

CMA Board of Directors
Decision No. (94) of 2008 Issued on 22/9/2008
Regarding the Amendment of CASE listing
and Delisting Rules

After reviewing the Capital Market Law , promulgated by Law No. 95 of 1992 and its executive regulations; and law No. 123 of 2008 which amends some provisions of the of capital market law No. 95 of 1992; the Depository and central registry Law promulgated by Law No. 93 of 2000 and its executive regulations; and the Presidential decree No. 51 of 1997 which is concerned with the provisions governing the management of Cairo and Alexandria stock exchanges and their finances; and the decision of the Capital Market Authority board of directors No. 30 issued on 18/6/2002 regarding CASE rules ; and after considering the approval of the CMA board of directors on 22/9/2008 regarding the amendment of CASE listing and delisting rules ;

The CMA board of directors has approved the following:

(Article I)

Article No. (11) Shall be cancelled, and renumber Article (11) (bis)to be referred as article NO. (11), and renumber Article 11(bis) (1) to be referred to as article 11 (bis), and the provisions of Articles No(. 3, 4, 5, 7, 8, 9, 10, 11, 20, 22, 23, 29, 34) of CASE listing and delisting rules shall be replaced with the attached provisions. Article NO. (36) Shall be added to the same rules referred to.

(Article II)

This decision shall come in to force from the day following the date of publication. The Stock Exchange and all the concerned parties shall implement that decision.

Chairman of the Board

Dr.Ahmed Saad Abdel-Latif

**The amendments of CASE listing and delisting rules issued
According to the decision of the CMA board of directors
No. (30) Dated 18/6/2008 in accordance with the decision
No. (94) Issued on 22/9/2008**

Article (3)

In order to be listed at the listing tables in stock exchange the following conditions shall be met:

A - The securities shall be deposited according to the system of depository and central registration.

B - The basic system of the issuing company or the conditions of issuance shall not contain any restrictions on trading in the securities that is to be listed.

C - The entire issued securities shall be listed and the following issuances of shares shall be listed as follows: -

- Within two months from the date of closing the subscription to increase capital.

The subscription right shall be listed and traded upon issuing the shares of capital increase and separate them from the original share, this shall take place from the period of listing the subscription right and until the closure of subscription in accordance with the rules of trading adopted by the CMA . A decision shall be issued by the Registration Committee at the Stock Exchange upon the request of the company which had its shares registered.

- Within two months from the date of the decision issued by an authorized administrative body, that decision which is concerned with licensing the merging of the capital increase as a result of merging.

- Within two months from the date of the General Assembly's approval upon the decision of increasing the capital through the distribution of free shares.

D - The party requesting listing shall sign a contract with the stock exchange. This contract shall regulate the rights and obligations of each,

including the financial obligations which must be paid - by the party requesting listing - to the stock exchange as a result of breaching the rules and the procedures of listing or violating the terms of the contract.

Article (4)

The party requesting listing shall attach with the submitted request, the IPO / offering prospectus or the certified issuance notification from the CMA. If the securities to be listed are shares or certificates of deposit, the company requesting listing shall attach the following with the listing request:

1. The address of the company's main branch and all branches registered in Egypt or abroad.

2. The structure of ownership, including the percentage of ownership of the shareholders amounted with 5% or more, this is for both the company requesting listing and the holding Company and its subsidiaries.

3. A list of the Holding Company and / or its affiliates, as well as a list of the companies that are linked with the company requesting listing

4. A list of the members of the board of directors of the company requesting listing, stating if the members occupy an executive or non-executive or an independent position, as well as the names and attributes of the executives working at the company requesting listing and the Holding Company or its affiliates

5. The curriculum vitae and the common code number for each member of the Board of Directors and all executive directors of the company requesting listing , shall include the following: --

A - full name, nationality and place of residence, job description , the name of the company which he represents if he was the representative of a legal person , this is in addition to a detailed description of the past experiences and qualifications and whether he occupies the post of board member at one of the listed companies as well as his shares in other companies , in which his ownership in these companies is 5% or more of its capital.

B - The direct or the indirect percentage of his shares as well as the shares

of his relatives up to the second degree, this is in addition to the percentage of his shares in any affiliate.

C - A list of the linked groups to any of the members of the board of directors or any of the executives whose ownership of the company's capital reach 5% or more.

D - A statement that shows other positions he occupies in another company, whether it is a listed or a non-listed company. This statement shall include the name of the party which he represents in case he is a board member of the other company as well as the percentage of ownership of that party and the percentage of his ownership as well as his relatives up to the second degree in that company.

E - A list of all loans which are granted by the members of the board of directors or related parties to the company

6. A list of committees arising from the board of directors and its terms of reference and the names of its members and particularly the audit committee.

7. A statement approved by the auditor of the company concerning the established mortgages of the company's assets, including the key data for these mortgages.

8. A summary of contracts in force in which the company requesting listing or any of its affiliates are parties in it, including the mutual obligations under these contracts and the amounts outstanding there under, as well as a summary of any contracts or agreements in force, between the company requesting listing and any of its affiliates and also between its shareholders who owned 5% or more in the company, or any of the executives, this shall includes the netting contracts.

9. An approval of the company to match all contracts or agreements - that are signed with its shareholders or members of boards of directors or executives- with the legal provisions and conditions and terms that the company shall adopt when dealing with the public.

10. A statement approved by the legal representative - of the company requesting listing- including the name, address and contacts of the person in charge of relations with investors. That person in charge shall be one of the managers in the company who has access to information and documents.

11. A certified statement issued by the Legal advisor of the company regarding the lawsuits that the company requesting listing shall take part in, this statement shall show the position of each case.

12. A certified statement issued by the legal accountant of the company, this statement shall include the tax position according to the tax law.

The listed company shall notify the stock exchange immediately before the beginning of the next trading of any changes that may occur in the disclosures attached with the listing request or any change in the data stated above or any changes in the prospectus.

Concerning lawsuits, the company shall notify the stock exchange immediately after the court verdict is issued.

Article (5)

Listing and delisting requests shall be published on the website of the stock exchange as well as the daily bulletin of the stock exchange, and this shall be for five working days.

Article (7)

Each company has listed shares or Egyptian certificates of deposit at the stock exchange shall have an auditing committee, in which the chairman and the members of that committee shall be chosen according to a decision issued by the board of directors. The members of the committee shall be not less than 3 from the non executive members of the board of directors known of their competence and experience. If the company did not have a sufficient number of them, the membership of the Committee shall be completed with expertise from outside the company.

The committee shall be responsible for the following: -

A – Examining and revising the procedures concerned with the internal supervision of the company, and how these procedures are being applied.

B – Studying the accounting policies that are being used and the changes resulting from the application of the new accounting standards.

C – Examining and reviewing the mechanisms and tools of the internal auditing and its procedures, plans and results as well as studying the

internal auditing reports and following up the implementation of its recommendations.

D – Examining and reviewing the periodic management reports that are provided to different administrative levels as well as the system used in preparing these reports and the time set for submitting them.

E – Examining the procedures to be followed in preparing and reviewing the following:

- Periodic and annual financial statements.
- Prospectus of the IPO and public and private offering.
- Estimated Budgets, including the lists of cash flow and income statements.

F - Examining the initial draft of the financial statements before submitting it the board of directors, in preparation for sending it to the auditor.

G - A proposal to appoint auditors and determine their fees as well as considering matters related to their resignation and dismissal according to the provisions of the law.

H – Expressing an opinion regarding permitting the auditors to perform another services for the company besides revising the financial statements. This shall include the fees that are to be paid in this regard, without violating the requirements of their independence.

I – Studying the report issued by the auditor regarding the financial statements and discussing all the observations and reservations and following -up on that. As well as resolving differences in points of view between the company management and the auditor.

J – Ensuring that an independent financial adviser is preparing a report and submit it to the board of directors, this report shall include all transactions held with the related parties before being certified.

K – Ensuring the application of the supervisory measures needed to maintain the company's assets as well as conducting a periodic evaluation of the administrative procedures to verify the compliance with the rules and the preparation of reports to the board of directors.

The committee shall verify the company's response to the recommendations of the auditor and the CMA.

The Committee shall submit quarterly reports to the Board of Directors of the company directly.

The company's board of directors shall charge the Committee with some duties for the benefit of the company.

The company's board of directors and officials shall respond to the recommendations of the committee within fifteen days from the date of notification. The chairman of the Committee shall notify the Stock Exchange and the CMA of a summary report, including all the proposals and recommendations received by the company's board of directors, this shall be during two weeks from the date of the company's board of directors' response and not more than sixty days from the date of the end of the reporting period.

Article (8)

Securities are to be listed at one of the following two tables:

First: listing tables for Egyptian securities.

Second: listing tables for foreign securities.

Securities are traded in the stock exchange in accordance with the certified trading standards.

Article (9)

Listing tables for the Egyptian securities:

1 - Stocks:

These listing tables shall include stocks which must meet the following conditions at the time of submitting the listing request:

A – The percentage of the stocks offered in IPO or the private or public offering shall be not less than 10% of the total shares of the company.

B - The percentage of free floats shares shall be 5% of the total shares of the company.

C - The shareholders the company shall not be less than 100 after the offering or IPO.

D - The issued shares to be listed shall be not less than 2 million shares.

E - The company requesting listing shall submit the financial statements of the fiscal year prior to the listing request. These financial statements shall be prepared according to the Egyptian Accounting Standards , and shall be revised in accordance with the Egyptian auditing standards by one of the auditors registered at the CMA register and shall be approved by the General Assembly of the company.

F - The issued capital shall be paid in full , and shall not be less than 20 million pounds or its equivalent , according to the last annual financial statement or the last periodic financial statement, attached with the report of the auditor after being reviewed and approved by the General Assembly of the company.

G - The percentage of the net profit before tax for the latest fiscal year prior to the listing requesting, shall be not less than 5% of the paid-up capital that is to be listed. The company's net profit before tax for the latest fiscal year prior to the date of listing requesting shall be generated from practicing the activity which lead to the company's main target , on condition that the percentage of the net profit before tax in the periodic financial statements which shows the capital to be listed and the interim financial statements following it – in case being completed –shall not be less than the percentage of net profit before tax in the annual statements .

H - The rights of shareholders - at the last annual financial statements and last periodic statements before requesting listing- shall not be less than the paid-up capital.

The exception shall be provided to the shares of companies which do not meet the conditions (a, b, c) provided that the company requesting listing shall be committed to fulfill the previous conditions during three months from the date of listing its shares at the stock exchange, in the case of failure to comply with this , listing shall be cancelled . So in this respect trading on the shares of this company during this period before the company met the conditions shall be held through obtaining a prior approval of the CMA in the light of acceptable justification.

In all cases, conditions (a, b, c, d) shall be met to ensure continuing listing. In the absence of some or all of these conditions for three months, listing

committee shall grant the company three months from the date of notification of the committee to meet these conditions, if the company has not respond, shares of the company shall be delisted.

2 - Government securities:

Where securities issued by the government or a public legal persons shall be listed, on condition that IPO prospectus or certified issuing documents shall be submitted.

3 - Bonds and Financial Sukuk :

Where bonds and financial sukuk shall be listed whenever it meets the following conditions:

A - Bonds and Financial Sukuk shall be offered at the public or private offering according to the prospectus or an information note approved by the CMA, regardless the law which the issuing company is subjected to.

B – Submitting a certificate which shows the credit rating given to the issuance.

C – Submitting the listing request, attached with the following data and the documents:

1 – The company shall be committed to submit a credit rating certificate issued annually to the CMA and the Stock Exchange during the 90 days of the end of the fiscal year of the issuing company. The credit rating certificate shall be issued annually.

2 - The company is committed to disclose all important events that may occur to the CMA and the stock exchange as well as submitting a new credit ratings certificate within 15 days from the date of the disclosure.

3 – A document that shall refer to the formation of a group of bonds and financial sukuk holders, that group shall be approved by the competent administrative body and the first minutes meeting of the group and its legal representative. The company is committed to submit a statement that is concerned with the returns made due to bond or financial sukuk holders to the stock exchange and the CMA, including the returns which

are being paid, and this shall be done before at least 15 days from the date of payment.

4 – Certificates of closed ended mutual funds:

Where the certificates of closed ended funds shall be listed whenever it meets the following conditions:

A – Submitting the prospectus of the public offering or the information note in the case of the private placement, certified from the CMA and attached with the rest of the documents stated in article (144) of the executive regulation of law no.95 of 1992.

B – The investment manager and management services companies shall be committed to disclose the quarterly reports to the CMA and the Stock Exchange, including the net asset value of the Fund and the number of certificates and the share of each certificate from the net asset value of the Fund as well as issuing a statement regarding the distribution of dividends before 15 days at least from the date of payment. The Fund's board of director shall be committed to submit semi-annual reports regarding its performance and the results of its work and its financial position; this is besides the actions taken by the investment manager to manage the risks associated with the Fund.

C – The investment manager and the fund's board of directors shall be committed to disclose immediately any action that involves a conflict of interests to the CMA and the stock exchange as well as a document that shall show the prior approval of the CMA to carry out this act.

D – The investment manager shall be committed to provide the net value of the certificate to the stock exchange, before the start of the trading session following the date of calculating the net value of the certificate.

5- Certificates of the indices funds:

Where the certificates of the indices funds shall be listed whenever it meets the following conditions:

A- Submitting the prospectus of the public or the private offering of that issuance, certified from the CMA

B- The investment manager of the issuing company shall be committed to submit a daily report to the stock exchange , before the start of the trading session of the day following the net asset value of the certificate ,and he shall be committed to notify the stock exchange periodically of the following :

- Any changes that shall occur in the number of the existing certificates and the information related to it.
- Any actions that shall be taken temporarily to stop using or selling the certificates.
- Any usages of the existing certificates.
- The date and the value of the distributed coupons.

6- The Egyptian certificates of deposit :

According to the agreements and the understanding notes that shall be signed between the CMA and the stock exchange and between the foreign exchanges and the foreign supervisory authorities which are concerned with the market in which the shares of the certificates of deposit are listed. The Egyptian certificates of deposit shall be listed, whenever it meets the following conditions:

- A- The foreign companies which request listing of its Egyptian certificate of deposit shall meet the conditions (E, G, H), these which shall be necessary for listing the shares of the Egyptian companies .
- B- Submitting an approval from the CMA regarding the issuance of the certificates that shall be listed.
- C- The company shall be committed to offer all the Egyptian certificates of deposit for trading in the stock exchange during three months from the listing date. After the offering, the number of holders of the Egyptian certificates of deposit shall not be less than 150 persons, Egyptians or foreigners.

- D- The shares of certificates of deposit shall be listed at one of the foreign stock exchange which is subjected to a regulatory authority doing the same duty of the CMA.
- E- The number of the issued certificates along with the deposited shares at the depository bank shall not be less than 500 thousand certificate.
- F- The nominal value of all the certificates that are to be listed shall not be less than 100 million LE or its equivalent of the foreign convertible currencies.

For continuing listing, conditions no.(H, G) these which are necessary for listing the shares of the Egyptian companies shall be applied as well as the requirements of disclosure , this is in addition to the continuous applying of listing conditions no.(C ,D , E , F) regarding the Egyptian certificates of deposit .

And in all cases , the foreign companies shall not list part of its securities as shares and the other part as Egyptian certificates of deposit at the same time .

Article (10)

Listing table for foreign securities:

1- Shares :

Where issued shares of the foreign companies shall be listed whenever the following conditions are met:

- A- The shares of the company shall be listed in one of the foreign exchanges which shall be subjected to a regulatory authority doing the same duty of the CMA, besides the shares shall be in a foreign currency which can be converted into the Egyptian pound.
- B- Preparing and revising the financial statements according to the Egyptian or the American or the international accounting and auditing standards.

C- The conditions of listing shares of the Egyptian companies shall be applied.

2- Bonds and Financial Sukuk :

Where the bonds and Financial Sukuk that are issued by foreign companies shall be listed, whenever the conditions of listing the Egyptian bonds and financial sukuk are met.

Bond and Financial Sukuk that are issued by international financial institutions , regional and international development funds shall be listed upon the approval of the CMA to list it at the stock exchange , excluding (1) of item (3)of paragraph (C) of the listing conditions of the Egyptian bonds and Financial Sukuk .

3- Certificates of closed ended mutual funds :

Where the investment certificate issued by foreign companies are listed, whenever the listing conditions of the Egyptian investment certificate are met.

In all cases, the continuous listing of the foreign securities shall be related to the continuous applying of listing rules and the requirements of disclosure set for the Egyptian securities.

Article (11)

Without prejudice to the legal restriction of trading according to article (45) of the law of joint stock companies and companies limited by shares and companies with limited liability Promulgated by law no. (159) of 1981, and article (14) of law of investment guarantee and incentive promulgated by law no.(8) of 1997 , the shares of the Egyptian and foreign holding companies shall be listed at the stock exchange - these companies which do not issue a financial statement of a whole fiscal year- according to the following conditions :

- 1- The number of the joint stock companies related to the holding company shall not be less than two companies at least.
- 2- The issued capital and the paid up capital of the holding company shall not be less than 500 million LE or its equivalent.
- 3- The number of shares in which the capital of the holding company is distributed shall not be less than 50 million shares.
- 4- The percentage of the net profit - generated from the activities that the company is practicing to achieve the main target for all the joint stock companies - before the tax is 5% of the total of its capital according to the financial statement of the last fiscal year prior to the listing request.
- 5- The shareholders' rights of all the joint stock companies related to the holding company requesting listing shall not be less than the whole paid capital according to the actual financial statement of the last fiscal year prior to the listing request.
- 6- The percentage of stocks held by the founders and the members of the board at the holding company requesting listing shall not be less than 25% of its capital shares , and this shall be for a period not less than 2 fiscal years from the date of offering stated in item (7) of this article .
- 7- The holding company shall be committed to the following in a period not exceeding three months from the date of listing :
 - A- The company shall offer its shares in the stock exchange through the public or private offering; the offering shall be in at least 30% of the whole issued shares, if this percentage is not offered before requesting listing.
 - B- The number of shareholders after the offering shall be at least 150.
 - C- The percentage of the free float shares shall not be less than 15% of the listed shares after offering.
 - D- The company shall publish the disclosure report stated in article (138) of the executive regulation of law no. 159 of 1981.

The holding companies requesting listing shall be committed to submit a collective financial statements to the stock exchange , this financial statements shall include the period from the date of its establishment until the date of requesting listing , attached with a limited periodic inspection report issued by the auditor besides the last annual financial statement of its affiliates ,and the statement shall be prior to the request of listing the shares of the holding company , as well as it shall be approved by the ordinary general assembly of the company and certified by the concerned administrative body .

For continuous listing, the conditions stated in item (7) shall be applied.

Article (20)

The companies which have its shares or Egyptian certificate of deposit or investment certificate shall submit the following documents to the CMA and the stock exchange:

- A- A copy of the annual financial statements immediately after being prepared by the board of the company, attached with a report issued by the board and a report by the auditor, this shall be before the start of the trading session in the following day at most from its preparation. The company shall submit a copy of these statements and the minutes of the general assembly meeting within ten days of being certified from the general assembly to the CMA and the stock exchange, the statement shall be on a CD prepared according to the programs set by the stock exchange in coordination with the CMA. In case the general assembly amends the financial statements, the company shall submit to the CMA and the stock exchange an approved statement regarding the amendments and its impact on the financial statements before the start of the trading session on the following day at most. Then the company shall submit an

amended copy of the financial statements and the minutes of the general assembly meeting within ten days from being certified and as stated previously. The preparation of the annual financial statements and its ratification shall be within a period not exceeding three months from the date of the end of the fiscal year .The annual financial statement shall be attached with the annual report of the board stated in article (17).

- B- A copy of the quarterly financial statements attached with a limited examination report- issued by the auditor of the company - within forty-five days at most from the date of the mentioned period, these statement shall be on a CD prepared in accordance with the programs established by the Stock Exchange in coordination with the CMA.

The companies which are committed to prepare consolidated financial statements, shall provide the CMA and stock market with its quarterly and annual financial statements individually and collectively, attached with the reports of the board and the auditor's report at the same dates referred to in paragraphs 1 and 2.

Article (22)

Each company whose securities are listed at the stock exchange, shall be committed to publish its annual and semi-annual financial statements, their footnotes as well as the auditor's report and the comments of the CMA in two widely spread daily morning newspapers at least one in Arabic, this shall be within a week from the date of their ratification by the general assembly. This shall include the financial statements and the consolidated financial statements for the companies which are committed to submit consolidated financial statements.

Article (23)

As subjected to the provisions of the law of joint stock companies and companies limited by shares and companies with limited liability Promulgated by law no. (159) of 1981, and the capital market law No. 95 of 1992, each company whose securities listed at the stock exchange, shall publish the financial statements for the first quarter and the third quarter and their footnotes and the auditor's report as

well as the comments of the CMA on the website of the Stock Exchange on the day following its submission, and this shall be for three days at least.

Article (29)

The company that wants to buy part of its shares (treasury shares), whether in the form of local shares or certificates of deposit in accordance with the provisions of the law of joint stock companies and companies limited by shares and companies with limited liability Promulgated by law no. (159) of 1981 and its executive regulations, shall notify the CMA and the Stock Exchange of this , through the form prepared by the CMA before at least three working days of the transaction. The notification shall include the reasons to buy its shares and the source of funding for the buying process and the expected impact of buying on the performance indicators of the company as well as stating whether the buying shall take place in one transaction or through a specific program , this is in addition to the plan of the company regarding the purchased shares , this shall be attached with the meeting minutes of the company's board of directors regarding purchasing the shares and the following shall be taken into account :

1. The company shall hold the shares for at least three months and not more than one year. The company shall sell the shares during that period if the market's price rises above the purchase price, this shall be subjected to a prior approval from the CMA in the light of the acceptable justifications. The Board of Directors of the company shall introduce the matter to the extraordinary general assembly of the company, in case the company holds the shares for more than six months, this is to decide what shall be taken in that regard.

2. In the case the company wants to exceed the amount of the treasury shares that are to be purchased or exceed the amount of the holding shares to 5% of its shares, in this respect all the shareholders who want to sell their shares, shall participate in the buying process. And in case the number of the offered shares from the shareholders exceed the number of shares requesting to be purchased , so the company shall buy the shares of the shareholders who wish to sell, through calculating the percentage of the total shares requesting to be purchased to the total of the offered shares.

The implementation of trading on the treasury shares shall be set by the stock market without prejudice to the legislative regulations governing trading in the stock exchange.

In the case of violating the purchasing program attached with the notification, the company shall inform the CMA and the stock exchange, stating the reasons of this violation and its plan to face this. The company shall notify the CMA and the Stock Exchange of the transactions implemented on the treasury shares and the average price of execution and the reasons not to act according to the set program.

According to the provisions of Article (24) of these Rules, the Stock Exchange shall publish data notification referred to on the trading screens and periodicals.

Ensuring that the purchasing of the company's shares through tender offers shall not have any effects with respect to the size of trading or the closing price and its consequences on trading in securities.

Article (34)

Securities shall be delisted in the following cases: --

A - If listing was based on incorrect data which may affect the safety of listing.

B - If the company do not fulfill the requirements of disclosure- in accordance with the provisions of these rules - after one month from the date of notification by the Stock Exchange.

C - If foreign securities - corresponding to the listed Egyptian certificates of deposit - are delisted.

D - If six months have passed without having any trading operations.

Transactions between groups of people or between concerned parties shall not be considered as a kind of trading.

E - If the company did not pay the listing fees or violate the terms of the contract signed with the stock exchange.

F - If the company violates the provisions of CASE listing and delisting rules.

G - If the company violates CASE listing and delisting rules three times during the twelve months.

Listing Committee shall delist the shares of a company if the company does not meet the requirements of the minimum net profit and shareholders' rights for two fiscal years after the listing.

The company may request reconsideration of the Committee's decision

regarding delisting before the board of directors of the stock market within fifteen days from the delisting notification. In this respect, the board of directors shall take an action on the request within fifteen days from the date of submission.

In case the board of directors of the Stock Exchange approved the decision of the listing committee; the company may file a petition to the CMA within fifteen days from the date of the stock exchange's issued decision. If the appeal is rejected, the company may appeal against the decision of the CMA, before the grievance committee that is stated in Article (50) of the capital market Of Law No. 95 of 1992.

Article (36)

The company, whose shares or Egyptian certificates of deposit are compulsory delisted, shall submit a new listing request when it meets the requirements and conditions of listing. The company shall submit as well its financial statements for two fiscal years following the date of delisting that is if delisting was due to the violation of the disclosure's requirements. The company whose shares or Egyptian certificates of deposit are compulsory delisted, as a result of violating listing conditions besides the violation of the disclosure's requirements or any company that is optionally delisted shall submit a new listing request on condition that they shall meet listing requirements and conditions. The company shall submit its financial statements of one fiscal year following the date of delisting.