

## **The Decision No (7)/M**

**The Chairman**

**Of the Board of Commissioners;**

**Based upon the Provisions of:**

- The Law No (22) of the year 2005, and its Changes by the Legislative Decree No (50) of the year 2009;
- The Legislative decree No (55) of the year 2006, and its changes by the Legislative Decree No (53) of the year 2009;
- The Decree No (264) of the year 2022;
- The Prime Minister’s Decision No (3942) which was dated on 28/8/2006, and its changes which included “The Act of Licensing of the Financial Services and Intermediary Companies”;
- And the Approval of the Board of Commissioners in their Session No (2) which is held – up dated on 9/1/2024;

**Decides the following:**

**The Directives of Frozen – up, Suspending, Changing and Cancelling the Licensing of the Financial Services and Intermediary Companies.**

**The Article -1-:**

The following words and phrases in the context of applying the provisions of this Decision shall have the meanings assigned hereunder:

- The Law: The Syrian Commission on Financial Markets and Securities' (SCFMS') Law No (22) of the year 2005, and its changes by the Legislative Decree No (50) of the year 2009;
- The Commission: Syrian Commission on Financial Markets and Securities.
- The Board: The Commission's Board of Commissioners.
- The Chairman of the Board: The Chairman of the Board of Commissioners – The Commission's Executive Chairman.
- The Stock Exchange: Damascus Securities Exchange, and any other Stock Exchange which is established according to the Law's Provisions.
- The Licensing Act: The licensing Act of the Financial Services and Intermediary Companies which were issued by the Prime Minister's Decision No (3942), dated on 28/8/2006, and its changes;
- The Company: The Financial Services and Intermediary Company.
- The Frozen – up of the Company's Work: An issued Decision by the Board based upon the requirement of the Company in case of its desire to stop its works' practicing in partially or in completely manner, after executing all the required Procedures and Terms.
- The Suspending of the Company's Licensing: An issued Decision by the Board as a cautionary measure of the Company's suspending of practicing its granted licensing, and for a considerable period by the Board due to its lack of fulfillment of its resulted – upon obligations.
- The Cancelling of the Company's Licensing: An issued Decision by the Board of Cancelling the Company's Licensing, and based upon the Company's requirement or due to the lack of the Company's fulfillment of its resulted – upon obligations.

**The Frozen – up of the Company's Works Based – upon of its Requirement.**

**The Article -2-:**

- A. The Current willing Financial Services and Intermediary Company of frozen – up of its works in partially or completely manner should submit a written application into the Commission which includes its true desire of frozen – up which is attached with the reasons, within at least (45) forty-five days since its frozen – up decision's date; or as soon as it has made – up its Frozen – up

Decision of its works in case the previous notification was impossible in case the Frozen – up Case is resulted upon an External Event that is outside the Knowledge of the Company’s Management.

- B. The above – Mentioned application will be offered on the Board for its issuance of its Initial Approval on the Frozen – up Application or the rejection of the Application.

**The Article -3-:**

- A. The Company which has obtained the Initial Approval of Frozen – up of its works in a complete manner, shall abide – by the fulfillment of the following requirements and procedures in sequential:

- 1) To hold – up the Company’s General Assembly’s Meeting to make – up the Decision of the Frozen – up. And in case the holding – up of the General Assembly has been impossible for considerable reasons by the Commission, the Board of Directors, or the Director / as the case will be/ can make- up a Frozen – up Decision of the Company’s Works and upon his responsibility.
- 2) To keep – up the required Capital in accordance with the Licensed Activities.
- 3) To coordinate with the Commission to notify the Clints at least within a period of (10) Ten working’s day before stopping of working.  
And to define a specific date of stopping in addition to notify its Clients for the necessity initiating of receiving their Financial Dues, the signature of their deposited Securities’ Transference Applications at the Company into The Clearing Depository Center, besides the announcement of such in at least two daily Newspapers. (in accordance with an Announcement’s Text that is approved by the Commission.)
- 4) To accomplish any suspended works completely, and in case the company has not been able to transfer its deposited clients’ shares at the Investor’s Account at The Clearing Depository Center, The Center will do such as soon as the Company’s stopping of all its purchasing and selling of the Shares’ Transactions.
- 5) To submit Banking Accounts’ Statements of the Company’s Accounts, and the specific Accounts of the Clients’ Funds, stipulated of such

statements to be submitted from the Opened Accounts' Banks and The Back – Office System.

- 6) The settlement of the Clients' due Cash Payments through issued Cheques for the First Beneficiary's Name, or Banking Transfers.
  - 7) To submit a Report concerning the Financial Status of the Company, including a detailed Statement of the Clients' Cash Accounts which is signed – up of the Director and the Accountant, and certified of by an External Accounting's Auditor.
  - 8) To submit a Payment Notice of the Frozen – up Charge into the Commission.
  - 9) To submit a Due Exempt which is issued by each of Damascus Securities' Exchange, The Clearing Depository Center, The Settlement Guarantee Fund and The Central Bank of Syria.
  - 10) To submit a Due Exempt which is issued by The Association of Financial Services and Intermediary Companies.
  - 11) To nominate a Compliance Officer with His attached information to follow- up any subject with related relation to the Company or its Clients.
  - 12) To provide the Commission with a Stopping Notice of the Accredited Persons in accordance with the Accredited Pattern.
  - 13) To submit a report of the Legal Consultant concerning of all related issues of the Company as a representative.
  - 14) To submit a Guarantee of the Chairman of the Board of Directors or the General Managers (as the case will be) benefiting of their abidance by submitting the Financial Statements in the due times in The Disclosure Act, and guaranteeing the payment of any of the requirements whether such are toward the Commission, Damascus Securities Exchange or the Clients.
  - 15) Any other additional data or documents which are considered as a necessary by the Commission.
- B. The Company which has obtained the Initial Approval of the Partially Frozen – up of the Intermediary's works in Shares, or The Investment Management shall abide – by the fulfillment of the following requirements and procedures:

1. To Provide the Commission with a Minutes Meeting of the Company's Board of Directors or the General Manager /as the case will be/ including His Decision of the Partially Frozen – up.
  2. To abide by the Over- mentioned Terms in the Numbers (2-3-4-5-6-7) of the Paragraph (A) of The Article (3) above.
  3. To submit a Due Exempt which is issued by The settlement Guarantee Fund and The Central Bank of Syria.
  4. To provide the Commission with a Stopping Notice of the Accredited Persons in accordance with The Frozen – up intended works and according to the Accredited Pattern.
  5. Any other additional data and documents which are considered a necessary by the Commission.
- C. The Company which has obtained the Initial Approval of the Partially Frozen – up of the activities of the Financial Consultancies, the Management of the Initial Issuances, The Investment Trusteeship, or The Safe Custodian shall abide – by the fulfillment of the following requirements and procedures:
1. To supply the Commission with a Minutes Meeting of the Company's Board of directors, or the General Managers (as the case will be) including their Decision in the Partially Frozen – up.
  2. To keep – up with the required Capital in accordance with the licensed of Activities.
  3. To coordinate with the Commission to notify the Clients in at least (10) Ten working days before the Stopping of Work, and to define a specific date of the Stopping beginning, in addition to notify its clients for the necessity of the initiating to receive their Financial Dues, and to accomplish any suspended works completely.
  4. To submit Banking Accounts' Statements of the Company's Accounts, stipulated of these Statements to be submitted of all Accounts' Opened Banks and The Back Office System.
  5. To supply the Commission with a Stopping Notice of the Accredited persons in accordance with the intended of Frozen – up Works and according to the Accredited Pattern.
  6. Any other additional Data and Documents which are considered as a necessary by the Commission.

#### **The Article -4-:**

The willing Financial Services and Intermediary Company of the Total Frozen – up has to reserve the Company’s Specific Legal Statements, documents, and the paper and electronic registrations in a secure place for a period of (10) Ten years as the following:

- A-** In case the reservation inside the Location of Company: A Guarantee concerning this regard should be submitted in accordance with the Accredited Pattern by the Commission from (the Chairman of the Board of Directors, the General Manager, the Liquidator or other as the case will be) and the Name of the in contact Person for supplying the Commission of any of these documents, besides submitting a Reference Proven Statement of the Reservation Place ( A Land Ownership Document, A Real Estate Registration Documents, or a Lease Contract or any other documents as the case will be) and to notify the Commission within a period that does not decrease one (1) month, in addition to obtain its approval in case of transferring them into another location.
- B-** In case the Reservation Outside the Location of the Company: A Guarantee should be submitted in this regard, in accordance with the Accredited Pattern by the Commission, from the Reservation Guarantee Entity which is certified by the Company’s Chairman of the Board of Directors, the General Manager, the Liquidator or any one other as the case will be) besides the Name of the in Contact Person for supplying the Commission of any of these documents, and to submit a Reservation’s Place Reference Proven Document ( A Land Ownership Document, A Real Estate Registration Documents, or a lease Contract or any other as the case will be) in addition to notify the Commission within a period that does not decrease (1) One Month, and to obtain its approval in case of their willing for their transference into another Location.

#### **The Article -5-:**

- A-** The Board will issue after the Company’s fulfillment of all the necessary requirements of the Total Frozen – up which is stated in **The Article (3-A)** above, a Decision which includes the Following:
  - 1)** An approval of the Frozen – up of the Company’s works for a Period that is ended – up with the termination of the year, stipulated of its

submission of an un conditional Banking Guarantee for the Commission's Order that defines in the resulted obligations toward the Company.

- 2) Or Un Approval on the Frozen – up of the Company's Works which are attached with the reasons.**
- B-** The Board will issue after the Company's fulfillment of the necessary requirements of the Partially Frozen – up which is stated in **The Article (3-B)** or **The Article (3-C)** above a Decision including his approval on the Frozen – up of the Company's Works in partially manner, or His un approval.
  - C-** In case of the issuance of the Frozen – up Decision, the Commission will notify each of Damascus Securities Exchange, and The Clearing Depository Center for the making – up of all the necessary procedures in accordance with their effective Regulations.
  - D-** The willing Company of the Extending of its Frozen – up of its activities in a completely manner, has to submit an Extension Application into the Commission before a period that does not decrease (45) Forty-Five Days from the termination of the year.  
Wherein the Commission will study the Extension Application after it has received of all the required documents and information.  
And based upon such the board will issue his approval of The Frozen – up Extension Application, or his Un approval on it.
  - E-** The willing Company of the Re- activating of its activities (The Ending – up of its Frozen – up Case) has to settle – up of all of its Financial, Administrative and Organizational Status in accordance with the effective Laws, Regulations and Directives.

### **The Suspending of the Company's Licensing due**

#### **to its Unfulfillment of its Resulted – Upon Obligations:**

##### **The Article -6-:**

If the Commission considers that the Company is facing a danger or its practicing is threatening the stability of Damacus Securities' Exchange, or even for the purpose of protecting the Shareholders' Interests at the Company or the investors.

Or even the Company has failed – up of the fulfillment of any Term of The Licensing's Terms which are stated in "The Licensing Act of the Financial Services and Intermediary Companies", or the Company has not been practicing its works

during a period of a one year, the Board can suspend the Company's Licensing and for a considerable period by Him. And then after He will consider the making – up of some or all of the following procedures:

- 1) Obligating the Company's Management of the working on the settlement of its status.
- 2) The appointment of a Controller Member at the Company's Board of Directors (as the case will be) for a considerable period by the Commission.
- 3) The appointment of an Accounting's Auditor other than the appointed one by the Company for conducting specific Auditing's Transactions, within specific period, and upon the expenditure of the Company.
- 4) Obligating the Company of the increasing of its submitted Guarantee within the considerable Sums by the Commission.
- 5) The Liquidation of the Submitted Guarantee by the Company for the Commission's Order and to transfer it into a specific Account for such purpose.
- 6) The imposing of one of the Stated Sanctions at The Act of Inspection and Execution.
- 7) The cancelling of the Company's Licensing.
- 8) Any other procedures that are considered as a necessary by the Commission in accordance with the effective Laws and Regulations.

### **The Changing of the Company's Licensing through the Omission of Some of the Licensed Activities:**

#### **The Article -7-:**

- A- The willing Company of the changing of its granted license (The omitting of some of the licensed Activities) have to submit a Written Application into the Commission which is attached with reasons within a previous period that does not decrease (3) Three months at least since the suggested date of the Licensing's Changing.
- B- The above – mentioned Application will be submitted to the Board for its initial approval issuance on The Changing Application, or for the rejection of it.



- C-** The Company has to hold – up its General Assembly’s Meeting after it has obtained its Initial Approval of making – up The Decision of the Licensing’s Changing.
- D-** In case the required of Omitting Activity is the Intermediary Activity in Securities or the Activity of the Investment Management, the Company has to abide – by the stated procedures in The Paragraph (B)of The Article (3), with the exception of the Item (1) of the Paragraph.
- E-** If the required of omitting activity is the Activity of Financial Consultancies, The Initial Issuances’ Management, The Investment Trusteeship, or the safe Custodian, the Company has to abide – by the stated Procedures in the Paragraph (C) of The Article -3- with the exception of the Item (1) of the Paragraph.
- F-** The Board will issue His Decision on The Changing Application after he has fulfilled all the stated procedures above, in a preliminary stage of the following – up of all the remained changing procedures legally at The Ministry of Consumer’s Protection and Interior Trade.
- G-** The Company abides – by the reservation of the Legal Statements and Documents in accordance with The Article (4) of these Directives.

### **The Cancelling of the Company’s Licensing:**

#### **The Article -8-:**

- A-** The Board can cancel the Licensing immediately of any Financial Services and Intermediary Company due to its un fulfillment of its resulted upon responsibilities and obligations in the following cases:
  - 1)** The loosing of any Term of The Licensing’s Terms.
  - 2)** The Company’s retreating of the Payment of the decided Charges.
  - 3)** The decreasing of its Capital of the decided Limits by the Commission.
  - 4)** The decreasing of The Banking Guarantee of the decided Limits by the Commission.
  - 5)** The Company’s violation in big part of any of the Listed obligations and responsibilities in these Directives.

- 6) The lack of the Company's employees and professional persons with the necessary technical and professional capacity of conducting its works, and in specific manner concerning the issues of correctness, dignity, trust, and the protection of the Clients' interests.
- B- The Company that its licensing has been cancelled has to abide by all the Commission's Terms and Procedures, and to complete the dissolution and the Liquidation's Procedures legally.

**The Article -9-:**

The willing Financial Services and Intermediary Company of cancelling of its licensing, has to submit a Written Application into the Commission at least (3) Three months before the suggested date of the Licensing's Cancelling for its obtaining of the Board's Initial Approval on the cancelling.

**The Article-10-:**

The Board can reject the Financial Services and Intermediary Company's application of cancelling the Licensing, or the delay of its date if He considers the Licensing's continuity as a necessary for the verification of any issue which is related to the Company or the protection of the Company's Clients' interests.

**The Article -11-:**

The Financial Services and Intermediary Company after obtaining the Commission's Initial Approval on the Canceling has to abide – by the Provisions of The Companies' Law which defines the Steps and Procedures of the Company's Dissolution and Liquidation, and to adhere into the effective Laws and Regulations in addition to the Listed Terms in each of The Articles (3-A) and The Article (4) of these Directives.

**The Article -12-:**

The Commission has the right, and upon the Liquidator's Application to transfer the Clients' Dues' Balances who have not received yet their Cash Balances during the Period of the Liquidation, into the Commission's Account / The Financial Intermediary Companies' Clients' Balances / after the followings have been achieved as:

- 1) The Commission's offering with a stamped and signed – up list by each of the liquidator and the Company's Accountings' Auditor which includes the Full Name of each client, His National Number, His Cash Balance, in addition to His contacted – with information.
- 2) The clarification of the rendered reason of the Client's receiving of His Cash Balance.
- 3) The passing of a period of at least (6) Six months of the announcement of the Company's liquidation.

**The Article -13-:**

The Board will issue His Decision of the Licensing's cancelling after the Company has fulfilled all the procedures and the Terms which are required by the Commission.

In a preparatory step of the following – up of the remained dissolution and liquidation's procedures legally at The Ministry of Consumer's Protection and Interior Trade.

**The Article -14-:**

The Company will remain subject to the Commission's authority for a period of (2) two years since the date of the Licensing's cancelling concerning any disposal or omitting that has been occurred by it before of its licensing's cancelling.

And in case there is an investigation's opening or there are any procedures occurred within this period, the Company will remain subject to the Authority of the Commission until the termination of the investigation or the procedures.

**The Article -15-:**

In case the company that its licensing has been cancelled wishes to re – active its licensing once again, it has to follow – up all the stated procedures in The Licensing Act.

And it has to submit an Initial Application of the Licensing once again.

**The Article -16-:**

The working in the provisions of the Decision No (51/M) dated on 14/4/2015 and the Decision No (131/M) dated on 19/11/2018 will be considered concealed.

**The Article -17-:**

This Decision will be notified the concerned for implementation.

**Damascus Dated on**

**9 / 1 / 2024.**

**The Chairman**

**Of the Board of Commissioners;**

**Of Syrian Commission on Financial Markets and Securities;**

**Dr. Abd Al Razak Kassem.**

**The Director**

**of the Follow- up and Legal Affairs Directorate.**

**A Guarantee of The Financial Services and Intermediary Company's Documents' Keeping – up After the Company has Stopped its Working's Practicing:**

**(The Keeping – up Inside the Location of the Company).**

- I am the undersigned (The Full Name): -----
- I hold (An Identity Card/ A pass -port) No: -----
- The Job – Qualification: -----  
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-----.
- I guarantee to keep – up all the Statements, Documents and Related Records of the Company electronically and in papers in a secure place for a period of (10) Ten years at least, and to keep – up the confidentiality of the listed – in information.
- The Detailed Address of the Keeping – up Place: -----  
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-----.
- The Real Estate Area: -----  
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- The Real Estate No: -----  
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- The Phone No: -----
- Which its reference related to: -----  
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-----.

In accordance with: A Real Estate Document, A Real Estate Record Statement, An Attorney, A Court Law Case, A Lease Contract, or any others: -----

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- I Guarantee to allow the Commission to have an access into all of these Statements, Documents, and Records at any time beside notifying the Commission before a period that does not decrease a One month, and to obtain its approval in case of its well of transferring them into another Location.

And we nominate Mr: -----, His / Her Phone No: -----  
-----.

For our contact with Him for your supplying of any of these Documents in case of any requirement.

- And I consider myself as a guaranteed Person and responsible one for the accuracy and correctness of the listed information above, and for any changes occurred on them, and upon the above I signed.

**The Date:**     /     /     /.

- **The Full Name:** -----

- **The Job Qualification:** -----

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- **The Signature:**

**The Attachments:**

- A copy of (The Identity Card / or the Pass port) of the Guarantee's Signatory.
- A copy of (The Identity Card / or the Pass port) of the contacted with person.
- A document which proves the reference of the keeping – up Place:  
(A real Estate Document / A Real Estate Statement/ A Lease Contract / or any other as the case will be.)

**A Guarantee of the Financial Services and Intermediary Company's Documents' Keeping – up by the Property's Owner After the Company's Stopping of the Practicing of its Activities.**

**(The Keeping – up Out – side the Location of the Company.)**

**The Information of the Keeping – up Guaranteed Entity:**

- I am the undersigned (A Natural Person / A Legal Entity) -----  
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-----.
- I hold (An Identity Card / a Pass- port – A Trade Record) No: -----  
-----  
With our Place reference in the Real Estate Area: -----  
-----  
----- The Property No: -----
- The Detailed Address: -----  
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- The Phone No: -----  
In accordance with: A Property Document, A Real Estate Record Statement,  
a Lease Contract, or any other: -----  
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- I Guarantee to keep – up all the paper and electronic Documents,  
Statements and Records which are related to the Company -----  
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----- at the above mentioned location for a period of (10)  
Ten years, to protect them from any damage or error, to keep – up the listed  
– in information as confidential, and to abstain the acknowledgement of

these information by any person except after the approval of the Commission.

- I Guarantee to allow the Commission to have an access into all these Documents, Statements and Records at any time, to notify the Commission before a period that does not decrease a One month, and to obtain the Commission's approval in case of my willing of transferring them into another Location.
- We nominate Mr. -----, His Phone No: -----  
----- for your contacted with Him for any providing of any of these required Documents.
- And I consider my – self as a Guaranteed and Responsible person of the accuracy and correctness of the Listed information above, and of any change which is occurred on them and upon such I signed.

**The Date:**        /        /        /.

**The Name: (The Authorized of Signature):**

**The Signature:**

**A Guarantee and a certification on all the above listed information, and any change on them by the Financial Services and Intermediary Company.**

**(The Chairman of the Board of Directors / The General Manager / The Liquidator/ or any other -----).**

**The Name:**

**The Signature:**



**The Attachments:**

- A copy of: (The Identity Card, The Pass port / The Trade Record) of the Guarantee's Signatory.

**30 / 4 / 2024**

**K.I.**