

Instructions of cessation, cease unlisted of the brokerage companies

Number (5) year 2008 that has been amended at 2010.

According to the provisional of section (5) and section (11) of the impermanent law and for settle the brokerage companies' activity, decided to publish the following Instructions: 1-

A. The broker has the right to stop working for a period don't pass one month by submit an application to ISX and licensed the executive manager of the market with the agreement competence of the application for one time during the year .

B. In case that the broker submits the application of stop working for a period more than one month during six months, he must introduce enough and satisfied justifications to the market. The board of governors has the competence to accept the application.

2-

A. The broker must be ceasing on practice the trading activity in the ISX and by decision from the executive manager, if he commits one of these following violations :
First: non-paying the annual participation of the market.

Second: if the broker is late on renew the letter of guarantee of the market order when it deserve.

Third: if he decreases or draw back the letter of guarantee for any reason. Fourth: if the broker doesn't take the performance to fit the capital of the company according to the decision taken by the commission about increasing its capital. Fifth: in case of the broker can't cover his exposed account in the settlement bank so the traded transactions of this company must be ceased. And also cessation the broker on the trade activity in the market yet he can cover his exposed account and with notification from the settlement bank.

Sixth: non-committing the broker of settlement the transfer transactions according to the period signing that the board of governors has been decided . Seventh: non-committing the broker of settlement the transfer transactions that coming back from the participant company after knowing him during (48) hours . Eighth: if the broker or one of his officers violates the system provisional or practices a habit doesn't agree with the job morals.

Ninth: non-committing the broker of his works which cleared in the fifth section of the securities market law number (74) year (2008) or any law can take its place .

B. The letter of guarantee must be drawing back in these cases :

First: when a decision has been taken to stop the broker on doing his activity till the settlement has been completed .

Second: when the broker has been converted to the discipline committee and according to the report of the executive manager for the violations that he converted to.

C. The executive manager knowing the board of governors in the first meeting about the violations that have a relation with dropping the broker quality .

D. The executive manager can convert the violations if it requires .
3-

A. The brokerage quality drops from the broker in one of these cases : First: when he was judged by a felony in a competent court.

Second: when he was judged by a crime related with a financial deception in a competent court.

Third: when he failed on doing his financial commitments that growth by the securities trading of the listed companies in ISX or declares his bankruptcy.

Fourth: the case of the perfect failure achieve saving the financial capability that related to the minimum capital of the limited company by ISC and to the letter of guarantee amount that limited by BOG of ISX during (15) days from the date of deserve and after bring it by the exchange .

Fifth: cessation the broker on practicing the brokerage works in the market for thirteen days without a previous editing agreement from the executive manager of the market.

Sixth: issue a decision on clearing the brokerage company or closing the brokerage office to an independent company according to the instructions of ISC.

Seventh: the failure of the brokerage company in appointed an authorized manager to

the company has the requiring conditions of practicing the broker work during two months from the date of filling the authorized manager position .

Eighth: issue a decision from the discipline committee in ISX about dropping the brokerage quality from the broker.

Ninth: the executive manager unoccupied to the brokerage company enough to do his work in it.

B. Drop the brokerage quality from the broker except article (A/Eighth) above by a decision from BOG of ISX and it will be definitely and can't be resumed