

Circular No (54)**Issued On 31/3/2009****For****Power of Attorneys on Dealings****To: All Companies Operating in the Field of Securities Brokerage**

The EFSA hereby confirms that no contracts or accounts shall be concluded or opened except by the principal client directly. Accordingly, the power of attorney or authorizations issued to any person, whatever his legal form is, for opening client accounts shall not be recognized.

Given the above, contracts and/or accounts shall be concluded and/or opened by the client himself. Nevertheless, the sale and purchase of securities (i.e., issuance of sale and purchase orders), the deposit and withdrawal of closed cheques, the declaration of validity of dispositions and data, the authentication of statements of accounts, and the deposit and withdrawal of cash and open cheques may be conducted by virtue of official private or general power of attorney, to which the following phrase shall be added: "*Dealing on my accounts at the companies operating in the field of securities*".

In all cases, powers of attorney shall not be used for dealing under margin trading system, for short selling and/or for dealing at the same-session (same day trading), given the fact that such types of dealings imply high degree of risk that can not be assessed as to the means for sustaining or facing same except by the client himself.

By virtue of an authorization duly signed by the client, with the signature duly authenticated by his managing director, securities may be sold and purchased (under sale and purchase orders) and closed cheques may deposited and/or withdrawn.

In all cases, the said power of attorney and/or authorization shall not be issued in favor of any employee at the client's company, unless the empowered or authorized person is a client's relative up to the fourth degree of kinship, but without prejudice to EFSA Circular No. 47 dated 26/1/2009.

Hesham Ibrahim**Supervisor of****EFSA Chairmanship Affairs Department**