

Decision (50/2006)
Dated 14/5/2006
Regarding The On-Line Trading System

The Capital Market Authority Chairman

After reviewing Capital Market Law No. 95/1992, its Executive Regulations and Executive Decrees,
The Central Depository and Registry Law, its Executive Regulations and the Executive Decrees,
Electronic Signature Law No. 15/2004, and
The Chairman's approval issued at the board meeting of 12/4/2006, it was

Decided

(Article One)

Securities Brokerage Companies may receive securities sale and purchase orders from their customers and apply these orders through the internet, after securing an approval from the Authority in this respect.

(Article Two)

Brokerage Companies desiring to provide securities trading services through the Internet shall fulfill the conditions and requirements to obtain a brokerage activity practicing license, pursuant to Chairman's Decree No. (/2006), in addition to the following:

- 1) Provide a system to protect and secure data from any attempt of intrusion through the Internet (a firewall system), pursuant to Annex No. (1) attached hereto.
- 2) Provide electronic means to safely and consistently receive, register and confirm customer orders, together with a work plan for the company, pursuant to Annex no. (1) attached hereto.
- 3) Submit an MCDR certificate proving the company's fulfillment of the two requirements stated in the above-mentioned two clauses.

(Article Three)

The Stock Exchange and Misr for Clearing, Depository and Central Registry shall prepare electronic link systems required for operation of a system for receipt of orders from customers through the Internet.

(Article Four)

Without prejudice to the provisions of this Decree and the attachments thereto, both the Cairo and Alexandria Stock Exchange, and Misr for Clearing, Depository and Central Registry shall, each according to its competence, set out the executive rules and procedures for operation of the securities trading system through the internet. However, these rules and procedures shall not be applicable and enforceable, unless approved by the CMA.

(Article Five)

This Decree and the rules attached thereto shall be published in the Egyptian Gazette, shall be applicable from the day subsequent to publication thereof, and shall be advertised on trading screens and all other means prepared for this purpose at the Cairo and Alexandria Stock Exchange.

CMA Chairman
Dr. Hani Sarie-ElDin

Annex No. (1)

The Technical Specifications of the Infrastructure Required for Brokerage Companies Permitted to Provide Securities Trading Services Through the Internet

First: Receiving Orders from Customers Through the Internet:

This system is used by accessing the electronic website of a brokerage company and registering the orders required. The so-called Web Server System should be available at, operated and managed by the brokerage company.

Second: Communication Systems

Internet lines at a speed of 3 MG, with "failover" system.

Third: Communication Security System

- 1) Security Systems for communications from Customers to Brokerage Companies

Brokerage Companies shall:

- Use SECURE SOCKET LAYER-SSL or similar systems, such as TLS-TRANSPORT LAYER SECURITY.
 - Provide high quality security means to verify customer's access to the systems of the brokerage company.
 - Use personal security devices to verify permitted customer's access to the systems of brokerage company, such as Token, PSM - Personal Security Modules.
- 2) Security Systems for communications from Brokerage Company to the Different Market Entities:

Brokerage companies should use security systems, such as PKI and the Smart Cards, to secure access to the brokerage company's systems through the internet.

Fourth: Operation Systems:

Brokerage companies shall provide an application server.

Fifth: Web Servers:

Brokerage companies shall provide a web server for the internet applications.