

**Decision No. 96/2006**  
**Dated 22/8/2006**  
**Regarding**  
**The Regulations for Listing in the CMA Auditors Registry**

**The CMA Chairman**

After reviewing the Joint Stock Companies, the Partnerships Limited by Shares and the Limited Liability Companies Law No. 159/1981 and its Executive Regulations,

The Capital Market Law No. 95/1992 and its Executive Regulations, and Presidential Decree No. 51/1997 promulgating the management regulations of Cairo and Alexandria Stock Exchange and the Financial Affairs thereof, and

The CMA Chairman's approval, issued in the board meeting no. 6/2006 of 26/7/2006, which endorsed the restrictions on listing in the registry of auditors of the companies registered at the Stock Exchange, (official table no. (1), and unofficial table no. (2)), as well as the securities companies and mutual funds, it was

**Decided**

**Article (1)** A registry shall be maintained by the Capital Market Authority to list auditors of the companies registered at the Stock Exchange (official table no. "1" and unofficial table no. "2") and auditors of the securities companies, pursuant to Article (27) of the Capital Market Law, as well as the auditors of mutual funds. Listed auditors only shall be entitled to review the accounts of the companies and mutual funds referred to herein.

**Article (2)** Listing in auditors registry referred to in Article (1) shall be conditional upon the following:

- a. At least five years should have been passed since the date of registration of the auditor in the general registry of accountants and auditors (registry of fund companies auditors), and a certificate to this effect shall further be submitted.
- b. The auditor shall be a member of the Accounting and Auditing Free Practitioners Sector at the Accountants Syndicate. The original and a copy of the membership card shall also be submitted to confirm that the auditor is still practicing this

- profession. A certificate shall be submitted, stating that no disciplinary judgments were rendered against that auditor.
- c. Auditor shall fulfill at least one of the following three conditions:
- 1- To be listed at the Banks Accounts Auditors Registry of the Central Bank of Egypt,
  - 2- To be a member of the Egyptian Accountants and Auditors Society, or has obtained any other equivalent professional certificates (ACCA, CA, CPA), or has been granted the Ph.D. from a duly recognized university, or
  - 3- Has audited joint stock companies accounts for a period of at least five years, and during every year of which, he/she should have audited the accounts of at least five companies.
- d. The auditor should have no interest in the company or in the mutual fund, an interest in the form of shareholding, or certificates or participation in management, pursuant to the provisions of Article (104) of Companies Law No. 159/1981 and its Executive Regulations.

**Article (3)** The CMA Corporate Finance and Corporate Governance Sector shall prepare an independent statement for each auditor; explaining -with dates- the extent of the auditor's compliance with the accounting and auditing standards and the independence rules.

**Article (4)** Applications for listing in the auditors' registry referred to herein above shall be submitted as from the first of September 2006. The CMA shall decide upon the applications within 60 days from the date of submission. Appointment of auditors listed in the registry shall commence from the date of appointing the auditors financial reports of companies and mutual funds referred to herein, i.e., as from the first of January.

**Article( 5 )** The auditors currently listed by the CMA in mutual fund auditors' registry shall be transferred to the registry referred to herein above.

**Article (6)** The auditors listed in the registry referred to herein above shall abide by the quality standards and restrictions set forth by the Capital Market Authority. The CMA shall further issue the executive procedures required to confirm their compliance with these standards and restrictions. The CMA shall have the right to suspend or delete any auditor from the said registry in the event of failure by the auditor to abide by these standards and restrictions.

**Article( 7)** Competent authorities shall apply this Decision, each according to its scope of competence.

CMA Chairman  
Dr. Hani Sarie-ElDin