

## Decision No. ( 74) For Year 2007

Decision No. 74 of 2007

Regarding

Adding Article 29 (bis) to rules for listing, continued listing, and delisting of securities on stock exchange schedules

And

Amending Article (34) there of

CMA Board of Directors Chairman

After considering law on joint stock companies, companies limited by shares, and companies with limited liability promulgated by Law no. 159 of 1981 and its Executive Regulations;

Capital Market Law promulgated by Law no. 95 of 1992 and its Executive Regulations;

Law on Central Depository and Registry promulgated by Law no. 93 of 2000 and its Executive Regulations;

Presidential Decree no. 51 of 1997 regarding provisions regulating management of CASE and its financial affairs;

CMA Board of Directors Chairman's Decision no. (30) dated 18/6/2002 regarding rules for listing, continued listing and delisting of securities at CASE and amendments thereof;

and

CMA Board of Director's Decision issued at its session no. (10) of 2007 dated 12/9/2007 regarding addition of Article 29 (bis) to rules for listing, continued listing and delisting of securities and amendment to Article (34) thereof,

DECIDED

Article (1)

A new article numbered as 29(bis) shall be added to CMA Chairman's Decision no. 30 of 18/6/2002 as follows:

1. A listed company wishing to split the par value of its shares shall advise both the stock exchange and CMA with minutes of its board of directors meeting which includes the board's decision approving invitation for the general assembly of the company to consider share splitting and reasons therefore.
2. The stock exchange shall handle dissemination of the company board of directors' decision approving invitation [of the general assembly] for consideration of share splitting on the trading screens. News disseminated shall show details while indicating that the issue is under consideration by CMA to decide on initiating procedures, and that dealing in the company shares would be suspended for a period of no more than one hour per decision from CMA Chairman starting from the time the news hit the trading screens.
3. 3. In accordance with CMA's authority for regulation, development and surveillance of the capital market with the purpose of ensuring that transactions are not defected with deception, fraud, exploitation, or speculative e practices, CMA shall study, examine reasons and justifications for share splitting in terms of its impact on shareholders' rights, participants, and stable trading at the stock exchange. Share splitting procedures shall not be initiated if CMA objects to that.
4. The company shall immediately advise the stock exchange of CMA's decision on approval ( or disapproval) of share splitting
5. The company shall invite the extraordinary general assembly to consider share splitting within fifteen (15) days from the issuance of CMA's approval, and advise the stock exchange and CMA of the invitation with justifications for share splitting attached thereto.
6. 6. After the extraordinary general assembly issues its approval of the share splitting, the stock exchange shall be notified immediately and prior to the startup of the trading session of the day following the assembly's decision. The stock exchange shall disseminate this on the trading screens.

7. 7. The company shall finalize procedures of share splitting within one month at most from the date the approval of share splitting is issued by the general assembly.

Article (2)

The following text shall be added to Article (34) in CMA BOD Chairman's Decision no. 30 dated 18/6/2002:

- "h. If the company violates any provisions of the listing and delisting rules, and does not remedy the situation within the period identified by the stock exchange;
- i. If the company violates listing and delisting rules three times within a period of 12 months as regards violations that cannot be corrected"

Article (3)

The stock exchange and concerned entities shall implement this decision, each within its own jurisdiction.

Article (4)

This Decision shall take effect as of the date of its issuance.