

Circular No. (45)**Issued on 17/ 8/ 2008****To: all securities firms**

The Authority noted that some applications were filed to permit some participants to purchase capital shares of securities firms, to obtain letters from the Authority indicating no-objection to the purchase and consider this as an approval by the Authority for implementation.

Therefore, the Authority stresses strongly that the no-objection-to- purchase letters must not be considered as approval of implementation; they are just a notification for the applicant that there is no objection to the purchase. Under no circumstances should they be considered as approval of implementation as implementation processes are related to compliance with all the rules of ownership transfer, and procedures of trading at the Exchange as set forth in the provisions of laws no. 159/ 1981 and 95 of 1992 and their executive regulations; and all this is subject to the responsibility of brokerage firms which conduct these transactions and the role of the Exchange and other entities regarding implementation. Accordingly, these letters has no legal weight for establishing ownership transfer.

Hesham Ibrahim**Supervisor, Chairman Office Sector**