

## **Resolution No. (129) of 2019**

### **Regarding Amending Some Provisions 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. ( 26 ) of 2019 held on 06/08/2019.

The Following Was Resolved

Article (1)

Module Two (Capital Markets Authority) of the Executive Bylaws of Law No. (7) of 2010 is hereby amended pursuant to Annex (1) attached to this Resolution.

Article (2)

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 A. Al-Melhem

Issued on: 25/08/2019

#### **Annex No. (1)**

| <b>Module</b> | <b>Chapter</b> | <b>Article</b> | <b>Before Amendment</b>  | <b>After Amendment</b>   |
|---------------|----------------|----------------|--|--|
| <b>Two</b>    | <b>Eight</b>   | (8-21)         | The Authority shall establish a financial control office which reports directly to the Chairman of the Board/the Managing Director, along with the proper number of financial controllers and administrative assistants which report to the office | The Authority shall establish a financial control office which reports directly to the Chairman of the Board/the Managing Director, along with the proper number of financial controllers and administrative assistants which report to the office director. |

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|  |  |  | <p>director. The office director and the financial controllers shall be appointed by the Chairman of the Board/the Managing Director, the financial controller shall have the following competences:</p> <ol style="list-style-type: none"> <li>1. Review the disbursement vouchers or payment vouchers to ensure the validity of procedures and compliance with laws, bylaws and financial regulations as well as the validity of the accounting treatment. In addition to that, he shall sign them before disbursement or payment.</li> <li>2. Supervise the revenues and expenditures of the budget as well as the assets and the liabilities in accordance with the applicable laws, bylaws and approved systems as well as the adopted accounting standards.</li> <li>3. Verify the validity of accounting reconciliations and their compliance with the applicable financial rules and recognized accounting principles.</li> <li>4. Verify the collection and payment of the Authority's revenues in accordance with the financial laws, bylaws and regulations.</li> <li>5. Review the records, books and accounting systems to ensure the accuracy of information therein.</li> </ol> | <p>The office director and the financial controllers shall be appointed by the Chairman of the Board/the Managing Director, the office shall have the following competences:</p> <ol style="list-style-type: none"> <li>1. Prepare the policies and rules governing the work of the financial control office in the <u>Authority</u> and to proceed with the implementation procedures after being approved by the competent authority and work to develop them in line with the best practices within the framework of the approved laws, bylaws and standards.</li> <li>2. Study the internal control systems governing the work and its efficiency and adequacy to tighten control over financial operations and to make the necessary recommendations.</li> <li>3. Prepare the plans and programs necessary to manage the financial control operations prior to the financial actions of the <u>Authority</u>, and the implementation of these plans and programs after their approval by the competent authority and prepare the necessary reports and data thereon.</li> <li>4. Review and audit all draft contracts, agreements or engagements that the <u>Authority</u> enters into and that have a financial impact before approving their conclusion by the competent authority, in accordance with the tables of</li> </ol> |
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|  |  |  | <p>6. Prepare periodical reports regarding the results of his work and submit the same to the Chairman of the Board/the Managing Director.</p> <p>7. Follow up the execution of the directions or recommendations issued by the Chairman of the Board/the Managing Director regarding the financial aspects, and follow up the execution of the recommendations of the State Audit Bureau and the procedures to be taken to meet any observations they may make concerning the financial transactions of the Authority.</p> <p>8. All other competences assigned to him by virtue of the relevant financial regulations, decisions or circulars.</p> | <p>powers to ensure the soundness and validity of its procedures and compatibility with the rules applicable, and the soundness of the <u>Authority's</u> position.</p> <p>5. Supervise the revenues, expenditures and investment of the budget as well as the assets and the liabilities in accordance with the applicable laws, bylaws and approved systems, and the adopted accounting standards, including the system of engagements, and study the objectives of uses and resources.</p> <p>6. Review and audit the documents of all financial transactions, settlements and accounting entries in all fields (disbursement, revenue, investment), the supporting documents, verifying their validity and the validity of their procedures, and their conformity with the legal rules, bylaws, and financial systems and policies adopted and followed in preparing, proving and documenting them in the <u>Authority's</u> records, and the soundness of accounting guidance, and clearance before disbursement in preparation for the final approval.</p> <p>7. Review the records, books and accounting systems to ensure the regularity of information therein, verify compliance with accounting standards adopted in the implementation of financial operations and proper</p> |
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|  |  |  |  | <p>completion of accounting entries.</p> <p>8. Attend the meetings of the annual budget preparation committee without the right to vote or give an opinion on the draft budget prior to submitting it to the <u>Board of Commissioners</u>.</p> <p>9. Give an opinion on the final account, and financial data and statements for the ending financial year, which is prepared by the <u>Authority</u>, prior to the submission to the <u>Board of Commissioners</u>.</p> <p>10. Verify the collection and payment of the <u>Authority's</u> revenues in accordance with the financial laws, bylaws and regulations.</p> <p>11. Attend the meetings of the committee for the examination of offers to verify the validity of its procedures and its conformity with the rules, policies and procedures applicable, and to express opinion and comments without participating in the award decision.</p> <p>12. Follow-up on the payments of suppliers and contractors and ensure the signing of penalty conditions in case of non-compliance with the terms of the contract.</p> <p>13. Supervise the disbursement of petty cash and participate in the inventory committees.</p> |
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|  |  |  |  | <p>14. Participate in the study and research of incidents of theft, embezzlement or fire, and propose ways to avoid them.</p> <p>15. Prepare the necessary reports on the results of the prior financial control works on the <u>Authority</u>.</p> <p>16. Preparation of memorandums or reports necessary to complete the work of the office, submit them to the higher level, and implement decisions issued by the <u>Authority's</u> in this regard.</p> <p>17. Coordinate cooperation with other organizational units of the <u>Authority</u> in the areas of joint activities.</p> <p>18. Participate and contribute to the <u>Authority's</u> activities related to the work of the office.</p> <p>19. Provide its technical opinion on the queries raised in the areas of the office's work.</p> <p>20. All other competences assigned to the office.</p> |
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