

**Capital Market Authority  
CMA Board Chairman**

**Decision No. 63 of 2007 dated 11/7/2007  
Rules Regulating Trading, Clearing, and Settlement in the Small and Medium  
Enterprises SME(s) Market**

**Board of Directors of the Capital Market Authority**

After considering Capital Market Law promulgated by Law No. 95 of 1992 and its executive regulations; and CMA decisions issued as implementation of the said Law;

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

Presidential Decree No. 51 of 1997 regarding provisions regulating Cairo and Alexandria Stock Exchanges (CASE) and their financial affairs;

CMA's Board of Directors Decision No. 30 dated June 18, 2002, issuing the rules for listing and delisting securities at the Stock Exchange;

The proposal submitted by CMA regarding the regulations of trading in securities issued by SME(s);

The approval of CMA BOD issued during its session No. 8 of 2007, dated July 11, 2007

**DECIDED**

**Article (1)**

The provisions of the following articles shall prevail on all matters related to trading, clearing, settlement of securities listed on the SME(s) table. The enforced rules and provisions regulating trading, clearing, and settlement shall apply unless a special provision is stipulated in this Decision.

**Article (2)**

Trading in the said market shall be made through a bidding session, during the said session, brokerage companies may submit offers and applications without any price caps. The same brokerage company may register offers and applications for the same security with different prices in accordance with the decisions of the company's clients.

### **Article (3)**

The bidding session shall be closed randomly, at any time during the last ten minutes of the session, and the price that achieves the highest level of liquidity in the SME(s) market shall be identified; hence, the closing price shall be selected in accordance to the following criteria; and in case more than one price have the same criterion, the selection shall be made in accordance with the next criterion, as follows:

- The price that achieves the highest level of execution
- The price that keeps the lowest number of un-executed securities in the market and such securities were potentially executable
- The nearest price to the closing price of the preceding-day's session
- The highest trading value (highest price)

### **Article (4)**

Brokerage companies are entitled, at any time during the bidding session and until the random closure of the session, to modify or cancel their orders in accordance with the requests of their clients, including the introduction, modification, or canceling of offers and applications or modifying the amount or price.

### **Article (5)**

All regulations and enforced rules governing trading in the Stock Exchange shall be applied, especially rules stating that the clients' deposits must be confirmed in order not to include illusory purchasing and selling offers. The rules and regulations governing the monitoring of transactions shall also be applied.

### **Article (6)**

In the SME(s) market, transactions settlement shall be made on the second day following the trading day (T+2).

### **Article (7)**

This Decision shall be applicable as of the date of its issuance, and each concerned entity shall implement it, each within its scope of competence.

CMA Chairman  
Dr. Ahmed Saad Abdel-Latif