any details that the security's Issuer wishes to obtain as of the date of the closing of the shareholders' register.

Article (124) The Center shall effect the necessary changes to the registered securities and to the accounts of the owners of securities whether at the Center or under the control of any of its Members in accordance to the Corporate Actions referred to in Article (121) of these Instructions.

Article (125) Public shareholding companies must inform the Center in writing of the date of the General Assembly Meeting fifteen Days prior to the meeting date, such notification should include the following:

A- The date of the General Assembly Meeting.

B- The date of the closing of the shareholders' register.

Article (126) The Center shall prepare the shareholders' register for deposited securities and provide it to the Issuer as of the date required by the Issuer.

Chapter Nine General Provisions

Article (127) Other Parties' rights over any deposited Security shall arise upon the authentication of such right in the concerned securities Accounts.

Article (128)
- A- The Center's Members shall be considered in approval and in agreement with the use of the electronic means adopted by the Center since its establishment.
- B- The Center shall be considered the entity authorized to authenticate information, data, transactions and correspondences that occur through the electronic means used by it.

Article (129) The Members shall abide by the by-laws and instructions and procedures issued by the Center. The Center shall have the right to carry out inspection on its Members in matters related to the Center's operations. The Members shall facilitate the task of the Center's personnel authorized to conduct inspections and provide the Center's authorized personnel with the documents and information that are deemed suitable to perform their duties.

Article (130) If the Issuer violates any of its obligations in accordance with the by-laws, instructions and procedures issued by the Center, the Center may take the necessary measures including the suspension of services provided to that Issuer. The Center may also request the Commission to suspend Trading in any of the securities issued by such Issuer.

Article (131) The Member shall inform the Center of any information or data necessary to execute any record in the Center's registers upon its occurrence.

Article (132) The Center shall have the right to suspend any of the services it provides to a Member in the case where a Member defaults on the fulfillment of any obligations that result or may result by virtue of the by-laws, instructions and decisions issued by the Center, including the non-fulfillment of any of the Member's financial obligations to the Center.

Article (133)
- A- The Market shall notify the Center in writing and before the listing or re-listing of any security to ascertain that the Issuer of that security has fulfilled all the requirements of the Center.
- B- The Market shall provide the Center with the required information and data, especially the following:
  1. The date of the listing of any new securities.
  2. The date of transferring securities between different market categories.
  3. New Brokers that will be permitted to perform brokerage activities in the Market.

Article (134)
- A- Upon the recommendation of the Chief Executive Officer, in accordance with circumstances that he deems appropriate, the Board of Directors may alter and

amend the timings specified in these Instructions from time to time. The Center shall notify the commission, the Market and all the concerned entities of such changes.

B- In emergency cases the Chief Executive Officer may alter or amend the timings specified in these Instructions for a specific period of time. All related entities shall be informed accordingly.

Article (135)

A- It shall be prohibited to execute any transfer or change of ownership to securities if said securities are subject to pledge, lien or any ownership restriction.

B- The provisions of paragraph (A) of this Article shall not apply to the transfer of ownership of shares that are subject to liens or pledges in full ownership acquisition transactions of company capital carried out through the Center. The issuer or the relevant entity responsible for paying the cash consideration for the acquisition who shall be liable towards the lien or pledgee parties for the rights of third parties related to the lien or pledge from the proceeds of such shares.

Article (136)

A- Transfer of ownership for "non-traded "securities and transaction excluded from trading through the market shall occur instantly at the day of fulfilling transaction requirements.

B- The person to whom the Securities were transferred in any of the transactions excluded from trading through the market or any "non-traded "securities transfers operations shall be deemed the lawful owner of such securities as of the day of transfer regardless of the transfer time.

C- All corporate actions and ownership entitlements including but not limited to cash dividends or Bonus shares or interests or refunds, are the right of the buyer or the transferee as of the date of the of execution of the trading contract in the market or transfer of ownership at the Center.

Article (137)

If any entity using the Center's Electronic System lost connection with the Center's System or such connection was interrupted for any reason, it may use the back-up computers assigned by the Center for emergency use for the purpose of the continuation of the operations of a Broker or Custodian.

Article (138)

Members shall adjust their circumstances in accordance with these Instructions including depositing securities by virtue of the decisions issued by the Board of Directors for this purpose.

Article (139)

The following identification documents shall be accepted by the Center subject to the documents being valid:

A- The personal card and the passport containing the national identification number issued by the Civil Status and Passport Departments in the Kingdom of Jordan for Jordanian natural persons.

B- Military appointment certificate containing the full name and national identification number for Jordanian Military persons.

C- Family book or birth certificate for Minors.

D- Certificate of Registration issued by the official competent authorities or the constitutional Bylaw or Law as the case may be for the Jordanian judicial entities.

E- The passport for non-Jordanian natural persons.

F- The certificate of registration or any documents issued from competent authorities that prove judicial personality for non-Jordanian judicial persons.

Article (140) Documents issued by official competent authorities, whether from inside or outside the Kingdom which are provided to the Center for the purposes of transferring ownership in any of the transactions excluded from trading through the market or any "non-traded "securities transfers operations or in Pledge operations, shall meet the requirements and provisions stated in the executive procedures issued by the Center, including but not limited to inheritance deeds, waiver deeds and Powers of Attorney.

Article (141)

A- The Center shall register non-Jordanian securities in compliance with the provisions of these Instructions, and in accordance with the agreements signed for this purpose. Provided that such Securities are registered at the Commission.

B- The Center shall conduct Clearing and Settlement for Trading Contracts executed in the Market for non-Jordanian securities in accordance with these Instructions.

Article (142) The Chief Executive Officer shall specify the Center's personnel authorized to sign any statements or documents issued by the Center according to the provisions of these instructions.

Article (143) Upon the recommendation of the Chief Executive Officer, the Board of Directors shall issue the executive procedures necessary to execute the provisions of these instructions.

Article (144) The Board of Directors shall issue the decisions necessary to execute these Instructions.

Article (145)

A- The Instructions of Registration, Deposit and Settlement of Securities for the Year 2004 shall be deemed repealed upon these Instructions becoming effective.

B- The Executive Procedures issued by the Center in accordance with the Instructions mentioned in paragraph (A) of this article shall remain valid until repealed or replaced accordingly.

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