

**Resolution No. (152) of 2024**

**Regarding**

**Amendment to Article 5-3-2, Item 2, and Form No. 2 (Report Indicating Securities Investment Portfolios of the Licensed Person) of Appendix 2 of Module Seven (Clients' Funds and Clients' Assets) of the Executive Bylaws of Law No. 7 of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities and their Amendments**

**Having Perused:**

- Law No. 7 of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities and its Executive Bylaws, and their amendments; and
- CMA Board of Commissioners Resolution passed in its meeting No. (35) of 2024 held on 06/11/2024.

**The Following Was Resolved**

**Article (1)**

Module Seven (Clients' Funds and Clients' Assets) of the Executive Bylaws of Law No. 7 of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities and their amendments is hereby amended pursuant to Annex (1) attached to this Resolution.

**Article (2)**

Form No. 2 (Report Indicating Securities Investment Portfolios of the Licensed Person) of Appendix 2 (Securities Investment Portfolios Forms) of Module Seven (Clients' Funds and Clients' Assets) of the Executive Bylaws of Law No. 7 of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities and their amendments are hereby amended pursuant to Annex (2) attached to this Resolution.

**Article (3)**

The concerned bodies shall execute this Resolution, each within its jurisdiction. This Resolution shall come into force from the date of its issuance, and it shall be published in the Official Gazette.

**Prof. Ahmad Al-Melhem**

**Issued on: 10/11/2024.**

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**Annex 1**

• **Amendment to Article 5-3-2, Item 2, of Module Seven (Clients' Funds and Clients' Assets)**

Module	Chapter	Article	Item	Text before Amendment	Text after Amendment
Seven (Clients' funds and Clients' Assets)	Five (Securities Investment Portfolios Rules)	5-3-2	2	<p>A <u>Licensed Person</u> shall provide the <u>Authority</u> with quarterly reports concerning all <u>Securities Investment Portfolios</u> for which he is responsible, whether managed by the Client or by the <u>Licensed Person</u> or for is held for custody purposes pursuant to the attached forms in Appendix 2 of this Module. Below are the reports to be prepared:</p> <p>....</p> <p>2. Report identifying the <u>Securities Investment Portfolios</u> managed by the <u>Licensed Person</u> whether managed by him or by the <u>Clients</u> or for custody, and value of each. This in addition to identifying whether each portfolio is owned by a natural or corporate person with</p>	<p>A <u>Licensed Person</u> shall provide the <u>Authority</u> with quarterly reports concerning all <u>Securities Investment Portfolios</u> for which he is responsible, whether managed by the Client or by the <u>Licensed Person</u> or for is held for custody purposes pursuant to the attached forms in Appendix 2 of this Module. Below are the reports to be prepared:</p> <p>....</p> <p>2. Report identifying the <u>Securities Investment Portfolios</u> managed by the <u>Licensed Person</u> whether managed by him or by the <u>Clients</u> or for custody, and value of each. This in addition to identifying whether each portfolio is owned by a natural or corporate person with the authorizations issued by <u>Clients</u> to other persons on these portfolios, the date of suspending the <u>Investment Portfolio</u> and the suspension reasons, and the procedure taken regarding the suspended <u>Investment Portfolio</u> and its date during the quarter.</p>

			<p>the authorizations issued by <u>Clients</u> to other persons on these portfolios during the quarter.</p> <p>....</p> <p>Such reports shall be sent within a period not exceeding ten working days from the end of each quarter.</p>	<p>.....</p> <p>Such reports shall be sent within a period not exceeding ten <u>Business Days</u> from the end of each quarter.</p>
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**Annex 2**

- **Amendment to Form No. 2 (Report Indicating Securities Investment Portfolios of the Licensed Person) of Appendix 2 of Module Seven (Clients' Funds and Clients' Assets)**

**Form No. 2**

**Report Indicating Securities Investment Portfolios of the Licensed Person**

(Add name of the Licensed Person)

Quarter ..... Year

Report Date:																				
#	Investment Portfolio No.	Client's Name	Civil / Commercial Register No.	Client's Type Normal or Corporate Person	Statement of the Authorizations Granted by the Client to other Persons	Client's Nationality	Investment Portfolio Management Methods			Date of Portfolio Establishment	Market Value of Investment Portfolio		No. of Transactions Executed during this Period	Investment Portfolio Status (Active/ Suspended)	Portfolio Recorded Mortgage		Date of Suspending the Investment Portfolio	Reason for Suspending the Investment Portfolio	Procedure Taken Regarding the "Suspended" Investment Portfolio	
							Investment Portfolio Managed by the Company	Investment Portfolio Managed by the Client	Custody Investment Portfolio		Cash	Securities			Mortgage Degree	Mortgage Creditor			Procedure*	Date

- This report shall be sent to the Markets Surveillance Department in the Capital Markets Authority no later than ten Business Days at the end of each quarter.
- In "Procedure" column, a detailed explanation of the procedures taken regarding the suspended Investment Portfolios is provided.