

Draft Amendments to the Exchange Rules and Procedures

a) Introduction:

The Saudi Exchange and The Securities Depository Center (Edaa) are committed to involve all concerned and interested parties to participate and share their views on the regulatory framework. This been said, Saudi Exchange and The Securities Depository Center (Edaa) announce the publishing of the draft amendments to the Exchange Rules and Procedures for public consultation for a period of (30) calendar days ending on 08/08/1446H corresponding to 07/02/2025G.

b) Objective of the Draft Amendments:

Launching the Saudi Depository Receipts (SDRs) project aims to enable local and international investors to trade shares of foreign issuers on the Saudi Capital Market in Saudi Riyals. SDRs also provides foreign issuers with the opportunity to offer and list their shares on the Saudi Capital Market, by appointing a local depository institution (Capital Market Institution authorized by the Authority to carry out the securities activity of custody.) to issue depository receipts representing their foreign shares on the Saudi Capital Market. This project will contribute to increase the market size and enhance its attractiveness for both international and local investors, as well as provide diverse investment opportunities in foreign issuers. It is also considered one of the various options for foreign issuers to offer and list on the Saudi Capital Market.

c) Receive Public Views:

We would be pleased to receive your feedback and views on the Proposed amendments through the following email:

Public.Consultation@tadawulgroup.sa

Your feedback shall be considered and assessed during the process of issuing the final versions of the amendments.

d) Proposed Amendments on the Listing Rules compared to the current Provisions:

	Current Provisions	Provisions after proposed Amendments
1.	...	<u>Article 12 Conditions relating to listing of Saudi Depository Receipts</u> a. <u>A foreign issuer whose shares are listed or has made the necessary arrangements for its shares to be listed on another regulated exchange may</u>

	<p><u>apply to list Saudi Depository Receipts which correspond to its shares on the Main Market.</u></p> <p>b. <u>There must be a sufficiently liquid market for the Saudi Depository Receipts that are the subject of the application for listing, as follows:</u></p> <ol style="list-style-type: none">1) <u>there are at least 200 public shareholders at the time of listing for all issued shares (including the holders of Saudi Depository Receipts); and</u>2) <u>at least 30% of all issued shares (including shares represented by Saudi Depository Receipts subject to the application) will be owned by the public at the time of listing. After obtaining the approval of the Authority, the Exchange may permit a lower percentage or a lower number of shareholders if the Exchange deems that it is appropriate to do so.</u> <p>c. <u>Without prejudice to any lower percentage or lower number of shareholders permitted under paragraph (b) of this Article, the requirements of that paragraph shall constitute a continuous obligation on the issuer.</u></p> <p>d. <u>If at any time following having its shares listed the foreign issuer becomes aware that any of the requirements of paragraph (b) of this Article are no longer met, the foreign issuer must immediately inform the Exchange and take the necessary remedial actions to ensure that the relevant requirements are met, in accordance with the period determined by the Exchange, after consultation with the Authority. The foreign issuer shall keep the Exchange informed on any progress in respect of the remedial actions.</u></p>
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		<p>e. <u>For the purposes of the Issuer’s continuing obligations relating to sufficient liquidity requirements under this Article, the shares held by the Local Depository Institution shall be considered owned by the Public.</u></p> <p>f. <u>A foreign issuer specified in paragraph (a) of this Article who has its Saudi Depository Receipts listed on the Main Market is subject to these Rules, the Rules on the Offer of Securities and Continuing Obligations, and any other applicable rules and regulations as determined by the Authority and the Exchange from time to time.</u></p> <p>g. <u>The Exchange will set out additional requirements or criteria that shall be met by the foreign issuer of Saudi Depository Receipts, and publish and update such requirements or criteria from time to time.</u></p> <p>h. <u>The Authority and the Exchange may, in line with these Rules and other Exchange Rules and the Implementing Regulations, exercise their respective discretions to approve or reject an application for listing Saudi Depository Receipts on the Main Market.</u></p>
2.	<p>Article 14: Required approvals to submit an application for listing of shares or debt instruments or convertible debt instruments</p> <p>...</p> <p>b. In the case of cross listed shares, the requirements set out in paragraph (a) of this Article shall not apply on the foreign issuer, provided that the foreign issuer must provide</p>	<p>Article 14 15: Required approvals to submit an application for listing of shares <u>Saudi Depository Receipts or</u> debt instruments or convertible debt instruments</p> <p>...</p> <p>b. In the case of cross listed shares, <u>or the Listing of Saudi Depository Receipts</u>, the requirements set out in paragraph (a) of this Article shall not apply on the foreign issuer, provided that the foreign issuer must</p>

	<p>the Exchange that it had obtained all required approvals from the foreign market where its shares are listed.</p>	<p>provide the Exchange that it had obtained all required approvals from the foreign market where its shares are listed.</p>
	<p>Article 16: Supporting documents</p> <p>An issuer who is applying for listing of its securities must submit to the Exchange:</p> <p>a. a formal application for listing signed by a representative of the issuer containing the following information and documents:</p> <ol style="list-style-type: none"> 1) the information and documents set out in Annex 1 of these Rules where the application is for listing shares or debt instruments. If the application is submitted pursuant to Article 22 of these Rules, it must be in the form set out in Annex 4 of these Rules. 2) the information and documents set out in Annex 2 of these Rules where the application is for listing units of a Real Estate Investment Traded Fund. 3) the information and documents set out in Annex 3 of these Rules where the application is for listing units of an Exchange Traded Fund. 4) the information and documents set out in Annex 6 of these Rules where the application is for listing units of a Closed-Ended Investment Traded Fund. 	<p>Article 16 17: Supporting documents</p> <p>An issuer who is applying for listing of its securities must submit to the Exchange:</p> <p>a. a formal application for listing signed by a representative of the issuer containing the following information and documents:</p> <ol style="list-style-type: none"> 1) the information and documents set out in Annex 1 of these Rules where the application is for listing shares or debt instruments. If the application is submitted pursuant to Article 22 23 of these Rules, it must be in the form set out in Annex 4 of these Rules. 2) the information and documents set out in Annex 2 of these Rules where the application is for listing units of a Real Estate Investment Traded Fund. 3) the information and documents set out in Annex 3 of these Rules where the application is for listing units of an Exchange Traded Fund. 4) the information and documents set out in Annex 6 of these Rules where the application is for listing units of a Closed-Ended Investment Traded Fund.

<p>...</p> <p>b. The issuer who submitted an application for listing of shares or debt instruments must provide the Exchange with the following information immediately upon obtaining the approval of the Authority on the application for registration and offer:</p> <ol style="list-style-type: none"> 1) the main activities of the issuer; 2) the issuer's logo; 3) the authorised capital of the issuer; 4) main contact details of the issuer; 5) the end date of financial year of the issuer; and 6) basic information of receiving banks, and the issuer's underwriter (if any), and the lead manager. <p>c. The provisions of paragraph (b) of this Article shall not apply where the issuer already has any listed securities on the Exchange or if the application is submitted pursuant to paragraph (e) of Article 8 or Article 10 or Article 43 of these Rules.</p>	<p><u>5) The information and documents set out in annex (1) (b) of these Rules where the application is for Saudi Depository Receipts.</u></p> <p>b. The issuer who submitted an application for listing of shares or debt instruments <u>or Saudi Depository Receipts</u> must provide the Exchange with the following information immediately upon obtaining the approval of the Authority on the application for registration and offer:</p> <ol style="list-style-type: none"> 1) the main activities of the issuer; 2) the issuer's logo; 3) the authorised capital of the issuer; 4) main contact details of the issuer; 5) the end date of financial year of the issuer; and 6) basic information of receiving banks, and the issuer's underwriter (if any), and the lead manager. <p>c. The provisions of paragraph (b) of this Article shall not apply where the issuer already has any listed securities on the Exchange or if the application is submitted pursuant to paragraph (e) of Article 8 or Article 10 or Article 43 <u>44</u> of these Rules.</p>
<p>Article 20: Listing Securities</p>	<p>Article 20 <u>21</u>: Listing Securities</p>

<p>...</p> <p>b. The Exchange will review an application for listing within ten days of receiving all information and documentation required under these Rules and in the case of cross listed shares, the Exchange will review the application within forty five days of receiving all information and documentation required under these Rules. The Exchange must issue a decision in accordance with paragraph (d) of this Article.</p>	<p>...</p> <p>b. The Exchange will review an application for listing within ten days of receiving all information and documentation required under these Rules and in the case of cross listed shares or the listing of Saudi Depository Receipts, the Exchange will review the application within forty five days of receiving all information and documentation required under these Rules. The Exchange must issue a decision in accordance with paragraph (d) of this Article.</p>
<p>Article 27: obligation to disclose actions which may affect the price of the listed securities</p> <p>...</p> <p>b. In the case of cross listed shares, the foreign issuer must disclose to the public the details of the consequences of such an action on the price of its shares listed on the Exchange, and the mechanism of exercising any rights related to such an action.</p>	<p>Article 27 28: obligation to disclose actions which may affect the price of the listed securities</p> <p>...</p> <p>b. In the case of cross listed shares or listed Depository Receipts, the foreign issuer must disclose to the public the details of the consequences of such an action on the price of its shares Securities listed on the Exchange, and the mechanism of exercising any rights related to such an action.</p>
<p>Article 30: Timing of disclosure</p> <p>...</p> <p>b. Subject to Article 38 of these Rules, in the case of cross listed shares, the foreign issuer must disclose to the public in the Kingdom all information disclosed in the foreign market</p>	<p>Article 30-31: Timing of disclosure</p> <p>...</p> <p>b. Subject to Article 38 39 of these Rules, in the case of cross listed shares or Listed Saudi Depository Receipts, the foreign issuer must disclose to the public in the Kingdom all information disclosed in</p>

<p>simultaneously or before disclosing it in the foreign market.</p>	<p>the foreign market simultaneously or before disclosing it in the foreign market.</p>
<p>Article 36: Power to suspend trading or cancel listing</p> <p>a. The Authority may at any time suspend the trading of securities or cancel their listing as it deems fit, in any of the following circumstances:</p> <p>...</p> <p>6) in the case of cross listed securities, the listing of the foreign issuer's securities has been cancelled elsewhere;</p> <p>...</p> <p>c. The Exchange will suspend the trading of the issuer's securities in any of the following circumstances:</p> <p>...</p> <p>5) if the trading of the foreign issuer's securities has been suspended elsewhere, in case of cross listed securities, until such suspension is lifted in the other exchange;</p>	<p>Article 36 37: Power to suspend trading or cancel listing</p> <p>a. The Authority may at any time suspend the trading of securities or cancel their listing as it deems fit, in any of the following circumstances:</p> <p>...</p> <p>6) in the case of cross listed securities <u>or listed Saudi Depository Receipts</u>, the listing of the foreign issuer's securities has been cancelled elsewhere;</p> <p>...</p> <p>c. The Exchange will suspend the trading of the issuer's securities in any of the following circumstances:</p> <p>...</p> <p>5) if the trading of the foreign issuer's securities has been suspended elsewhere, in case of cross listed securities <u>or listed Saudi Depository Receipts</u>, until such suspension is lifted in the other exchange;</p>
<p>Article 37: Voluntary cancellation of listing</p> <p>...</p> <p>d. Notwithstanding paragraph (c) of this Article, the foreign issuer whose shares are listed on the Main Market, must provide the Authority that it had obtained all required approvals, from the</p>	<p>Article 37 38: Voluntary cancellation of listing</p> <p>...</p> <p>d. Notwithstanding paragraph (c) of this Article, the foreign issuer whose shares <u>Securities</u> are listed on the Main Market, must provide the Authority that it had obtained all required approvals, from the foreign</p>

	foreign market where its shares are listed, for cancelling its listing on the Exchange.	market where its shares are listed, for cancelling its listing on the Exchange.
	...	<p style="text-align: center;"><u>Annex 1 (b)</u> <u>Content of application for listing Saudi Depository Receipts</u></p> <p><u>First:</u> <u>The following information must be provided in the named, signed and dated application for listing (where applicable):</u></p> <ol style="list-style-type: none"> a. <u>Name of the issuer, country of incorporation and address, name of the Local Depository Institution and a brief overview of the related parties.</u> b. <u>Issuer’s activity and the sector in which the issuer operates.</u> c. <u>Names of the markets in which the issuer is listed and dates of listing and name of the local market of the Issuer (as applicable).</u> d. <u>Saudi Depository Receipts:</u> <ul style="list-style-type: none"> • <u>Maximum number and value of the Saudi Depository Receipts;</u> • <u>Number and percentage of Saudi Depository Receipts;</u> • <u>Shares to Saudi Depository Receipts Ratio;</u> • <u>Allocation details for the Saudi and foreign Markets (as applicable);</u> • <u>Number of Saudi Depository Receipts Holders; and</u> • <u>Stating in restrictions limiting the free float or transfer of Saudi Depository Receipts (if any).</u> e. <u>Composition of the issuers Board of Directors, indicating the commencement and end date of Board session.</u> f. <u>Ownership of shares as of the date of submitting the application:</u>

	<ul style="list-style-type: none"> ▪ <u>Shares (Number, class, nominal value per share, total amount paid up for issued shares, offering price).</u> ▪ <u>Number of holders of shares;</u> ▪ <u>Substantial shareholders;</u> ▪ <u>Shares in hands of employees;</u> ▪ <u>Shares in hands of directors; and</u> ▪ <u>Public Ownership.</u> <p>g. <u>A statement on obtaining the approval of the competent authorities and other approvals for the foreign issuer with a copy of those approvals (if any).</u></p> <p>h. <u>Type of issue for which application is being made:</u></p> <ul style="list-style-type: none"> ▪ <u>Number or value of securities for which application is being made.</u> ▪ <u>Description of securities for which application is being made and their maturity date (if any).</u> ▪ <u>Are the securities for which application is made identical in all respects? If not, how do they differ and when will they become identical?</u> <p><u>Second:</u> <u>The application must contain an authorisation in the form below:</u> <u>“The issuer hereby authorises the Exchange to exchange any relevant information with the Authority or authorities, agencies or other bodies having responsibility for the supervision of financial services as well as any other relevant authorities.”</u></p> <p><u>Third:</u> <u>The application must contain a declaration in the form below:</u> <u>“To: The Saudi Stock Exchange</u></p>
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	<p><u>We, being directors of [insert name of “issuer”] (the issuer), hereby jointly and severally declare that to the best of our knowledge and belief (having taken reasonable care to ensure that such is the case) the issuer:</u></p> <ol style="list-style-type: none"> 1) <u>has satisfied all the relevant conditions for listing and all other relevant requirements of the Capital Market Law, the Listing Rules and the [Rules on the Offer of Securities and Continuing Obligations; and</u> 2) <u>has or will supply all the documents required by the Capital Market Law, its Implementing Regulations and the Exchange Rules (including the Listing Rules).</u> <p><u>We confirm that there are no other facts bearing on the issuer’s application for listing which in our opinion, should have been disclosed to the Saudi Stock Exchange. We further confirm that we:</u></p> <ol style="list-style-type: none"> 1) <u>have read and understood the Capital Market Law, the Listing Rules and the Rules on the Offer of Securities and Continuing Obligations; and</u> 2) <u>have understood the nature of our responsibilities and obligations as directors of a company whose securities are listed, and have understood in particular what is required of us to enable holders of the listed Saudi Depository Receipts and the public to appraise the issuer.</u> <p><u>We acknowledge that the issuer’s Saudi Depository Receipts will be entitled to remain listed only if the shares comply with the applicable requirements of the Listing Rules and the Rules on the Offer of Securities and Continuing Obligations and the Implementing Regulations and the Exchange Rules and the issuer complies with these requirements. We hereby jointly and severally undertake and agree to comply with the Capital Market Law, the Rules on the Offer of Securities and Continuing Obligations, the Listing Rules, the Implementing Regulations and the Exchange Rules approved by the Capital Market Authority from time to time and in particular undertake and agree to comply with the continuing</u></p>
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	<p><u>obligations vis-à-vis the Saudi Stock Exchange and the Capital Market Authority set out in the relevant part of the Capital Market Law, the Rules on the Offer of Securities and Continuing Obligations and the Listing Rules. We further jointly and severally undertake to use our best endeavors to procure that the issuer shall also comply with the Capital Market Law, the Rules on the Offer of Securities and Continuing Obligations, the Listing Rules and the Implementing Regulations and the Exchange Rules approved by the Capital Market Authority from time to time. We acknowledge the power of the Capital Market Authority to suspend or cancel the listing of the issuer's Saudi Depository Receipts and to take other actions in accordance with the Listing Rules. We acknowledge the power of the Saudi Stock Exchange to recommend suspension or cancelation of the listing of the issuer's Saudi Depository Receipts to the Capital Market Authority and to take other actions in accordance with the Listing Rules. We acknowledge the power of the Saudi Stock Exchange to suspend the listing of the issuer's Saudi Depository Receipts and to take other actions in accordance with the Listing Rules.</u></p> <p><u>We hereby authorise the Saudi Stock Exchange to exchange any relevant information with the Capital Market Authority or authorities, agencies or other bodies having responsibility for the supervision of financial services as well as any other relevant authorities.</u></p> <p><u>Signed on behalf of the issuer: the directors</u></p> <p><u>Name: _____ Name: _____</u></p> <p><u>Signature: _____ Signature: _____</u></p> <p><u>Date: _____ Date: _____</u></p> <p><u>Name: _____</u></p> <p><u>Signature: _____ Date: _____</u></p>
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		<p><u>Fourth:</u></p> <ol style="list-style-type: none"> 1) <u>This annex shall be submitted electronically through the automated system designated by the Exchange for such purpose.</u> 2) <u>The issuer must retain original copies (or certified where appropriate) of all documents required pursuant to this annex, and provide it to the Exchange upon request.</u> <p><u>Note:</u></p> <p><u>In the event of any amendments to the information provided through this annex before listing, the issuer shall submit to the Exchange an updated electronic and signed copy of this annex (where applicable).</u></p>
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e) **Proposed amendments on the Glossary of Defined Terms Used in the Exchange Rules compared to the current Provisions.**

	Current Provisions	Provisions after proposed Amendments
1.	...	<u>Local Depository Institution:</u> <u>a Capital Market Institution authorized by the Authority to carry out the securities activity of custody.</u>
2.	Transfer Account: means a special account opened by the Custody Member under the Capital Market Institution's name, in accordance with the provisions of Article 49 of the Securities Depository Centre Rules.	Transfer Account: means a special account opened by the Custody Member under the Capital Market Institution's name, in accordance with the provisions of Article 49 <u>50</u> of the Securities Depository Centre Rules.
3.	...	<u>Saudi Depository Receipts:</u> <u>Securities issued for the purpose of listing on the market, in exchange for shares issued in a foreign country and listed in the foreign market of that country, or in exchange of issued shares in a foreign country where the foreign issuer has made the necessary arrangements for the shares to be listed in the foreign market.</u>

4.	...	<p><u>Foreign Issuer in the Case of Saudi Depository Receipts:</u> Foreign Issuer in the case of Saudi Depository Receipts refers to the Issuer of the shares that correspond to the Saudi Depository Receipts.</p>
5.	...	<p><u>Share to Saudi Depository Receipts Ratio:</u> The number of Saudi Depository Receipts issued for each share of the foreign issuer's shares.</p>

f) Proposed amendments on the Trading and Membership Procedures compared to the current Provisions.

#	Current Provisions	Provisions after proposed Amendments															
1.	<p>13.5 Negotiated Deal Requirements: 13.5.1 Before transmitting an order to execute a transaction to the Trading System, the Exchange Member must ensure the following:</p> <p>(a) the transaction value is at least one million Saudi Riyals for Securities listed on the Main Market (except for shares and REITs units) or 300 thousand Saudi Riyals for Securities listed on the Parallel Market;</p> <p>(b) the minimum transaction value for shares and REIT units listed on the Main Market is determined in accordance with the following table:</p> <p>Table (13): The table shows the minimum transaction value for shares and REIT units listed on the Main Market based on the Average Daily Traded value "ADTV" in the previous six months:</p>	<p>13.5 Negotiated Deal Requirements: 13.5.1 Before transmitting an order to execute a transaction to the Trading System, the Exchange Member must ensure the following:</p> <p>(a) the transaction value is at least one million Saudi Riyals for Securities listed on the Main Market (except for shares and REITs units and the Saudi Depository Receipts) or 300 thousand Saudi Riyals for Securities listed on the Parallel Market;</p> <p>(b) the minimum transaction value for shares and REIT units and the Saudi Depository Receipts listed on the Main Market is determined in accordance with the following table:</p> <p>Table (13): The table shows the minimum transaction value for shares and REIT units and the Saudi Depository Receipts listed on the Main Market based on the Average Daily Traded value "ADTV" in the previous six months:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>#</th> <th>ADTV Lower End</th> <th>Criteria</th> <th>ADTV Upper End</th> <th>Minimum transaction value</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td style="text-align: center;">50,000,000</td> <td style="text-align: center;">≤ Average Daily Traded Value</td> <td></td> <td style="text-align: center;">5,000,000 SAR</td> </tr> <tr> <td style="text-align: center;">2</td> <td style="text-align: center;">5,000,000</td> <td style="text-align: center;">≤ Average Daily</td> <td style="text-align: center;">50,000,000</td> <td style="text-align: center;">3,000,000 SAR</td> </tr> </tbody> </table>	#	ADTV Lower End	Criteria	ADTV Upper End	Minimum transaction value	1	50,000,000	≤ Average Daily Traded Value		5,000,000 SAR	2	5,000,000	≤ Average Daily	50,000,000	3,000,000 SAR
#	ADTV Lower End	Criteria	ADTV Upper End	Minimum transaction value													
1	50,000,000	≤ Average Daily Traded Value		5,000,000 SAR													
2	5,000,000	≤ Average Daily	50,000,000	3,000,000 SAR													

#	ADTV Lower End	Criteria	ADTV Upper End	Minimum transaction value			Traded Value <		
1	50,000,000	≤ Average Daily Traded Value		5,000,000 SAR	3	1,000,000	≤ Average Daily Traded Value <	5,000,000	1,000,000 SAR
2	5,000,000	≤ Average Daily Traded Value <	50,000,000	3,000,000 SAR	4		Average Daily Traded Value <	1,000,000	300,000 SAR
3	1,000,000	≤ Average Daily Traded Value <	5,000,000	1,000,000 SAR					
4		Average Daily Traded Value <	1,000,000	300,000 SAR					

g) Proposed amendments on the Securities Depository Centre Rules compared to the current Provisions.

#	Current Provisions	Provisions after proposed Amendments
1.	<p>Article 1</p> <p>...</p> <p>2. All persons dealing with the Depository Centre shall be subject to these Rules including Issuers, Investors, Depository Centre Members and the Depository Bank and (as applicable).</p> <p>...</p>	<p>Article 1</p> <p>...</p> <p>2. All persons dealing with the Depository Centre shall be subject to these Rules including Issuers, Investors, Depository Centre Members, and the Depository Bank <u>and the Local Depository Institutions</u> (as applicable).</p> <p>...</p>
2.	<p>Article 2</p> <p>...</p> <p>2. In addition to the services stipulated in the Capital Market Law, the Depository Centre may provide any other service to Issuers, Depository Centre Members,</p>	<p>Article 2</p> <p>...</p> <p>2. In addition to the services stipulated in the Capital Market Law, the Depository Centre may provide any other service to Issuers, Depository Centre Members, Investors, and the</p>

	Investors, and the Depository Bank (as applicable) after obtaining the Authority's approval. ...	Depository Bank <u>and the Local Depository Institutions</u> (as applicable) after obtaining the Authority's approval. ...
3.	Article 41 ... 9. Any reference to the term investor, under this Article, shall apply on the Depository Bank. ...	Article 41 ... 9. Any reference to the term investor, under this Article, shall apply on the Depository Bank <u>and the Local Depository Institution</u>
4.	Article 42 ... 5. With exception of paragraph (4) of this Article, any reference to the term investor, under this Article, shall apply on the Depository Bank.	Article 42 ... 5. With exception of paragraph (4) of this Article, any reference to the term investor, under this Article, shall apply on the Depository Bank <u>and the Local Depository Institution</u> .
5.	Article 43 ... 4. Any reference to the term investor under this Article, shall apply on the Depository Bank.	Article 43 ... 4. Any reference to the term investor under this Article, shall apply on the Depository Bank <u>and the Local Depository Institution</u> .
6.	Article 44 ... 4. Any reference to the term investor under this Article, shall apply on the Depository Bank.	Article 44 ... 4. Any reference to the term investor under this Article, shall apply on the Depository Bank <u>and the Local Depository Institution</u> .
7.	Article 45 ... 4. With exception of subparagraph (a), (b), (d), and (e) of paragraph (1) of this Article, any reference to the term investor, under this Article, shall apply on the Depository Bank.	Article 45 ... 4. With exception of subparagraph (a), (b), (d), and (e) of paragraph (1) of this Article, any reference to the term investor, under this Article, shall apply on the Depository Bank <u>and the Local Depository Institution</u> .

	Article 50	Article 50
8.	<p>1. A transfer account shall be opened for any of the following purposes:</p> <p>...</p> <p>(f) completing the buy and sell transaction on behalf of the Issuer's shares holder or the Depository Receipts holder and completing the transfer process from and to the Depository Bank account and from and to the Investor account in regards of the transactions related to the issuance and cancellation of Depository Receipts;</p> <p>...</p>	<p>1. A transfer account shall be opened for any of the following purposes:</p> <p>...</p> <p>(f) completing the buy and sell transaction on behalf of the Issuer's shares holder or the Depository Receipts holder <u>or the Saudi Depository Receipts holder</u> and completing the transfer process from and to the Depository Bank account <u>or the Local Depository Institution</u> and from and to the Investor account in regards of the transactions related to the issuance and cancellation of Depository Receipts <u>or the Saudi Depository Receipts</u>;</p> <p>...</p> <p><u>4. Without prejudice to Subparagraph (f) of Paragraph (1) of this Article, the Local Depository Institution shall facilitate the issuance and cancellation of Saudi Depository Receipts for their holders, provided that there is an account in which the Securities are deposited in the market where the shares corresponding to the Saudi Depository Receipts are listed, for the benefit of the holders of Saudi Depository Receipts.</u></p> <p><u>5. Without prejudice to paragraph (4) of this Article, the Local Depository Institution shall be responsible for issuing, receiving and verifying all instructions relating to the issuance and cancellation of Saudi Depository Receipts.</u></p>

h) Proposed amendments on the Depository Centre Procedures compared to the current Provisions.

#	Current Provisions	Provisions after proposed Amendments
1.	<p>8. Accounts attributes</p> <p>...</p> <p>8.3. The Custody Member must ensure that its accounts configured to flag the following activities:</p> <p>8.3.1. Depository Receipts;</p> <p>...</p>	<p>8. Accounts attributes</p> <p>...</p> <p>8.3. The Custody Member must ensure that its accounts configured to flag the following activities:</p> <p>8.3.1. Depository Receipts;</p> <p><u>8.3.2 Saudi Depository Receipts;</u></p> <p>...</p>

2.	<p>15. Settlement instructions</p> <p>...</p> <p>15.3. The following table specifies Settlement Instructions mechanism:</p> <table border="1"> <thead> <tr> <th rowspan="2">Transaction Type</th> <th colspan="3">Instructed by</th> <th rowspan="2">Beneficial ownership change</th> <th rowspan="2">Counter Party Account Mandate</th> <th rowspan="2">Additional Rule Criteria</th> </tr> <tr> <th>The Depository and Settlement System</th> <th>CCP</th> <th>Custody Member</th> </tr> </thead> <tbody> <tr> <td>RELE (Depository receipt cancellation)</td> <td></td> <td></td> <td>x</td> <td>Accept</td> <td>No</td> <td></td> </tr> </tbody> </table>	Transaction Type	Instructed by			Beneficial ownership change	Counter Party Account Mandate	Additional Rule Criteria	The Depository and Settlement System	CCP	Custody Member	RELE (Depository receipt cancellation)			x	Accept	No		<p>15. Settlement instructions</p> <p>...</p> <p>15.3. The following table specifies Settlement Instructions mechanism:</p> <table border="1"> <thead> <tr> <th rowspan="2">Transaction Type</th> <th colspan="3">Instructed by</th> <th rowspan="2">Beneficial ownership change</th> <th rowspan="2">Counter Party Account Mandate</th> <th rowspan="2">Additional Rule Criteria</th> </tr> <tr> <th>The Depository and Settlement System</th> <th>CCP</th> <th>Custody Member</th> </tr> </thead> <tbody> <tr> <td>RELE (Depository receipt cancellation)</td> <td></td> <td></td> <td>*</td> <td>Accept</td> <td>No</td> <td></td> </tr> </tbody> </table>	Transaction Type	Instructed by			Beneficial ownership change	Counter Party Account Mandate	Additional Rule Criteria	The Depository and Settlement System	CCP	Custody Member	RELE (Depository receipt cancellation)			*	Accept	No	
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4.	<p>43. Corporate Actions Activities on Foreign Securities Listed on The Exchange</p> <p>43.1. In relation to corporate action's timing and activities of foreign securities, it will be dealt with in accordance to the market where the security is primarily issued.</p> <p>43.2. When the foreign issuer increases its capital by rights issuance, the Depository Centre will allot shares based on the instruction from the foreign issuer.</p> <p>...</p>	<p>43. Corporate Actions Activities on Foreign Securities Listed on The Exchange</p> <p>43.1. In relation to corporate action's timing and activities of foreign securities, it will be dealt with in accordance to the market where the security is primarily issued.</p> <p>43.2. When the foreign issuer increases its capital by rights issuance, the Depository Centre will allot shares based on the instruction from the foreign issuer.</p> <p>43.3. The Local Depository Institution shall notify the holders of Saudi Depository Receipts of the date of the GA of the foreign issuer and all related activities. The Local Depository Institution shall send instructions regarding the issuer's Corporate Action for the Saudi Depository Receipts to the Depository Centre for implementation.</p>																																		

		<p><u>43.4. The instructions referred to in Paragraph (43.4) shall be in accordance with the rights granted to holders of Saudi Depository Receipts, as specified in the depository agreement between the foreign issuer and the Local Depository Institution.</u></p>
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