

Decision No. 53/2006

Dated 14/5/2006

Regarding

The Rules of Trading Using the Omnibus Accounts System

The Capital Market Authority Chairman

After reviewing Capital Market Law no. 95/1992 and its Executive Regulations,
Securities Central Depository and Registry Law no. 93/2000 and its Executive Regulations,

Presidential Decree no. 51/1997 promulgating the provisions regulating the management of Cairo and Alexandria Stock Exchange and the financial affairs thereof, and

The Stock Exchange terms, conditions and executive procedures of 17/4/2006 and 7/5/2006, with respect to trading in the name of the investment manager for the account of his/her/its customers.

Decided

Article (1): Investment managers may trade using omnibus accounts, as an intermediary account, during trading session, provided that traded securities shall be re-allocated, immediately upon termination of the trading session, in favor of original customers of the investment manager. For the purposes of this Decree, both mutual fund and securities portfolio management companies shall be deemed to be investment managers.

Article (2): Investment managers and brokerage companies, which obtained an approval to use omnibus accounts from the Stock Exchange, shall be permitted to trade using omnibus accounts pursuant to the following rules:

1. Investment manager shall submit an application to the Stock Exchange, including the names of funds and accounts managed and required to be traded using the said mechanism. The application shall be accompanied by a document containing an approval from the custodian of these balances to apply such a mechanism.
2. Brokerage companies desiring to trade using this mechanism shall submit an application to the Stock Exchange.
3. The Stock Exchange shall notify the Capital Market Authority of the applications which fulfilled the terms, conditions and executive procedures related to trading using this mechanism.

4. The omnibus account and all original accounts affiliated thereto shall be registered on the database of the omnibus account, based on the documents submitted to the Stock Exchange.
5. The Stock Exchange shall automatically provide the CMA plus the Depository and Central Registry Company with all data regarding these traded accounts and funds.

Article (3): The Stock Exchange, the CMA competent sectors and Misr for Clearing, Depository and Central Registry shall all apply this Decree as from the date of issuance thereof, each according to its scope of competence.

CMA Chairman
Dr. Hani Sarie-ElDin