

Resolution No. (137) of 2022

**Regarding the Risk Management Committee and Management of the Operational
Risks at the Capital Markets Authority**

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. (32) of 2022 held on 31/08/2022.

The Following Was Resolved

Article (1)

Module Two (Capital Markets Authority) of the Executive Bylaws of the 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)

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

Prof. Ahmad Almelhem

Issued on: 01/09/2022

Annex (1)

Sr.	Module	Article	Amendment Type	Present Text	Proposed Text
1	Two	(6-6)	Amending an Article	<p>The <u>Authority</u> shall form a permanent committee called the “Risk Management Committee”, formed by <u>Board</u> resolution. It shall consist of three members of the Board, provided that the Chairman of the Board is not amongst them. The rest of the <u>Board’s</u> members have the right to attend the committee’s meetings without voting on any of its decisions.</p> <p>The committee shall review the existing or expected operational risks resulting from employee behavior and performance, defects in electronic systems or internal procedures, or the negative impact of external events on the <u>Authority</u>, and its resulting legal and information security risks. It shall determine the means to address them in order to prevent or reduce their impact, or transfer, or secure or deal with and accepting them, and following up the results of implementing plans and procedures to address them and the extent to which they have achieved their goals.</p> <p>The committee shall prepare its internal regulations and submit them to the <u>Board</u> for approval.</p>	<p>The <u>Authority</u> shall form a permanent committee called the “Risk Management Committee”, formed by <u>Board</u> resolution. It shall consist of three members of the Board, provided that the Chairman of the Board is not amongst them. The rest of the <u>Board’s</u> members have the right to attend the committee’s meetings without voting on any of its decisions.</p> <p>The committee shall review the existing or expected operational risks resulting from employee behavior and performance, defects in electronic systems or internal procedures, or the negative impact of external events on the <u>Authority</u>, and its resulting legal risks. It shall determine the means to address them in order to prevent or reduce their impact, or transfer, or secure or deal with and accepting them, and following up the results of implementing plans and procedures to address them and the extent to which they have achieved their goals.</p> <p>The committee shall prepare its internal regulations and submit them to the <u>Board</u> for approval.</p>