

Resolution No. (57) of 2022
Regarding
Transactions with Related Parties of Companies that are Subject to the Provisions of
Module Fifteen (Corporate Governance)

Having Perused:

- Law No. (7) of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities and its Executive Bylaws, and their amendments; and
- CMA Board of Commissioners Resolution passed in its meeting No. (15) of 2022 held on 13/04/2022.

The Following Was Resolved

Article (1)

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

Article (2)

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

Article (3)

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

Prof. Ahmad Almelhem

Issued on: 17/04/2022

Annex (1)

Sr.	Module	Chapter	Article	Amendment Type	Present Text	Proposed Text
1	One	-	Material Effect	Adding a Definition	-	an effect resulting from a transaction, action, arrangement, or contract that may affect the user of the company's financial statements.
2	Fifteen	Seven	(7-7)	Amending an Article	<p>The Company shall assign an independent expert, such as an <u>Asset Valuator</u> or <u>Investment Advisor</u>, to report to the general assembly or the Board of Directors, as the case may be, on any transaction between the company and any <u>Related Party</u> or any arrangement whereby each party enters into any project or financing asset where the value of the transaction or arrangement equals 10% or more of the total assets of the company, provided that such report is submitted before the transaction is approved or the arrangement stipulated in this article.</p> <p>The assigned expert must be objective and impartial in preparing the report required in this Article.</p>	<p>The Company shall assign an independent expert, such as an <u>Asset Valuator</u> or <u>Investment Advisor</u>, to report to the general assembly or the Board of Directors, as the case may be, on any transaction between the company and any <u>Related Party</u> or any arrangement whereby each party enters into any project or financing asset where the value of the transaction or arrangement equals 5% or more of the total assets of the company, or if the transaction or the arrangement had a <u>Material Effect</u> on the company's financial statements, provided that such report is submitted before the transaction is approved or the arrangement stipulated in this article. The assigned expert must be objective and impartial in preparing the report required in this Article.</p>