

Procedure Guide
of
Qatar Central Securities
Depository

The purpose of the company

The purpose of the company is safekeeping, listing, management, ownership, clearance, settlement of securities, and other financial instruments, and providing related financial services inside and outside Qatar.

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First Part: Clearance and Settlement

First: General Provisions

- 1.1.1 Qatar Central Securities Depository (QCSD) shall carry out the securities clearance, settlement and depository in an electronic form.
- 1.1.2 All transactions of Qatar Exchange shall be due for settlement (securities and money) in the third trading day (T+3). Financial settlement is carried out by clearance between cash settlement members (members and custodians). Physical settlement (of securities) shall be made by crediting or debiting from client's accounts registered in the electronic system of QCSD.
- 1.1.3 Every member shall open a settlement account in any of the licensed banks in the State. The multilateral cash settlement in terms of transactions and payments shall be carried out between members and custodians through the settlement account of QCSD at the settlement bank (Qatar Central Bank).
- 1.1.4 Members and custodians shall submit two kinds of bank guarantees for ensuring the settlement operations and for determining the settlement cap of every member. Guarantees are as follows:
- Initial Bank Guarantee: Twenty million Qatari Riyals
 - Reserve Bank Guarantee: Five million Qatari Riyals
- The member may submit a supplemental guarantee according to his choice to increase the settlement cap.
- 1.1.5 Values of the guarantees shall be calculated in the financial trading cap (settlement cap) for each member by 100%. As for custodians, the guarantees are used to ensure the settlement operations in accordance with the agreements made by and between them.
- 1.1.6 QCSD and Qatar Exchange (QE) shall set the financial trading cap (the settlement cap) of each member according to the guarantees submitted by the member as provided for in the Article (1.1.3) which provides the maximum payment amount (the difference between the value of buy transactions and value of sell transactions) which may be incurred by the member during one trading /settlement day.

Second: Financial settlement among members/custodians

- 1.2.1. Every member and custodian shall print its clearance report through Oracle solution as of the day (T) after the end of trading period.
- 1.2.2. Every member and custodian shall print the final report on the day (T+2) and shall investigate the information contained in the final report. In case of controversy/ difference with the final report, members and custodians shall go to the Department of settlement and clearance before 9:00 am on the day (T + 3) to settle the dispute and reprint the report if necessary.
- 1.2.3. Every member and custodian shall provide the bank which has the settlement account with the clearance report at the morning of the day (T+3) and the bank shall ensure the availability of the amount required to the settlement.
- 1.2.4 A swift of the clearance report which contains the summary of the financial settlement shall be sent to the Qatar Central Bank on the day (T+3) at 9:00 am. If the report is not sent by Swift, it shall be sent by Fax or Email.
- 1.2.5. Settlement report shall be operated by clearance and settlement.
- 1.2.6. On the day (T+3) at 1:30 PM, the settlement bank (the Qatar Central Bank) shall transfer the money according to the clearance report and settlement sent by QCSD.
- 1.2.7. If the member's or custodian's settlement account balance is not sufficient, QCSD shall be notified by the bank which has the insufficient settlement account on the same day. In such case, QCSD shall

liquidate the basic and reserve guarantee of the member or custodian and it may use the fund of reserve guarantee to cover the deficit.

1.2.8. If the member's or custodian's settlement account balance is not sufficient, the following actions shall be taken and QCSD shall be notified:

- Enter into an agreement with the member or custodian concerning the date of payment.
- Stop the member from buying for its clients or the clients of custodian as the case maybe.
- Liquidate the bank guarantees.
- Obligate the member to sell part of the securities kept in his account.
- Stop the member or custodian from exercising activities in order until correcting the status.
- Obligate the member or custodian to pay fines.
- The violating member or custodian shall return the guarantees as they were and shall incur the interests and expenses.

Third: Increasing the financial trading cap (Settlement Cap) of the member:

1.3.1 The member shall submit an application for increasing the financial trading cap (the settlement cap) to QCSD and the supplemental bank guarantee of the required amount shall be attached thereto.

1.3.2 QCSD shall ensure the validity of documents and guarantees submitted by the member.

1.3.3. QCSD shall modify the clearance and settlement cap in coordination with Qatar Exchange in order to have a synchronic modification.

1.3.4 Documents and instruments shall be recorded in the registry of the applicant member.

Fourth: Settlement in a manner of delivery-versus-payment for custodians' clients

General provisions

1.4.1 The activities of the custodian shall mean every activity that keeps the money of securities traders whether cash or securities.

The client of the custodian shall, in the provisions of such guide, mean any natural person or legal entity that has opened an account at the custodian or entered into contract therewith to keep the securities for and on its behalf.

1.4.2 The custodian shall start his activity only after being accepted by QCSD in accordance with the terms and conditions prescribed by QCSD for accepting custodians. On practicing his activity, the custodian shall abide by the rules, conditions, and obligations set for custodians under the rules of QCSD.

1.4.3 If the custodian who is the representative of the buyer or seller clients refuses the selling or buy transaction within the time mentioned in such guide, the rights and obligations of the buyer and seller clients shall be transferred to the buyer and seller members respectively.

The buyer member shall make cash settlement to the purchased securities, and he shall have the right to dispose thereof after being transferred to him on the date specified herein. If the buyer member agreed with the client to return the purchased securities to the account of the client at the custodian after settlement, the custodian shall pay the value of such securities to the buyer member on behalf of the client.

The seller member shall deliver the sold securities from his portfolio or by borrowing (if applied) or by repurchasing in accordance with the procedures stated hereof. The sold securities refused to be settled by the custodian shall be confiscated till the final settlement without prejudice to the rights of the buyer.

QCSD may impose on the members the fees deemed appropriate in order to facilitate delivering securities in accordance with the procedures stated hereof.

1.4.4 If the seller member fails to deliver the sold securities within the time specified herein, he shall settle the transaction with the client on cash base within the time specified herein in an amount equal to the original transaction value in addition to 5% of the original transaction value with ten thousand Qatari

Riyals as a minimum and million Qatari Riyals as a maximum, or the value shall be based on the closing price of the securities of the said transaction on the day specified herein (whatever higher).

The injured party may appeal before the Authority. In all events, the seller member shall use cash settlement with the client only if the delivery of the sold securities from the sources is impossible in accordance with procedures stated in the previous Article.

1.4.5 The person in wrong shall not make use of its fault. If any of the previous procedures lead to losses, the causer shall be liable whether it is the member, the custodian or his client in accordance with the agreement made by and between them. In case of profits, it shall be transferred to Qatar Financial Markets Authority (QFMA). In all events, the person in wrong shall pay the fines prescribed in the regulations of QFMA.

1.4.6 If the custodian participates in the cash settlement under the agreement made with QCSD, it shall abide by the same obligations of the member under the provisions of Articles of Chapter 5 of the rules of QCSD concerning the provisions of clearance, depository and bank guarantees. The bank guarantee of the custodian shall be specialized for settlement.

Detailed Measures of settlement in a manner of delivery-versus-payment

1.4.7 If QCSD receives the custodian's acceptance of buy transaction(s)

	Person	Timing	Remarks	Procedures
1.	Buyer client	Day T (from 9:00 to 13:15)		<ul style="list-style-type: none"> Registration of purchase order by the buyer member
2.	Buyer member	Day T (from 9:00 to 13:15)		<ul style="list-style-type: none"> Assurance of the registered client's name and shareholder's number (NIN). Registration of the order on the trading system in the stock market.
3.	Custodian	Day T (from 9:00 to 13:15)		<ul style="list-style-type: none"> None
4.	Qatar Exchange	Day T (during the trading session)		<ul style="list-style-type: none"> On the execution of the Purchase order, the purchased securities shall be registered in the buyer client trading account which is subject to the custodian's control. Affirmation of the member buy transaction
5.	Qatar Exchange	Day T (before 14:00)		<ul style="list-style-type: none"> Sending a trading summary to the custodian
6.	Custodian	Day T (as of 14:00)		<ul style="list-style-type: none"> Asking for affirmation / refusal of the buyer client for the transaction
7.	Custodian	Day T +3 (before 9:00 o'clock)		<ul style="list-style-type: none"> Providing stock market with the affirmation of the buy transaction. Informing the buyer client with the transaction affirmation.
8.	Qatar Central Securities	Day T +3 (at 9:00)		<ul style="list-style-type: none"> Sending the clearance

	Depository	o'clock		report of cash settlement to the members and custodian. Cash settlement obligation of the affirmed buy transaction shall be added to the report of the buyer client's custodian.
9.	Qatar Central Securities Depository	Day T + 3		<ul style="list-style-type: none"> Securities Settlement Cycle – transfer of legal rights to the concerned parties.
	Cash settlement			
10.	Qatar Central Securities Depository	Day T+ 3 (before 9:00)		<ul style="list-style-type: none"> Transfer of net cash settlement obligations from the clearance report of the buyer price to the clearance report of the buyer client's custodian.
11.	Custodian	Day T+ 3 (before 11:00)		<ul style="list-style-type: none"> Depositing the accrued net obligations in the settlement account.
12.	Settlement bank (Qatar Central Bank)	Day T + 3		<ul style="list-style-type: none"> Cash Settlement Cycle– transfer of money between cash settlement members (members and custodians).

1.4.8 If QCSD receives the custodian's acceptance of sell transaction(s)

	Person	Timing	Remarks	Procedures
1.	Seller client	Day T (from 9:00 to 13:15)		<ul style="list-style-type: none"> Registration of selling order by the seller member
2.	Seller member	Day T (from 9:00 to 13:15)		<ul style="list-style-type: none"> Assurance of the client's name and shareholder's number (NIN). Registration of the order on the trading system in the stock market.
3.	Custodian	Day T (from 9:00 to 13:15)		<ul style="list-style-type: none"> None
4.	Qatar Exchange	Day T (during the trading session)		<ul style="list-style-type: none"> On the execution of the selling order, the sold securities shall be registered in the seller client trading account which is subject to the custodian's control.
5.	Qatar Exchange	Day T (before 14:00)		<ul style="list-style-type: none"> Sending a trading summary to the custodian
6.	Custodian	Day T (as of 14:00)		<ul style="list-style-type: none"> Asking for the affirmation / refusal of the seller client for the transaction.
7.	Custodian	Day T +3 (before 9:00 o'clock)		<ul style="list-style-type: none"> Providing stock market with the sell transaction acceptance. Informing the broker that the transaction is accepted.
8.	Qatar Central Securities Depository	Day T +3 (at 9:00 o'clock am)		<ul style="list-style-type: none"> Sending the clearance report of cash settlement to the members and custodians. The proceeds of securities selling of custodian's clients shall be added to their clearance reports.
9.	Qatar Central Securities Depository	Day T + 3		<ul style="list-style-type: none"> Securities Settlement Cycle – transfer of legal rights to the concerned parties.
	Cash settlement			
10.	Qatar Central Securities Depository	Day T+ 3 (at 9:00 o'clock)		<ul style="list-style-type: none"> The proceeds of securities selling of custodian's clients shall be added to their clearance reports.
11.	Custodian	Day T+ 3		<ul style="list-style-type: none"> Cash Settlement Cycle – transfer of the money between cash settlement members (members and custodians).
12.	Settlement bank (Qatar Central Bank)	Day T + 3 and after		<ul style="list-style-type: none"> Paying the proceeds of the selling to the seller client upon the request of client.

1.4.9 If QCSD receives the custodian's refusal of buy transaction(s)

	Person	Timing	Remarks	Procedures
1.	Buyer client	Day T (from 9:00 to 13:15)		<ul style="list-style-type: none"> Registration of the purchase order by the buyer member
2.	Buyer member	Day T (from 9:00 to 13:15)		<ul style="list-style-type: none"> Assurance of the client's name and shareholder's number (NIN). Registration of the order on the trading system in the stock market.
3.	Custodian	Day T (from 9:00 to 13:15)		<ul style="list-style-type: none"> None
4.	Qatar Exchange	Day T (during the trading session)		<ul style="list-style-type: none"> On the execution of the Purchase Order, the purchased securities shall be registered in the buyer client trading account which is subject to the custodian's control. Affirmation of the member buy transaction
5.	Qatar Exchange	Day T (before 14:00)		<ul style="list-style-type: none"> Sending a trading summary to the custodian
6.	Custodian	Day T (as of 14:00)		<ul style="list-style-type: none"> Asking for the affirmation / refusal of the buyer client for the transaction
7.	Custodian	Day T +3 (before 9:00 o'clock)		<ul style="list-style-type: none"> Providing stock market with the buy transaction refusal. Informing the buyer client that the transaction is refused.
8.	Qatar Central Securities Depository	Day T +3 (at 9:00 o'clock)		<ul style="list-style-type: none"> Sending the clearance report of cash settlement to the members and custodians. Cash settlement obligation of the refused buy transaction shall be added to the report of the buyer client's custodian.
9.	Qatar Central Securities Depository	Day T + 3		<ul style="list-style-type: none"> Securities Settlement Cycle–transfer of legal rights to the concerned parties.
10.	Qatar Central Securities Depository	Day T+ 3 after settlement		<ul style="list-style-type: none"> Transfer of the refused purchased securities from the client's account at the custodian to the client's account at QCSD (DSM-R) and the transferred securities in this account shall be frozen without prejudice to the right of buyer member to claim the transfer of such securities to its portfolio in return for cash settlement through the settlement bank. It shall also have the right to dispose of such securities.
	Cash settlement			
11.	Buyer client	Day T+ 3 (before 11:00)		<ul style="list-style-type: none"> Depositing the accrued net obligation in the settlement

				account.
12.	Settlement bank (Qatar Central Bank)	Day T + 3		<ul style="list-style-type: none"> • Cash Settlement Cycle– transfer of the money between cash settlement members (members and custodians).
13.	Qatar Central Securities Depository (upon the request of the buyer client)	Day T+ 4 and after		<ul style="list-style-type: none"> • Issuing instructions for paying the value of buy transaction to the custodian if the buyer member claimed to return the securities to the client's account at the custodian upon the request of the client. (In accordance with the agreements made by and between the member and his client in this regard).
14.	Custodian	Day T+ 4 and after		<ul style="list-style-type: none"> • Paying the required amount to buyer member in accordance with the payment instructions issued by QCSD if applicable.

1.4.10 If QCSD receives the custodian's refusal of sell transaction(s)

	Person	Timing	Remarks	Procedures
1.	Seller client	Day T (from 9:00 to 13:15)		<ul style="list-style-type: none"> Registration of the selling order by the seller member
2.	Seller member	Day T (from 9:00 to 13:15)		<ul style="list-style-type: none"> Assurance of the client's name and shareholder's number (NIN). Registration of the order on the trading system in the stock market.
3.	Custodian	Day T (from 9:00 to 13:15)		<ul style="list-style-type: none"> None
4.	Qatar Exchange	Day T (during the trading session)		<ul style="list-style-type: none"> On the execution of the selling order, the sold securities shall be registered in the seller client trading account which is subject to the custodian's control. Affirmation of the member buy transaction
5.	Qatar Exchange	Day T (before 14:00)		<ul style="list-style-type: none"> Sending a trading summary to the custodian
6.	Custodian	Day T (as of 14:00)		<ul style="list-style-type: none"> Asking for the affirmation / refusal of the seller client transaction
7.	Custodian	Day T +3 (before 9:00 o'clock)		<ul style="list-style-type: none"> Providing stock market with the transaction refusal. Informing the broker that the sell transaction is refused.
8.	Qatar Central Securities Depository	Day T +3 (at 9:00 o'clock)		<ul style="list-style-type: none"> Sending the clearance report of cash settlement to the members and custodians. The proceeds of securities selling of custodian clients' shall be added to their clearance reports.
9	Qatar Central Securities Depository	Day T+ 3 (from 10:00 to 13:30)		<ul style="list-style-type: none"> QCSD shall transfer the obligation of sold securities from the seller client's account to the seller member's account by replacing the seller client's account with the account of seller member on QCSD system i.e. return of securities to the seller client's account to be confiscated in that account which is subject to the custodian's control. The sell transaction shall be classified on QCSD system in the box of transactions subject to failure without prejudice to the right of buyer to receive the purchased securities.
10	Seller member	From Day T+ 3 till Day T+ 6		<ul style="list-style-type: none"> Using the private portfolio (in case of sufficient securities that can cover failure), or buying from the market on the day T+3, or resorting to the mandatory buy-in from T+4 to T + 6 between 8:00 and 8:30 am, or

				borrowing securities (if applicable) to be able to settle the selling party.
11	Qatar Central Securities Depository	From Day T+3 till Day T +6	If the seller member becomes able to get the securities from portfolio or mandatory buy-in	<ul style="list-style-type: none"> • Issuing instructions of payment to the custodian in order to pay the selling proceeds to the seller member (upon the request of seller member). • Settling the selling party in the transaction. • Release of securities in the seller client's account at the custodian. • If shares are obtained by purchasing from stock market on Day (T + 3), the securities of the seller client's account shall be released on Day (T+6).
12	Qatar Central Securities Depository	At the end of Day T + 6		<ul style="list-style-type: none"> • Keeping the selling proceeds at the custodian. • Transfer of the settlement obligation to the seller client and using the shares confiscated in his account to settle the selling party in the transaction on Day T+ 6.
13	Qatar Central Securities Depository	Day T+ 7 (before 10:00 am)	If the member is unable to get the securities	<ul style="list-style-type: none"> • Final cash settlement with the client (cash – close –out) and compensating him in cash in accordance with the provisions of such guide.
	Cash settlement			
14	Settlement Bank (Qatar Central Bank)	Day T + 3		<ul style="list-style-type: none"> • Cash Settlement Cycle– transfer of the money between cash settlement members (members and custodians).
15	Seller member	From Day T+3 till Day T+6	If the member is able to get the securities	<ul style="list-style-type: none"> • Receiving the selling proceeds from the custodian. • Incurring losses or giving up profits that may result from correcting mistakes. • Paying fines if applicable.
16	Seller member	Day T+ 7	If the member is unable to get the securities	<ul style="list-style-type: none"> • Final cash settlement with the client (cash – close –out) and compensating him in cash in accordance with the provisions of such guide. • Paying fines (if applicable)
17	Custodian	T + 3 and after	If the member is able to get the securities	<ul style="list-style-type: none"> • Payment of selling proceeds to the seller member.
18	Custodian	T + 7	If the member is unable to get the securities	<ul style="list-style-type: none"> • Keeping or paying the selling proceeds to the client upon the request of client as well as any compensation received from the seller member.

Mandatory Buy-In

1.4.11 QCSD provides the mandatory buy-in to the member through the electronic system in order to give the member an opportunity to cover the sell transaction subject to failure by an auction. If the custodian refuses a certain sell transaction, QCSD shall, on Day (T+ 3) at 9:00 am, transfer the client settlement obligation to the account of the seller member by QCSD electronic system. If there are no sufficient securities in the member's account to cover the settlement obligation, the seller member shall resort to mandatory buy-in within (8:00 – 8:30) as of Day (T+4) to the Day (T+6). The sell transaction subject to failure shall be exposed to the mandatory buy-in on a special monitor within the electronic system of QCSD. Through such monitor, the member may choose the transaction(s) needed to be covered and other members may define the price, account and quantity of the auction to cover the member (applicant). If another member accepts to settle the sell transaction subject to failure, the account of the member (cover applicant) shall be replaced with the new account and the transaction shall be able to be settled on the same day of mandatory buy-in.

1.4.12 Minimum and maximum limit of the mandatory buy-in price shall be 10% of the previous day closing price (it shall follow the same rule of the ordinary market). The mandatory buy-in transactions shall be matched from lower to higher price (Price is the priority).

1.4.13 Securities settlement shall be immediate and direct. Cash settlement among members shall be conducted for mandatory buy-in transactions on the same day upon the payment instructions given by QCSD.

Cash-close-out

1.4.14 If the seller member is unable to cover the sell transaction subject to failure on the Day T+6 as a maximum, the sell transaction shall be deemed failed and the seller member (if it is the cause of mistake) shall settle it in cash with the client in the morning of the Day T+7 in accordance with the following procedures:

- Usage of the client's securities to cover the selling party at the end of Day T+6.
- At the end of Day T+6, QCSD shall give instructions for paying compensation to the seller member to pay the value for the custodian who represents the client in return for using his securities in settlement.
- The member shall, on the Day +7 as a maximum, compensate the client in return for using the securities in settlement with an amount equal to the original transaction value in addition to 5% of the original transaction value with a minimum of ten thousand Qatari Riyals and maximum of million Qatari Riyals, or a value based on the securities closing price on the day of transaction specified herein, whatever higher.

1.4.15 If the custodian refuses a buy transaction made for the benefit of his client while affirming a sell transaction made during the settlement cycle (from the Day T till the Day T+3) on the same shares purchased for the benefit of the same client, the Custodian shall perform the buying price to the member who made the refused buy transaction before transferring any amounts of money resulting from the sell transaction to the client unless the buyer member agrees with the client on other measures.

Second Part

Depository and Registration

First: Shareholders' transactions

Identification of a new shareholder in the electronic system of Qatar Central Securities Depository

2.1.1 The shareholder shall fill in and sign the application for "Identification of a new shareholder" whether he is a natural person or legal entity (company or institution) in case that the shareholder is a new one. Such application shall be delivered such that it includes the following information which shall be revised by QCSD:

Required documents:

A. Individuals:

- A copy of the ID or passport.
- In case of power of attorney, a copy of the power of attorney and a copy of the Principal's and Attorney's IDs.
- The application stamped with the bank seal or a bank letter including the client's account number.

B. Corporate /institutions

- A recent official extract of the commercial registry (an original copy).
- A copy of the valid commercial license.
- A copy of the establishment card.
- A copy of the IDs of the authorized signatories.
- The application stamped with the company seal.
- A company letter addressed to QCSD for opening the account.

C. Minors

- A copy of the minor's birth certificate or passport.
- A copy of the guardian's ID
- The application stamped with the bank seal.

Note: Other IDs may be used after taking the approval of QCSD such as passport and driving license.

2.1.2 QCSD shall search for the name of the new shareholder in their system to ensure that it is not identified before. If there is any similarity between the name of the new shareholder and another one identified before on such system, the personal ID / Commercial registry of both shareholders shall be compared.

2.1.3 If the shareholder is identified before, the shareholder's number NIN shall be written (previously issued by the system) on the new shareholder identification application, and the status (previously identified) shall be stated on the application. If the shareholder is not identified before, he shall be added to the electronic system of QCSD.

2.1.4 The shareholder shall pay the fees of opening a shareholder account which are one hundred Qatari Riyals.

2.1.5 Having completed the personal data of the new shareholder, the electronic system of QCSD shall define new machinery number specialized for the shareholder. Such number shall be written on the application and the official employee shall issue a card to the new shareholder that includes the shareholder's number (NIN) given by the system and the shareholder's name.

2.1.6 QCSD shall keep the shareholder's application of opening the account together with the attached documents in a special file.

Modification of shareholder's data (normal data) in the electronic system of Qatar Central Securities Depository

2.1.7 Normal data shall mean any information of the shareholder other than the name, ID number of the natural person shareholder, or the commercial registry of the legal entity shareholder.

2.1.8 The shareholder shall fill in and sign the application for "Shareholder's data modification" whether he is a natural person or legal entity. Such application shall be delivered to QCSD and shall include the following documents:

- A copy of the ID or passport for individuals.
- A copy of the power of attorney or authorization (if applicable).
- As for companies, a copy of the commercial registry, establishment card, and a copy of the ID of the authorized signatory.
- As for minors, the guardian shall sign on the modification application, and a copy of the minor's birth certificate and the guardian's ID shall be attached.

2.1.9 QCSD shall keep all the documents in the file of modification applications.

Modification of shareholder's data (essential data) in the electronic system of Qatar Central Securities Depository

Essential data shall mean the name or personal ID number for the natural person, the commercial registry for the legal entity, or the guardian's ID for the minor.

2.1.10 The shareholder shall fill in and sign the application for "Shareholder's data modification" whether he is a natural person, legal entity, or a guardian. Such application shall be delivered to QCSD. If the shareholder's name is required to be modified because of shareholder's name change, a copy of the name modification issued by the official entities (Department of Nationality - Ministry of Business and Trade in case of companies) shall be attached to the application. If the modification resulted from a mistake in name registration at subscription of the shareholding company, a letter of the shareholding company shall be attached to prove that he is the same shareholder.

2.1.11 QCSD shall keep all the documents in the file of modification applications.

Updating the data by the issuer upon distribution of cash dividends

2.1.12 QCSD shall deliver the issuer the CD which includes the names of shareholders, account numbers, balances, and addresses on the day of the General Assembly meeting.

2.1.13 The issuer shall announce for the distribution of dividends in newspapers and shall define the method of delivery whether it shall deliver the dividends to shareholders in the head office or distribute checks by mail. The issuer shall define a date for dividends distribution if the dividends are distributed by mail. The issuer shall depend on the mail addresses mentioned in the CD received from QCSD.

2.1.14 The issuer shall print the dividends checks and send them by mail to the shareholder. If the shareholder does not receive the dividends check, it shall go to the issuer. In such case, the issuer shall ensure that the registered address is identical to the current address of the shareholder. In case of differences, the issuer shall register the new address, cancel the issued check and issue another check for the shareholder.

2.1.15 The issuer shall collect the updated information and send it periodically to QCSD.

Modification of shareholder's data in case of inheritance transfer

2.1.16 An application shall be submitted to the Department of Transfers at QCSD for inheritance transfer or will and shall be accompanied by all the necessary supporting documents.

2.1.17 Department of Transfers shall receive the application and ensure the availability of all the documents and the signature of the heirs' attorney. The shareholder data shall be modified in accordance with the submitted application.

2.1.18 QCSD shall keep all the documents in the file of modification applications.

Securities confiscation

2.1.19 If governmental (judicial) authorities issued an order of confiscating certain shares, QCSD shall, upon receiving the confiscation order, send a letter to the governmental (judicial) authorities to inform same of the confiscation completion.

2.1.20 QCSD shall keep all the documents in the relevant file.

Transfers by shareholder's order

2.1.21 Shareholder shall fill in an application of securities transfer which shall include the account(s) from which the securities shall be transferred and the account(s) to which the securities shall be transferred provided that such accounts are related to the shareholder's NIN. Such application shall be submitted to QCSD.

2.1.22 Securities shall be transferred upon the instructions of the client through the appropriate monitor and in accordance with the types of accounts as mentioned below:

- Transfer from the registration account to a broker account.
- Transfer from a broker account to the registration account.

Note: Securities may be transferred if they are not confiscated or pledged after the end of the settlement period if they are recently purchased.

Issuing the shareholder's statement of account (upon request)

2.1.23 A Shareholder may ask for a "shareholder's statement of account" (natural person / legal entity) directly from the customer service at **QCSD** by showing the ID for the natural person or the commercial registry for the legal entity.

2.1.24 If a natural person wants to receive another natural person's statement of account, he shall bring the original ID of the owner of the statement of account and a letter of authorization for receipt.

2.1.25 Customer service officer shall print the statement of account after confirming the shareholder's identity.

2.1.26 A statement of account may be issued for free for the first time for each shareholder and in case of repeating the request within the same period, fees of five (5) Qatari Riyals shall be collected from the shareholder.

Merge of Shareholders registers

This procedure is exceptional and shall be implemented only in case that the shareholder is wrongly identified more than once.

2.1.27 The shareholder or issuer shall submit a signed application to the **Customer Service Department in QCSD** to merge shareholder / shareholders registers wrongly duplicated attached with copies of all the certificates or property receipts related to the application in addition to a copy of the ID or commercial registry.

2.1.28 QCSD shall perform the merger operation and keep all the documents related to the merger operation in the relevant file.

Account Freezing/ Release

2.1.29 QCSD may freeze securities account according to its rules and to the financial services system of Qatar Financial Markets Authority.

2.1.30 The entity that requests the account to be frozen shall fill in and submit an application of "account freezing" to **QCSD** while determining the reasons, attaching the supporting documents, and signing same after checking the ID for the natural person or the commercial registry for the legal entity.

2.1.31 QCSD shall freeze the account after reviewing the application and ensuring its validity while determining the reason of freezing (freezing upon broker's request, freezing upon shareholder's request, freezing under a decision by Qatar Exchange, freezing under a decision by the Authority, or freezing under an order by the competent court).

2.1.32 In case of releasing the account, an application of releasing the account shall be filled in and signed by the entity that requested the account to be frozen or a release decision shall be issued and submitted to **QCSD**, which in turn shall release the account after reviewing the application and ensure its validity.

Securities pledge /release

2.1.33 Shareholder (pledgor) shall submit to the pledgee a pledge application of some or all of his securities. Such application shall include the following documents:

- Pledge contract certified by Real Estate Registration Department in Ministry of Justice.
- A copy of the ID.
- In case of minors: a copy of the minor's birth certificate and a copy of the guardian's ID.
- In case of power of attorney: true copy of valid power of attorney indicating validity of the securities pledge and the attorney's ID.
- In case of companies:
 - a- A true copy of valid commercial registry / establishment card.
 - b- An approval of all the partners under the commercial registry on the securities pledge operation or an authorization made by the partners to one of them.
- In case that the pledgor company is a shareholding company, it shall be ensured that the pledge contract is signed by the chairman or all members of board of directors, or one of them shall be authorized to perform the pledge operation under approval of the chairman and board members.
- Fees of pledge operations at an amount of 200 QR for each pledge operation shall be paid.

2.1.34 The pledgee shall submit a letter to **QCSD** requesting the pledge of securities subject of the pledge contract. Such letter shall be signed by the authorized signatories, stamped by the seal of the entity, and shall include (number of securities to be pledged, company name if applicable, and shareholder's number). The application shall be accompanied by the shareholder (pledgor) approval on the pledge, a copy of his ID, and a copy of the pledge contract, if applicable.

2.1.35 **QCSD** shall register the pledge details on the electronic system of the company in case that the securities are sufficient upon the request of the pledgee and the approval of the pledgor. The pledgee shall be informed in writing thereof.

2.1.36 If the securities to be pledged are found in the shareholder (pledgor) accounts with any of the members, this member shall be contacted for transferring such securities to the shareholder's account with **QCSD** so as to be pledged. In case that the securities subject of the pledge are offered for selling in the market, the system shall approve the pledge operation only if the member cancels the selling order.

2.1.37 **QCSD** administration shall keep the application and pledge documents in the relevant file.

2.1.38 **QCSD** shall notify the pledgee in writing of registering the pledge operation on its system.

2.1.39 Securities shall be released upon the pledgee's request under an official letter signed and sealed by the pledgee, and including the following:

- Number of securities to be released.
- Name of the issuer.
- Shareholder's (pledgor) number
- Payment of fees for pledge release operation at an amount of 200 QR for each pledge release operation.

Note: In case of securities pledge for the benefit of any pledge entity (pledgee) and a court ruling was issued ordering the securities subject of the pledge to be sold, the securities shall be sold according to the court order and the pledge entity shall be notified in writing of selling the securities.

Addition of a pledge entity

2.1.40 **QCSD** shall add a pledge entity (pledgee) to its electronic system according to the following requirements and mechanisms:

For local banks inside the State of Qatar:

- Submitting an official letter in the name of the CEO of **QCSD** by the pledge entity (pledgee) asking for its being approved as a pledge entity.
- Attaching a copy of the license obtained by the pledge entity from the governmental agencies allowing it to pledge securities, in addition to a copy of the commercial registry.
- Form of signatures of the authorized signatories on the pledge and pledge release operations and copies of their IDs.

For foreign and abroad banks:

- Submitting an official letter in the name of the CEO of **QCSD** by the pledge entity (pledgee) asking for its being approved as a pledge entity.
- Attaching a copy of the license obtained by the pledge entity from the governmental agencies allowing it to pledge securities in country of origin, in addition to a copy of the commercial registry.
- Form of signatures of the authorized signatories on the pledge and pledge release operations and copies of their IDs.

Note: All attachments must be authenticated by the Foreign Ministry of the country of origin and the Qatari Embassy thereof.

Securities confiscation

2.1.41 In case of **QCSD's** receipt of a letter from the governmental (judicial) authorities or from other authorities that includes a confiscation order on an amount of securities of a certain shareholder for covering a specific financial amount, it shall ensure that the number of securities are sufficient to cover the value stated in the judicial authorities' letter. All the securities shall be confiscated if the available number of securities is less than the value required to be confiscated, and the judicial authority shall be notified that the confiscation is completed and that the securities are pledged.

2.1.42 **QCSD** shall confiscate securities in the system according to one of the following confiscation reasons:

- Confiscation for a member of the board of directors
- Confiscation under a court order.
- Confiscation under a public persecution order.
- Confiscation under the Authority's order.
- Confiscation under Stock Exchange's order.
- Confiscation for non-payment of premiums.
- Confiscation of incorporation shares.

Note: In case that the securities are offered for selling in the market, the system shall allow the confiscation operation only if the member cancels the selling order. In case that the securities required to be confiscated are in the portfolio of the member, same shall be withdrawn from the portfolio to perform the confiscation operation.

Once confiscation operation is completed, **QCSD** shall in writing notify the entity that requests confiscation of the confiscation completion and of the number of securities that have been confiscated.

Also, it shall keep all the related documents and correspondences concerning the confiscation operation in the relevant file.

Securities release

2.1.43 In case of **QCSD**'s receipt of a letter from the governmental (judicial) authorities or from other authorities that includes a release order for an amount of securities of a certain shareholder for covering a specific financial amount, the company shall release all the securities, and shall thereafter make sure to match the shareholder's name by the personal number for natural person or commercial registry for the legal person as mentioned in the judicial letter, and shall then make sure of the number of the case mentioned in the confiscation cancellation letter in the event of its conformity with the number of the case registered in the electronic system of **QCSD**, and in case of non-conformity, the securities shall not be released.

2.1.44 Once the securities release operation is completed, **QCSD** shall in writing notify the entity requesting same of the release operation completion and of the number of securities that have been released. Also, it shall keep all the related documents and correspondences concerning confiscation operation in the relevant file. And in case of selling securities that are pledged, under a court ruling, for the benefit of a pledgor entity or minors affairs, the pledge entity shall be notified in writing of the securities selling.

Second: Exempt Operations

2.2.1 Exempt operations shall mean the transactions that are not subject to the trading procedures in the market that are prescribed in Qatar Exchange dealing rules.

2.2.2. General procedures for exempt operations (exceptional transfers):

- Submitting a letter to the CEO of **QCSD** signed by the concerned person including his desire to transfer the securities indicating the issuer's name, number of securities, and the assignee party.
- Confirming the validity of all the submitted documents.
- Confirming the validity of securities to be transferred for trading and its sufficient number and that such securities are not confiscated or pledged.
- If the contract is signed by a person other than the assigner, an authorization shall be submitted. If the assigner is a minor, his guardian shall sign or court permission shall be attached.
- Submitting IDs of both assigner and assignee, whether an individual or legal entity or any other entity. Identifying assignees if they do not have shareholder number (NIN) before and opening a registration account for each assignee.
- If the transferred securities are confiscated, same shall be released.
- Securities shall be transferred to Qatar Financial Markets Authority to approve the transfer procedure.
- Filling in the exempt operations contract (exceptional transfer) after the Authority's approval.
- Calculating the commission accrued to **QCSD** based on the closing price of previous day for the security.
- Charging the prescribed fees of **QCSD** for exempt operations.
- Issuing a receipt of the paid commission to the concerned person.
- Transferring the ownership of securities according to the contract.

Transfer of securities upon death (inheritance transfers)

2.2.3 QCSD shall perform the following procedures upon receipt of a request for distribution of securities to heirs from the competent jurisdiction or upon submission of the original certificate of determination of heirs attached with the original power of attorney for distribution upon the attorney's request:

- Inquiry about the availability of the balance of the inheritance.
- Verifying personal identification documents of the heirs.
- Ensuring the validity and safety of all submitted documents.
- Introducing the heirs to **QCSD** system if they do not have shareholders numbers (NIN) before and opening a registration account for each heir.
- Filling in inheritance transfer contract by the transfer department in **QCSD** to transfer the ownership of securities.
- Distributing the securities of the inherited to the heirs according to the shares stated in the distribution letter from the court or based on the request of the attorney.
- Calculating the commission accrued to **QCSD** based on the closing price of previous day for share.
- Charging the prescribed fees from the heirs for inheritance transfers.
- Delivering payment receipt to the concerned person.
- Transferring the ownership on the electronic system of **QCSD** per the contract.
- In case of minors among the heirs, their securities shall be confiscated based on the request of the competent authority.
- Issuing a statement of account for each heir upon request.

Transfer of securities upon death (inheritance transfers from a Qatari to non-Qatari)

2.2.4 QCSD shall perform the following procedures upon receipt of securities distribution application for the heirs from the competent jurisdiction or upon submission of the original certificate of determination of heirs attached with the power of attorney:

- Inquiry about the availability of the balance of the inheritance.
- Verifying personal identification documents of the heirs (foreign passport or ID issued by Immigration, Passports and Nationality for residents Department).
- Ensuring the validity and safety of all submitted documents.
- Introducing the non – Qatari heirs to **QCSD** system if they do not have shareholders numbers (NIN) before and opening a registration account for each non – Qatari heir of 200 QR per each account.
- Filling in the inheritance transfer contract by the Transfer Department at **QCSD** and sending the contract to the management in order to transfer the ownership of securities.
- Distributing the securities of the inherited to the heirs according to the shares stated in the distribution letter from the court or based on the request of the attorney.
- Calculating the commission accrued to **QCSD** based on the last closing price for share.
- Charging prescribed fees from the heirs for inheritance transfers.
- Delivering payment receipt to the concerned person.
- Transferring the ownership on the electronic system of **QCSD** per the contract.
- In case of closure of the ownership ratio, it shall be referred to the articles of association of the company whose securities are to be transferred or to the Commercial Corporate Law and in case that the ownership ratio is not allowed to be exceeded, the securities shall remain in the name of the deceased.
- Issuing a statement of account for each heir upon request.

Family transfers

2.2.5 **QCSD** shall perform the following procedures upon receipt of family transfer application:

- Verifying personal identification documents for each of assigner and assignee, confirm the marital relationship (wife – roots / branches or relatives up to the second degree) also the person or his representative shall appear to sign the contract.
- Confirming the validity of all submitted documents.
- Confirming the availability of the balance to be transferred.
- If transferred securities are confiscated, same shall be released before transfer.
- Identifying the assignees if they do not have shareholder number (NIN – National Insurance Number) before and opening a registration account for each assignee.
- Filling in an application submitted by the parties of the transfer (the application is available with the department staff).
- Filling in a family transfer contract signed and authenticated by the parties of the contract.
- If the contract is not signed by the assigner, an authorization shall be submitted. If the assigner is a minor, his guardian shall sign or court permission shall be attached.
- Calculating the commission accrued to **QCSD** based on the last price of the security.
- Charging the prescribed **commission** for family transfers.
- Issuing a receipt of paid commission to the concerned person.
- Transferring the ownership of securities according to the contract.
- Issuing a statement of account for each of the assigner and the assignee upon request.

Family transfers to individuals residing abroad

2.2.6 **QCSD** shall perform the following procedures upon receipt of family transfer application from individuals who are abroad:

- Receiving the original application sent via mail after being authenticated by the Qatari Embassy and the Ministry of Foreign Affairs of the state where the assigner resides in, attached personal identification evidence of the contract parties and the kinship.
- If the application is not signed by the assigner, an authenticated copy of the authorization shall be submitted. If the assigner is a minor, his guardian shall sign or court permission shall be attached.
- Confirming the validity of all submitted documents.
- Inquiry about the availability of the balance to be transferred.
- If securities are confiscated, same shall be released.
- Identifying assignees if they do not have shareholder number (NIN – National Insurance Number) before and opening a registration account for each assignee.
- Filling in family transfer under attached certified documents.
- Calculating the commission accrued based on the last price for the security or based on the price on the day of the bank transfer arrival to the account of Qatar Exchange.
- Charging prescribed commission for family transfers.
- Issuing a receipt of paid commission to the concerned person.
- Transferring the ownership of securities according to the contract.
- Issuing a statement of account for each of the assigner and the assignee upon request.

Securities transfer due to competent court order

2.2.7 QCSD shall perform the following procedures upon receipt of a transfer application according to the court order:

- Receiving a letter from the official authorities (such as: courts of justice, Shari'a court, inheritance) to transfer securities from one party to another.
- Confirming the validity of all submitted documents.
- Confirming the validity of securities to be transferred for trading and its sufficient number and that such securities are not confiscated or pledged.
- If the transferred securities are confiscated, same shall be released.
- Identifying assignees if they do not have shareholder number (NIN – National Insurance Number) before and opening a registration account for each assignee.
- Filling in the transfer contract by the Transfer Department under the court order.
- Calculating the commission accrued based on the last price of the security.
- Charging prescribed commission for exempt operations.
- Issuing a receipt of paid commission to the concerned person.
- Transferring the ownership of securities according to the contract.

Transfer of securities of shareholding companies not listed in stock exchange

2.2.8 QCSD shall perform the following procedures upon receipt of a transfer application for securities of shareholding companies not listed in Stock Exchange:

- The assignee and assigner shall attend to sign the transfer contract (the seller and the buyer).
- Confirming the validity of all submitted documents.
- Confirming the availability and the validity of securities to be transferred.
- Identifying assignees if they do not have shareholder number (NIN) before and opening a registration account for each assignee.
- Filling in a transfer contract for unlisted companies under the responsibility of the contract parties (Sale and Purchase contract).
- If the application is not signed by the assigner, an authorization shall be submitted. If the assigner is a minor, his guardian shall sign or court permission shall be attached.
- Calculating the commission accrued based on the paid value of the security.
- Charging prescribed commission for exempt operations.
- Issuing a receipt of paid commission to the concerned person.
- Transferring the ownership of securities according to the contract.
- Issuing a statement of account for each of the assigner and the assignee upon request.

Third: Corporate Actions:

2.3.1 Corporate actions shall mean issuers actions related to securities owners, such as cash dividends, distributions of bonus shares, rights issue, merger.... Etc.

IPOs and listing process

2.3.2 The following steps explain the actions of listing new securities in QCSD after approval to be listed.

Note: A shareholder shall submit his automatic number in the market (NIN) and his account number, upon IPO. To follow this measure, the shareholder of the IPO shall be previously identified in QCSD system (has an account) in order to avoid repeated information of the shareholders in the system.

- Receiving the approval of Qatar Financial Markets Authority on listing new securities.
- Receiving the approval of Business and Trade Ministry.
- Receiving a copy of the Listing Department approval and the remaining required documents.
- Entering the new issuer data and details to be introduced to the electronic system of **QCSD**.
- Entering the new securities issuance request details to the electronic system of **QCSD**.
- Receiving an official letter from the manager attached with electronic copy and final paper of new securities allocation results.
- Printing the details of the new securities issuance request and comparing same with the report of the allocation results from the issuer. In case of any differences, the electronic report shall be returned to the issuer.
- In case of no difference, the initial operating process and the necessary audit and examination processes shall be performed for information firstly entered on the system. In case of finding any errors or fault in the supplied information, coordination with the issuer shall occur to handle these cases and provide **QCSD** with them as soon as possible.
- Correcting the errors by the issuer and providing **QCSD** with an electronic copy and a paper report of the new securities allocation results after correction, if any.
- Printing the necessary reports (share book by symbol) after ensuring the validity of the technically contained information and sending same to the issuer to ensure the validity of the submitted data.
- The issuer shall ensure the validity of data and seal and send reports to **QCSD**.
- Upon receipt of the approved reports by the issuer, **QCSD** shall run the special programs to download information to its system finally and update shareholders accounts (security holders). Also, it shall confiscate the incorporation shares and the shares of board of directors' membership according to the provisions of Commercial Corporate Law No. (5) of 2002.
- Informing the members of **QCSD** of the listing date in order to be able to withdraw the securities of their clients for preparing to sell them.
- Calculating the issuer listing fees.
- Keeping all the documents in the file of the issuer.

Listing of new subscription shares to increase the capital

2.3.3 The following procedures indicate handling the listing of new subscription shares in the applied system of **QCSD**, which is issued by the issuer in order to increase the capital.

- Receiving the approval on listing new shares.
- Receiving a letter from the Listing Department attached with official authorities' approvals on the listing (Qatar Financial Markets Authority – Business & Trade Ministry).
- Receiving an official letter from the manager of the new shares allocation results in electronic copies.
- Receiving the final result of capital increase from the listed issuer (electronic copy and paper copy).
- In case of any differences, the electronic report shall be returned to the issuer.
- In case of no differences, the initial operating process shall be performed.
- Performing necessary audit and examination processes for information firstly entered on the system.
- In case of finding any errors or fault in the supplied information, coordination with the issuer shall occur to handle these cases and provide **QCSD** with them as soon as possible.

- Correcting the errors by the issuer and providing **QCSD** with an electronic copy and a paper report of the new securities allocation results.
- Printing and auditing the reports of this case.
- Printing the necessary reports after ensuring the validity of the technically contained information and sending same to the issuer to ensure the validity of the submitted data.
- The issuer shall ensure the validity of data and seal and send reports to **QCSD**.
- Receiving the final report signed and sealed from the issuer.
- Final running of programs shall occur to download the information to the system and update shareholders accounts on the day agreed upon.
- Calculating the commission accrued to **QCSD** by the financial administration.
- Keeping all the documents in the file of the issuer.

Stock Splitting / reduction / merger

2.3.4 The following procedures indicate handling listing of splitting / reduction / merger of securities in the applied system of **QCSD**.

- Receiving a letter from the issuer concerning the date of the General Assembly and notifying the competent authorities.
- Modifying the settlement days as follows so that the securities of the concerned issuer are settled on the day of the General Assembly:
 - Change the settlement to (T+0) three days before the General Assembly.
 - Stop the issuer from trading on the day of the General Assembly until fulfilling the operation of splitting / reduction / merger of securities.
- Sending a report to the issuer with the shareholders names (security holders) and their balances in the form of an electronic copy a day before the General Assembly.
- Receiving a letter from the issuer that includes the General Assembly's decision of splitting / reduction / merger of securities and determining the reciprocal ratio to fulfill the operation of splitting / reduction / merger.
- Approval on splitting / reduction / merger of securities.
- Receiving the approval of the authority and the Ministry of Business and the remaining required documents.
- Obtaining the signature of **QCSD** manager on the request of splitting / reduction / merger of securities.
- Entering the details of the request of splitting / reduction / merger of securities through the screen of (Corporate Action) defining the date of accounts update as stated in instructions of the request of splitting / reduction / merger of securities.
- Running (End of Day Process) Programs to calculate the new number of securities after entering the data of splitting / reduction / merger operation and this will be the first operation of the process.
- Ensuring the success of merger, reduction or splitting operation by indicating the new and correct number of securities through the electronic system.
- Approving the operation of splitting / reduction / merger through the screen of (Equator – Corporate Action), if the results are correct.
- Fixing the splitting / reduction / merger of securities that were calculated previously by the automated program after running End of Day Process programs on the day predetermined by the company for the splitting / reduction / merger of securities.

- Modifying the issuer's capital by the results of the splitting / reduction / merger and modifying the ownership ratios for individuals and groups.
- **QCSD** shall notify the issuer in writing of the completion of the splitting / reduction / merger operation.
- Keeping all the documents in the file of the issuer.

Cash dividends

2.3.5 The following procedures indicate the method of cash dividends distribution:

- Receiving a letter from the issuer concerning the date of the General Assembly and notifying the competent authorities.
- Modifying the settlement days as follows so that the securities of the concerned issuer are settled on the day of the General Assembly:
 - Change the settlement to (T+0) three days before the General Assembly.
 - Stop the issuer from trading on the day of the General Assembly.
- Sending a report with the names and balances of the shareholders in the form of an electronic copy a day before the General Assembly.
- Receiving a letter from the issuer that includes the General Assembly's decision to distribute the cash dividends and the instructions thereof.
- Approval and signature of **QCSD** manager on the request of cash dividends distribution.
- Entering the request of cash dividend distribution details into the system through (Corporate Action) determining the date of accounts update as stated in the instructions of request of cash dividends distribution.
- Ensuring the results of cash dividend distribution.
- Calculating the value of amounts to be distributed, as defined by cash dividend distribution instructions for each shareholder after the completion of End of Day Process.
- Printing the cash dividend distribution report (Corporate Actions Summary).
- Sending the report to the listed issuer.

Stock Dividends

2.3.6 The following procedures indicate the method of stock dividends distribution:

- Receiving a letter from the issuer concerning the date of the General Assembly and modifying the settlement days as follows so that the securities of the concerned issuer are settled on the day of the General Assembly:
 - Change the settlement to (T+0) three days before the General Assembly.
 - Stop the issuer from trading on the day of the General Assembly.
- Sending a report with the names and balances of shareholders in the form of an electronic copy a day before the General Assembly.
- Receiving a letter from the issuer that includes the General Assembly's decision of stock dividends distribution and the instructions thereof and the issuer shall determine the increase ratio in the capital.
- Obtaining **QCSD** manager approval on the request of dividends distribution.

- Entering the details of the request for stock dividends distribution through (Corporate Action) defining the date of accounts update as stated in instructions of the request for stock dividends distribution.
- Running (End of Day Process) Programs in order to start the first operation of stock distribution as defined by stock dividends distribution for each shareholder.
- Approval of the dividends distribution request on the system through screen (Corporate Actions), in case of the validity of the report.
- Running the program of (End of Day Process) to start the final operation of stock distribution as defined by stock dividends distribution for each shareholder.
- Sending a written letter with a sheet of the shareholders' names to the issuer, Qatar Financial Markets Authority and Qatar Exchange after stock distribution.
- Keeping the request for stock dividends distribution in the file of the issuer.

Joint listing

2.3.7 Trading of the issuer shares listed as a joint listing shall be kept and allowed according to the following procedures:

- Receiving a request from the client for the trading of his shares in the other market.
- Ensuring that the shareholder has enough balance.
- The company shall notify the other company via sending a fax to the main market with the value and its traded amount and the executed rates.
- Starting trading on the shares of the other party.
- Transferring the shares of the shareholder who is willing to trade in his shares with the other party to the custody account of the other market.
- Checking the validity of the signature.
- Updating the custody account of the other market and inform same of the balance of the available custody account.
- If the shareholder exceeds the ownership ratio allowed in buying, the shares that led to exceeding the ownership ratio shall be sold mandatorily without referring to him.

In case that QCSD receives a final refusal from the custodian/selling transactions

In case that one of the members of **QCSD** sold the shares of one of the custodians' clients by mistake while there is a confirmation from the client through the custodian on the final refusal to settle the deal (the final refusal is to be done under explicit instructions of refusal maximum at 9:00 o'clock am on the day T+3). In such a case, **QCSD** shall refund the securities that were sold by mistake to the account of the client whose securities were sold without his knowledge or consent, and such client shall have the right to dispose thereof as of the next business day to execute the final refusal on the system. The seller (the mistaken) shall also deliver these securities (sold by mistake) to the party or buyer parties using any of the means provided in this guide maximum on day T+6, and in case of the seller's failure to deliver the securities on time, he shall compensate the party or buyer parties on cash basis with the amounts and method provided in this guide.

Measures of delivery versus payment and its application during the period of the General Assemblies of listed companies

First: In case that the securities that are sold by mistake and that the member failed to deliver before the General Assembly of the company have stock dividends distribution, bonus shares, shares distributions, rights issues, share splitting, mergers and acquisitions, secondary issues or any other rights under the corporate actions prescribed by the General Assembly of the company, the member shall compensate the injured client concerning those dividends or rights in addition to the specified compensation in Article No. (1.4.14) of Procedures guide on clearance and settlement.

In case of mistaken rejected buy transactions of securities that have any of the prescribed rights under the actions of the approved companies by the General Assembly of the company, referred to in this article, the member or the custodian shall not have the right to obtain such rights, and the member or the custodian shall, as the case may be, pay to Qatar Financial Markets Authority any profits resulting from the correction of these transactions. The buyer broker, whom the shares were registered under his name after the refusal of buy transaction, may attend the General Assembly.

Second: In case that the securities that are sold by mistake and that the member failed to deliver before the General Assembly of the company have stock dividends distribution, bonus shares, shares distributions, rights issues, share splitting, mergers and acquisitions, secondary issues or any other rights under the corporate actions prescribed by the General Assembly of the company, the member shall compensate the injured client concerning those dividends or rights in addition to the specified compensation in Article No.(1.4.14) of Procedures guide on clearance and settlement.

(a) Compensation for selling by mistake:

In addition to the specified compensation in Article No.(1.4.14) of Procedures guide on clearance and settlement, the member shall compensate the injured client concerning the dividends or rights that he did not get as a result of selling the securities by mistake.

In case that the client is not compensated for the dividends and rights prescribed for the securities sold by mistake and referred to in this article, the member shall pay in cash the compensation at the value of these dividends that is calculated on the basis of the share price after the General Assembly was held in addition to 5% of the distribution value. And in case of not trading the share after the General Assembly, the value is calculated on the basis of the reference price of the share after deducting the right value.

(b) Correction in case of mistaken buying:

In case of mistaken buy rejected transactions of securities that have any of the prescribed rights under the actions of the approved companies by the General Assembly of the company, referred to in this article, the member or the custodian shall not have the right to obtain such rights, and the member or the custodian shall, as the case may be, pay to Qatar Financial Markets Authority any profits resulting from the correction of these transactions. The buyer broker, whom the shares were registered under his name after the refusal of buy transaction, may attend the General Assembly.