



Securities Depository Center
مركز إيداع الأوراق المالية




Services
Booklet
2010

**Services Booklet
2010**



Our Vision

Internationally distinguished organization effectively contributes in enhancing safe and stable investment environment supporting national economy.



Our Mission

Safekeeping, clearing and settlement of securities according to international standards and best practices, improving the level of services, relying on qualified human resources and high technology in addition to adopting excellence culture.



Our Values

- Fairness
- Transparency
- Professionalism & Confidentiality
- Creativity & Excellence
- Team Spirit
- Loyalty



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Introduction

Based on executing the vision of his Majesty king Abdullah II Bin Al-Hussein in developing Jordan Capital Market to become a distinguish investment destination for both domestic and foreign investors, and since the SDC's undertakes the responsibility of adopting Excellence Culture in its performance, achievements and raise the level of services provided to the clients, the SDC issued this guide , which includes the services provided by the SDC , in addition to the requirements, official identifications documents, forms used for each services, deserved fees, and the time needed to provide the services.



**Investors'
Services**



1. Client Identification & Account Set up

Investors are identified and their accounts established on the Depository's database through the SDC electronic systems where the SDC issues a unique number for each investor called the "SDC Investor Number". The SDC number is the National Identification Number (NIN) for natural Jordanian persons or a unique number issued by the SDC to non -Jordanians and other entities.

Investors are identified on the SDC systems through one of the following methods:

1. Through the SDC: The investor submits Investor Identification on the Securities Depository Center's Database Form to the SDC to be identified on the SDC electronic systems.
2. Through the broker or custodian: The investor submits Investor Identification and Account Opening Form through one of the brokers or custodians. This form should include the identification document. The Broker or Custodian, in turn, verifies the investor's information and submits the investor's form to the SDC.



Required Documents

Valid official identification documents ^(Annex 1).



Required Time

15 minutes



Location of Providing Service

1. SDC's Main Branch.
2. Any of the SDC branches (Irbid, Shmeisani).
3. SDC's members of brokers or custodians.



Cost of Providing Service

No fees are collected for investors' identification and accounts' opening when it is conducted through the SDC directly.

2. Query on the Account & Balances Statements

The owner of securities may obtain detailed data about his ownership through:

1. The notification of securities' ownership that is owned by the investor on any date by submitting Notification of Securities' Ownership Form and according to the following:
 - Ownership balance with all members.
 - Ownership balance with a specific member.
 - Ownership balance of specific securities with all members.
 - Ownership balance of specific securities with a specific member.
2. The statement of account by submitting Statement of Securities' Account Form and according to the following:
 - Statement of Account of all securities with all members.
 - Statement of Account balance of specific securities with all members.
 - Statement of Account balance of all securities with a specific member.
 - Statement of Account balance of specific securities with a specific member.

The concerned person or his legal representative or anyone of his inheritors must submit the Notification of Securities' Ownership Form or Statement of Securities' Account Form.



Required Documents

1. A copy of valid identification documents ^(Annex 1) of the securities' owner.
2. In the case of the presence of a legal agent, the power of attorney ^(Annex 2) should be duly organized.
3. If the applicant is inheritor, he should submit the following documents:
 - a. The original or a certified copy of inheritance deed or the Disassociation deed (general or specified) as the case may be, provided that the date of issuance for the inheritance deed shall not exceed (3) years whether issued from inside the Kingdom or outside of it, and if the inheritance deed's issuance date exceeded this period, it shall be newly notarized from the original issuer of the document "a copy of the original" and that no disassociation has been registered excluding any of the inheritors. In the case where such deeds are issued outside the Kingdom, it shall be notarized from the following parties:
 - The competent authorities in the country where the inheritance deed was organized including the Foreign Ministry of that country.



- The representative of the Hashemite Kingdom of Jordan in the state which the inheritance deed was organized in, or the embassy of that state in the Hashemite Kingdom of Jordan.
 - The Jordanian Foreign Ministry.
 - The Supreme Judge Department or the competent canonical court (as the case may be).
 - If the certificate was published in Jerusalem, the Jordan Supreme Judge department or Jordan canonical court's notarization (as the case may be) is sufficient.
- b. A copy of the death certificate and identification documents ^(Annex 1) of the deceased, in cases where it is not possible to provide such identification document, the death certificate suffices.
- C. Copies of valid identification documents of all the inheritors.



Required Time

5 minutes



Location of Providing Service

1. SDC's Main Branch.
2. Any of the SDC branches (Irbid, Shmeisani).
3. SDC's members of brokers or custodians.



Cost of Providing Service

- The SDC shall collect (2) Dinars commission for each ownership notice.
- The SDC shall collect (1) Dinar commission for each security's statement.

3. Ownership Restrictions on the Securities

Pledge

The SDC undertakes the task of placing a pledge or releasing a pledge against deposited securities that issued by public shareholding companies according to procedures and due to requirements organized by the SDC's legislations where the pledged securities should be deposited in the central registry at the SDC and not subject to any ownership restrictions that prevents disposal thereto.

Placing a pledge or releasing a pledge is conducted as follows:

Securities Pledge through Electronic Pledge System

Based on the SDC's continuous concern to serve its clients speedily and accurately, the SDC developed a special electronic system for pledgee banks specifically called the "Pledge System". This System enables pledgees (banks) to:

1. Impose pledge restrictions on securities owned by their clients through the system directly.
2. Store pledge transactions that placed through the system, auditing and authenticating them.
3. Print the pledge form through the system to be signed by both the pledgor or his legal representative and the pledgee. The pledgee is to authenticate the correctness of pledgor's signature.



Required Documents

1. Copy of valid identification documents ^(Annex 1) of pledgor.
2. Covering Letter from pledgee that includes:
 - a. The number of securities to be pledged, name of pledgor and pledgee and the security's name.
 - b. Acknowledgement of the payment of stamps' fees to the Ministry of Finance without holding the SDC any responsibility.
3. Acknowledgement of the lawful party to receive cash dividends and stock dividends that may result of pledged securities.



Required Time

15 minutes



Location of Providing Service

SDC's Main Branch



Cost of Providing Service

The SDC shall collect (5) Dinars for each placing pledge on securities.

Securities Pledge to the benefit of banks that don't use Electronic Pledge System

The deposited securities at the SDC for the benefit of banks that do not use Electronic Pledge System are pledged by the virtue of Securities Pledge Form that accredit for this purpose and submitted by the pledgor or his legal representative to the SDC. The pledgee is to authenticate the correctness of pledgor's signature. Where the SDC places or releases a pledge and notifies all related parties in writing.



Required Documents

1. A copy of valid identification documents ^(Annex 1) of both pledgor and pledgee.
2. Covering Letter issued by both pledgor and pledgee that clarifies all details related to the pledge transaction that intended to be completed at the SDC. It should include the following:
 - a. The names of the pledgor and pledgee as mentioned in the identification documents.
 - b. The SDC number for pledgor and pledgee.
 - c. The name and number of securities that wanted to be pledged.
 - d. Acknowledgement of the payment of stamps' fees to the Jordan Ministry of Finance and the identification documents provided to the SDC are correct and valid without holding the SDC any responsibility thereto.
 - e. Acknowledgement of the lawful party to receive cash dividends and stock dividends that may result of pledged securities.



Required Time

One working day



Location of Providing Service

SDC's Main Branch



Cost of Providing Service

The SDC shall collect (5) Dinars for each placed pledge on securities

Securities Pledge through the SDC Directly

The securities are pledged through the SDC directly by the presence of pledgor and pledgee or their legal representatives as the case may be to the SDC to sign Securities Pledge Form in front of authorized SDC employee. Where the SDC places or releases a pledge and notifying all related parties by covering letter issued by the SDC.



Required Documents

1. A copy of valid identification documents ^(Annex 1) of both pledgor and pledgee.
2. Covering letter issued by the pledgor and pledgee includes request from the SDC to place pledge in terms of the names of pledgor and pledgee, security name, number of securities to be pledged and acknowledge the validity of all attached documents related to the legal entity without holding the SDC any responsibility thereto.
3. A copy of receipt issued by Ministry of Finance verifies that stamps' fees are paid.
4. In cases where there is an agent to conduct pledge transaction, the power of attorney ^(Annex 2) whether general or specific shall be duly organized.
5. Covering letter from the agent of pledgor/ pledgee or both, as the case may be, includes the details of pledge transaction.
6. Identify lawful party to receive cash dividends and stock dividends that result from pledged securities.



Required Time

One working day.



Location of Providing Service

SDC's Main Branch.



Cost of Providing Service

The SDC shall collect (5) Dinars for each placing a pledge on securities.

General Provisions

1. In case of a stock split (division of nominal value) on pledged securities, the pledge shall be authenticated on the securities that result from the split.
2. The pledge shall be authenticated on stock dividends unless the pledge deed states otherwise.
3. In case the pledge is authenticated through the SDC and the issuer decrease his capital, the pledged securities shall be decreased according to the same percentage and pledgor and the pledgee are informed.

Release of Pledge

Through the SDC

The SDC will release the pledge after submitting Release of Pledged Securities Form by the pledgee to the SDC.

Through the Pledgee (Banks)

The pledge system enables the pledgee to directly enter and approve the release of the pledge restrictions upon his clients' securities, in cases where the pledge was placed for the pledgee's benefit without the SDC's intervention, and in this case the pledgee transfers the investor's securities to the central registry or to the investor's account maintained by the broker.



Required Documents

1. Valid official identification documents ^(Annex 1) of pledgee.
2. A cover letter issued by the pledgee.



Required Time

One working day



Location of Providing Service

1. SDC's Main Branch.
2. Through the Pledgee (Banks).



Cost of Providing Service

No fees are collected for releasing the pledge.



Freezing

The owner of the securities has the right to freeze his own deposited securities, by submitting a freezing securities form to the SDC, in which no disposal of the securities is permitted whether by the owner or others in any form.



Required Documents

Valid official identification documents ^(Annex 1) .



Required Time

15 minutes



Location of Providing Service

SDC's Main Branch



Cost of Providing Service

The SDC shall collect (5) Dinars commission for freezing the securities.



Unfreezing

The SDC lifts freezing restriction on securities by virtue of Unfreezing Securities Form submitted by the owner or his legal representative.



Required Documents

Valid official identification documents^(Annex 1).



Required Time

15 minutes



Location of Providing Service

SDC's Main Branch



Cost of Providing Service

The SDC shall collect (5) dinars commission for unfreezing the securities.

General Provisions

In cases where there is an agent to conduct freezing securities, the power of attorney^(Annex 2) shall be duly organized.



4. Transfers

Transactions exempted from trading through the market that include:

1. Inheritance transfers.
2. Family transfers that occur between ascendants and descendants and between spouses.
3. Transfers for the purpose of dividing the joint ownership of securities.
4. Donating securities to religious, charitable or social associations registered at the competent authorities.
5. Waqf of securities whether charitable or descendentary.
6. Securities contained in wills.
7. Transfers that occur in accordance with the Law of the Government's Acquisition of Monies that Reach Limitation.
8. Transfers in accordance with decisions of courts and execution departments.
9. Transfers of founders' shares.


Inheritance Transfers

The securities are transferred from the deceased account to his lawful inheritors accounts. In which the concerned party or his legal representative must submit the Inheritance Transfer Form.



Required Documents

1. The original or a certified copy of inheritance deed or the Disassociation deed (general or specified) as the case may be, provided that the date of issuance for the inheritance deed shall not exceed (3) years whether issued from inside the Kingdom or outside of it, and if the inheritance issuance date exceeded this period, the deed shall be newly notarized from the original issuer of the document "a copy of the original" and that no disassociation has been registered excluding any of the inheritors. In the case where such deeds are issued outside the Kingdom, it shall be notarized from the following parties:
 - a. The competent authorities in the country where the inheritance deed was organized including the Foreign Ministry of that country.
 - b. The representative of the Hashemite Kingdom of Jordan in the state which the inheritance deed was organized in, or the embassy of that state in the Hashemite Kingdom of Jordan.
 - c. The Jordanian Foreign Ministry.

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- d. The Supreme Judge Department or the competent canonical court (as the case may be).
 - e. If the certificate was published in Jerusalem, the Jordan Supreme Judge department or Jordan canonical court's notarization (as the case may be) is sufficient.
2. A copy of the death certificate and identification documents ^(Annex 1) of the deceased, in cases where it is not possible to provide an identification document, the death certificate suffices.
 3. Copies of valid identification documents of all the inheritors.
 4. The securities owned by the deceased shall be deposited in the central registry, in cases where it is maintained by a broker, the securities must be transferred to the central registry before executing the transfer process.
 5. In case of non - deposited securities, a certificate of securities ownership or notification stating the deceased securities ownership issued within one month must be provided to the SDC, in accordance with the following:
 - a. The name of the shareholder should match his mentioned name in the inheritance deed or the excluded deed, in the case of amending the name of the shareholder by the company, the SDC must be duly informed in writing, in order to amend the name in the securities central registry.
 - b. Nationality of the shareholder.
 - c. Shareholder's No. maintained at the company.
 - d. SDC's No. (if available).
 - e. Securities to be transferred are not restricted by pledge or lien.
 - f. Date of certificate.
 - g. Corporate signature and stamp.
 6. Address for each inheritor.
 7. Waiver of one or more of the inheritors, or through the assignment of an empowered inheritor in the case of the presence of an agent through a power of attorney that specifies the agents' right to waiver in order the fractions due to distribution of shares and/or the securities trading unit shall be rectified through assigning the fractions.



Required Time

60 minutes



Location of Providing Service

1. SDC's Main Branch.
2. Any of the SDC branches (Irbid, Shmeisani).



Cost of Providing Service

1. The SDC shall collect a commission for the transfer of the ownership as follows:
 - a. (0.0015) fifteen per ten thousand of the shares market value.
 - b. (0.0001) one per ten thousand of the market value of government bonds, bonds issued by public institutions and municipalities and corporate bonds.
2. The SDC shall collect the commissions mentioned in paragraph (A) above from one party with a minimum of (250) two hundred and fifty fils for each transfer deed.

Family Transfers

Family Transfers are conducted between Ascendants and Descendants and between Spouses; It is not allowed in any case, to transfer the securities owned by the minor. The concerned person or his legal representative must submit the Family Transfer Form to the SDC.



Required Documents

1. A valid copy of the personal identification document ^(Annex 1) for transferor and transferee.
2. Documents that prove the relation between the transferor and the transferee such as (the family book, birth certificate, a passport mentioning the spouse name, the marriage contract, inheritance deed).
3. Addresses for the transferor and the transferee.
4. The transferor's shares must be deposited in the central registry, and in case the shares are in his account maintained by the broker, the shares should be transferred to the central registry before the transfer can be conducted.
5. The transferor and the transferee or their legal representatives must duly sign the transfer form at the SDC and if the transfer occurs by virtue of a power of attorney, the power of attorney ^(Annex 2) must expressly give the agent the right to waiver on behalf of his client.



Required Time

30 minutes



Location of Providing Service

1. SDC's Main Branch.
2. Any of the SDC branches (Irbid, Shmeisani).



Cost of Providing Service

1. The SDC shall collect a commission for family transfer as follows:
 - a. (0.002) two per one thousand of the market value.
 - b. (0.0001) one per ten thousand of the market value of government bonds, bonds issued by public institutions and municipalities and corporate bond.
2. The SDC shall collect the commissions mentioned in paragraph (A) above from one party with a minimum of (250) two hundred and fifty fils for each contract .

Transfer for the Purpose of Dividing the Joint Ownership of Securities

This transfer is conducted between the owners of joint securities. The concerned person or his legal representative must submit the Securities' Ownership Transfer Form to the SDC.



Required Documents

1. Copies of valid identification documents ^(Annex 1) of the joint owners.
2. Copy of the death certificate and inheritance deed if anyone of joint owners was deceased.
3. Addresses for each of the joint owners.
4. The transferor / shareholder's shares must be deposited in the central registry, and in case the shares are in the investor's account maintained by the broker, they should be transferred to the central registry before the transfer can be conducted.
5. The presence of all joint owners to approve the transfer through duly signing the transfer form in front of authorized SDC employee or the presence of their legal representatives that is authorized to divide the joint ownership by virtue of a power of attorney that expressly states the agent's authorization to divide the joint ownership and assign the securities necessary to rectify the number of shares between the joint owners.



6. If anyone of joint owners was deceased, the division is conducted by the presence of all inheritors or their legal representative that is authorized to divide the joint ownership to sign the transfer form in the SDC, in case there is minors among inheritors, their guardian should provide the SDC with the proper permission by the competent courts to divide the joint ownership.



Required Time

60 minutes



Location of Providing Service

1. SDC's Main Branch.
2. Any of the SDC branches (Irbid, Shmeisani).



Cost of Providing Service

1. The SDC shall collect commission for the transfer of joint securities in accordance with the following.
 - a. (0.002) two per one thousand of the share's market value.
 - b. (0.0001) one per ten thousand of the market value of government bonds, bonds issued by public institutions and municipalities and corporate bond.
2. The SDC shall collect commissions that mentioned in paragraph (A) of this Article from one party with a minimum of (250) two hundred and fifty files for each contract.

Donating securities to religious, charitable or social associations registered at the competent authorities.

The concerned person or his legal representative must submit transfer form in accordance with donation of securities to the SDC.



Required Documents

1. Copies of valid identification documents ^(Annex 1) of the donor and donee.
2. Addresses for both the donor and donee.
3. The transferor's/ shareholder's shares must be deposited in the central registry, and in case the shares are in the investor's account maintained by the broker, they should be transferred to the central registry before the transfer can be conducted.
4. A written authorization from the donee to one of its employees authorizing them to sign transfer form at the SDC.
5. The donor or his legal representative must sign transfer form in the SDC. If the transfers is conducted by virtue of a power of attorney, the power of attorney ^(Annex 2) must expressly state that the agent is authorized to donate the securities and if the power of attorney is specified, it must state the name of shares, number of donated securities, the name of donee and the names mentioned in the power of attorney should be identical to the donor's identification documents.



Required Time

120 minutes



Location of Providing Service

SDC's Main Branch



Cost of Providing Service

1. The SDC shall collect commissions for the transfer of donating securities in accordance with the following:



- a. 0.002) two per one thousand of the share's market value.
 - b. (0.0001) one per ten thousand of the market value of government bonds, bonds issued by public institutions and municipalities and corporate bond.
2. The SDC shall collect commissions that mentioned in paragraph (A) above from one party with a minimum of (250) two hundreds and fifty files for each transfer contract.

Waqf of Securities Whether Charitable or Descendentiary

The concerned person or his legal representative must submit the Transfer Form in accordance with Waqf in Securities to the SDC.



Required Documents

1. The original Waqf deed duly organized and issued by a competent court and if the Waqf deed is issued outside the kingdom, it should be certified as follows:
 - a. The competent authorities in the country where the power of attorney was organized including the foreign ministry of that country.
 - b. The representative of the Hashemite Kingdom of Jordan in the state which the power of attorney was organized in, or the embassy of that state in the Hashemite Kingdom of Jordan.
 - c. The Jordanian Foreign Ministry.
 - d. The Supreme Judge Department or the competent canonical court (as the case may be).
2. Valid copies of the identification documents^(Annex 1) for the transferor in the Waqf and the transferee.
3. An address for the transferor in the Waqf and the transferee.
4. The transferor's shares must be deposited in the central registry, and in case where the shares are in the investor's account maintained by the broker, they should be transferred to the central registry before the transfer can be conducted.
5. The presence of the transferor in the Waqf and the transferee in person to sign the form in front of the authorized SDC employee, or the presence of transferor legal representative by the power of attorney^(Annex 2) duly organized.



Required Time

120 minutes



Location of Providing Service

SDC's Main Branch



Cost of Providing Service

1. The SDC shall collect a commission for the transfer of the ownership as follows:
 - a. (0.0015) fifteen per ten thousand of the shares market value.
 - b. (0.0001) one per ten thousand of the market value of government bonds, bonds issued by public institutions and municipalities and corporate bonds.
2. The SDC shall collect the commissions mentioned in paragraph (A) above from one party with a minimum of (250) two hundred and fifty fils for each transfer deed.

Securities Contained in Wills

The concerned person or his legal representative must submit the Transfer Form in Accordance with Wills to the SDC.



Required Time

1. A certificate of securities' ownership that proves the willer's ownership of securities that are to be transferred to the devisee or notification provided by the issuer with a maximum of a month period that clarifies the willer's ownership, number of securities, shareholder's number, the SDC number (if available), nationality and that the securities are not restricted by pledge or lien or any certificate previously issued, is considered as cancelled.
2. The original will deed duly organized and authenticated by the competent court and if the will is issued outside the kingdom, the following prevails:



- a. If the will concerns a specific amount of money, it shall be certified by the competent authorities.
- b. If the will concerns a percentage of the heritage, it shall be certified by the competent authorities.
3. A copy of death certificate and identification documents of the willer in cases where it is not possible to present an identification document ^(Annex 1) for the deceased, the death certificate will suffice.
4. A copy of valid identification document of the devisee.
5. An address for the devisee.
6. The presence of the devisee to sign the transfer form in front of the authorized SDC employee or the presence of anyone of his inheritors if he was deceased, or the presence of his legal representative by virtue of the power of attorney ^(Annex 2) duly organized.



Required Time

120 minutes



Location of Providing Service

SDC's Main Branch



Cost of Providing Service

The SDC shall collect commissions for the transfer of securities in accordance with securities' will from one party with a minimum of (250) two hundred and fifty files for each contract in accordance with the following:

1. (0.0015) fifteen per ten thousand of the securities market value.
2. (0.0001) one per ten thousand of the market value of government bonds, bonds issued by public institutions and municipalities and corporate bonds.

Transfers that occur in accordance with the Law of Government's Acquisition of Monies that Reach Limitation

The transfer and reclaiming of shares that reach the limitation is conducted in accordance with the provisions of Article (103/G) of the Instructions of Registration, Deposit and Settlement of Securities for the year 2004 and the Law of Government's Acquisition of Monies that Reach Limitation No. (35) of 1985. There are two cases to transfer securities by virtue of this law:

First case: From the owner of securities that reach limitation to the Jordan Ministry of Finance.



Required Documents

1. A written letter addressed to the SDC by the Jordanian Ministry of Finance to transfer securities' ownership by virtue of the Law of Government's Acquisition of Monies that Reach Limitation No. (35) of 1985.
2. Minister of Finance's letter approving the transfer and a list of owners' names of securities that reach limitation, the number of securities, shareholder number, SDC number (if available).
3. A letter from the public shareholding company that contains a list of owners' names of securities that reach limitation, the number of securities, shareholder number, SDC number (if available).
4. The presence of the ministry's representative to pay fees and receipt transfer notifications.



Required Time

60 minutes



Location of Providing Service

SDC's Main Branch



Cost of Providing Service

The SDC shall collect commissions for the transfer of securities in accordance with the Law of Government's Acquisition of Monies that Reach Limitation from one party with a minimum of (250) two hundred and fifty files for each contract in accordance with the following:



1. (0.0015) fifteen per ten thousand of the securities market value except government bonds, bonds issued by public institutions and municipalities and corporate bonds.
2. (0.0001) one per ten thousand of the market value of government bonds, bonds issued by public institutions and municipalities and corporate bonds.

Second case: From the Ministry of Finance to the owner of securities that reach limitation.

Shares that the government acquires them by virtue of the Law of Government's Acquisition of Monies that Reach Limitation shall not be absolute acquire by the government. Therefore, the share's owners can reclaim their shares where the law authorize the minister of finance to return the shares to their owners based on their request.



Required Documents

1. A written letter addressed to the SDC by the Department of Government Contributions that contains the SDC request to transfer securities from the name of the ministry of finance to the name of person/persons that their securities' ownership by virtue of the Law of Government's Acquisition of Monies that Reach Limitation No. (35) of 1985. It also contains the owner's national identification number (if available) for Jordanian, for non-Jordanian the identification documents will suffice.
2. A written letter from the ministry of finance approving the transfer attached with a list from the issuer of shareholders' names, the number of shares owned by the shareholder and any issuer procedures on the shares during the period they were acquired by the government (such as stock dividends or decrease share capital or market value split that in turn decrease or increase the number of transferred securities,...etc).
3. A copy of valid identification documents ^(Annex 1) of the transferee.
4. An address for the transferee.
5. The presence of transferee to pay fees.



Required Time

60 minutes



Location of Providing Service

SDC's Main Branch



Cost of Providing Service

The SDC shall collect commissions for the transfer of securities in accordance with the Law of Government's Acquisition of Monies that Reach Limitation from one party with a minimum of (250) two hundred and fifty files for each contract in accordance with the following:

1. (0.0015) fifteen per ten thousand of the securities market value except government bonds, bonds issued by public institutions and municipalities and corporate bonds.
2. (0.0001) one per ten thousand of the market value of government bonds, bonds issued by public institutions and municipalities and corporate bonds.



Transfers in accordance with Decisions issued by Courts and Execution Departments

Transfers in accordance with decisions issued by courts and execution departments are conducted by virtue of irrevocable judicial decision.



Required Documents

1. The original irrevocable judicial decision to transfer the securities or a copy authenticated as original of the said decision.
2. A certificate of securities that proves the condemned person's ownership of non-deposited securities that are to be transferred to the transferee (the person who the shares will be transferred in his favor), provided by the issuer within a month period shows the condemned person's ownership of securities, shares number, shareholding number, SDC number (if available), nationality, any certificate issued before to be considered cancelled, and that the securities are not restricted by pledge or lien.
3. Valid copies of the identification documents ^(Annex 1) for both the condemned person (if available) and the transferee (the person who the shares will be transferred in his favor).
4. Addresses for both the condemned person and the transferee (the person who the shares will be transferred in his favor).
5. The presence of the transferee to sign the transfer form in front of the authorized SDC employee, or the presence of one of the transferor's inheritors or the presence of transferor's legal representative by the power of attorney ^(Annex 2) duly organized.



Required Time

120 minutes



Location of Providing Service

SDC's Main Branch



Cost of Providing Service

The SDC shall collect a commission for the transfers in accordance with decisions issued by courts and execution departments from one party with a minimum of (250) two hundred and fifty fils for each contract as follows:

1. (0.0015) fifteen per ten thousand of the shares market value.
2. (0.0001) one per ten thousand of the market value of government bonds, bonds issued by public institutions and municipalities and corporate bonds.

Transfer of Founders' Shares

Transfer of founders' shares is conducted during the restriction period on the shares. The concerned party or his legal representative must submit the Securities' Ownership Transfer Form to the SDC.



Required Documents

1. Transferor / shareholder's shares should be deposited in the central registry.
2. Valid copies of the identification documents ^(Annex 1) for transferor and transferee.
3. In the case that one party is a judicial person, then a new issued covering letter from the judicial person must be presented to the SDC, to notify the SDC of the inquiry to sell or buy the securities and shall include the following:
 - a. Security name, shares status, number of founders' shares, price of sell / buy.
 - b. The names of the seller and the buyer as mentioned in identification document and SDC number, for each of them and its status (founder), and to acknowledge that all financial matters between the two parties were settled, with no responsibility upon the SDC.
 - c. Covering letter of the firm acceptance that the registration certificate and the authorized certificate is true and valid to date, with no responsibility on SDC in case of the presence of the authorized persons to SDC, and in the case of their legal representative presence, his signature that the registration certificate is valid and sufficient.
 - d. The covering letter shall be duly signed by the authorized persons on behalf of the firm for these operations, with notarization from a local bank of their signatures.
 - e. Covering letter shall mention if the transfers will be done with the presence of the authorized person to sign or by a legal representative.
4. Addresses for both the transferor and the transferee.
5. a. The transferor and the transferee or their legal representatives must sign the transfer application at the SDC and if the transfer occurs by virtue of a general power of attorney ^(Annex 2), the power of attorney must expressly give the agent the right to sell or buy the securities and if the power of attorney is specific, it must state the type, number of securities subject to buy or sell, name of security, type of shares, power of attorney right of executing



financial settlements, names of both the transferor and transferee shall be identical to their identification documents.

- b. If one of the parties is a judicial person then a power of attorney have to present to sign, by a virtue of a power of attorney must expressly give him the right to sign in behalf of the corporate for such procedures.



Required Time

60 minutes



Location of Providing Service

SDC's Main Branch



Cost of Providing Service

1. The SDC shall collect a commission for the transfer of non- traded securities as follows:
 - a. (0.0014) fourteen per ten thousand of the market value.
 - b. (0.0001) one per ten thousand of the market value of government bonds, bonds issued by public institutions and municipalities and corporate bonds.
2. The SDC shall collect the commissions mentioned in paragraph (A) above with a minimum of (JOD 1.000) one Jordanian Dinar from each of the parties.
3. The market value mentioned in paragraph (A) is calculated based on the last closing price of the security or the agreed upon price whichever is higher.

Transfer of Ownership of Non-Traded Securities which include:

1. Transfer of securities suspended from listing.
2. Transfer of securities suspended from trading.
3. Transfer of non - listed and non-traded securities through the Market.

The concerned person or his legal representative must submit the Securities' Ownership Transfer Form.



Required Documents

1. Valid copies of identification documents ^(Annex 1) for transferor and transferee.
2. In the case that any party of transfer is a judicial entity, then a new issued covering letter from the judicial entity must be presented to the SDC, the letter must expressly notify the SDC of the desire to sell or buy the securities and should contain the following:
 - a. Security's name, number of shares and the price of selling/buying.
 - b. The name of either the seller or the buyer that are identical to their identification documents, SDC number for both, expressly mentioning the financial settlements between both parties. Hence, the SDC doesn't bear any responsibility.
 - c. Covering letter should expressly includes the firm's acknowledgment that the registration certificate and the certificate of authorized persons to sign are true and valid to date, with no responsibility on SDC of any sequences, in case of the presence of authorized persons to sign in person to SDC , and in the case of their legal representative presence , the registration certificate is suffice.
 - d. The authorized persons to sign on behalf of the firm, and in the case of their legal representative presence, the power of attorney ,registration certificate are sufficient. In addition to the notarization of a local bank of their signatures.
 - e. Covering letter should mention if the transfers will be done of a presence the authorized person to sign or by a legal representative.
 - f. If the firm which be indicated to transfer its shares was suspended for merging or reducing capital, both parties should acknowledge the procedures progress of merging or their acknowledgment of the decrease capital procedures as the case may.
3. An address for both the transferor and the transferee.



4. The transferor's / investor shares must be deposited in the central registry, and in case the shares are in the investor's account maintained by the broker, they should be transferred to the central registry before the transfer can be conducted.
5. a. The transferor and the transferee or their legal representatives must sign the transfer form at the SDC and if the transfer occurs by virtue of a general power of attorney ^(Annex 2), the power of attorney must expressly states that the agent is authorized to sell or buy the securities (as the case maybe), and if the power of attorney is private, it must state the type , number , name of securities, the right in executing financial settlements. The names mentioned in the power of attorney should be identical to their identification documents.
- b. In the case that any party of transfer is a judicial entities then the authorized person to sign should appear in person in accordance to an authorization signature certificate, he has the right to sign on behalf of the firm to such operations



Required Time

60 minutes



Location of Providing Service

SDC's Main Branch



Cost of Providing Service

1. The SDC shall collect a commission for the transfer of non- traded securities as follows:
 - a. (0.0014) fourteen per ten thousand of the market value.
 - b. (0.0001) one per ten thousand of the market value of government bonds, bonds issued by public institutions and municipalities and corporate bonds.
2. The SDC shall collect the commissions mentioned in paragraph (A) above with a minimum of (JOD 1.000) one Jordanian Dinar from each party.
3. The market value mentioned in paragraph (A) is calculated based on the last closing price of the security or the agreed upon price whichever is higher.



**Members'
Services**



1. Corporate Actions

The SDC undertakes the responsibility of registering any changes or amendments made by the issuer on securities issued and authenticating it on the SDC database, this includes, but is not limited to:

- Increases/Decreases of Capital.
- Stock Splits.
- Merger.

If the issuer undertakes any change to the securities issued in any of the methods specified above, the issuer must inform the SDC in writing at least ten (10) days before the action date to make the changes required, specifying the corporate action, the date of the register's closure and the effective date. The SDC will make the required changes to the deposited securities whether registered in the investors' accounts at the SDC or the investors' accounts under the jurisdiction of any of its members. The SDC provides the issuer with the Shareholders' Register containing the names of securities owners, the number of securities owned by each owner and any details required by the issuer as of the date of the register's closure.

A public shareholding company should inform the SDC of the date of its general assembly meeting at least fifteen (15) days before the meeting via a written letter specifying the date of the meeting and the date of the register's closure. The SDC in turn provides the issuer with the Shareholders' Register of deposited securities on the date specified by the issuer.

2. Pledge System

The SDC developed the "Pledge System", which is a special electronic system specifically designed for pledgee banks to better serving their clients in a fast, efficient and accurate manner. The Pledge System enables banks to:

- Impose pledge restrictions to their benefit on securities owned by their clients.
- Release such pledges directly using the system.
- Make enquiries regarding transactions of pledge and release of pledge.
- Inquire on pledge transactions of the pledgee's clients regarding to stock dividend as a result of capitalization in case the pledge includes stock dividend.



**Electronic
Services**



Electronic Services Provided to the Investors:

The SDC works to provide various electronic services through its website (www.sdc.com.jo) to the investors to enhance moving from paper to electronic environment that in turn reduce time, effort and tangible costs, including:

Online Account Viewing

The SDC provide this service free of charge to the interested investors, in which they are given their own username and password that enables them to pursue their investments, access to the balances and statements of their deposited securities, and all executed transactions at the level of investor's account maintained by their concerned brokers.

Interested investors are provided by their brokers with an envelope that contains their own username and password.

Electronic Initial Public Offering (e-IPO)

This service aims to enable the investor to subscribe in the public shareholding companies' public offering that is available through this service by filling subscription forms electronically and printing them in order to advance the subscription mechanism in the Kingdom, which contributes in reducing time and effort required for subscription, as well as reducing mistakes through attaining a higher level of data accuracy mentioned by the investors in the subscriptions' applications. In addition to providing all the necessary information regarding the offered subscriptions.



Electronic Members' Services:

Member Services always aims to harness the latest technologies to all members of the SDC, including:

Mailbox

In implementation of the SDC's policy in serving its members, and moving towards the transition from a paper-based environment to an electronic environment, reducing time and effort, and according to the SDC's functionality performance especially regarding lien or release lien, the SDC has created a special electronic mailbox for each member in order to facilitate and accelerate the process for members in receiving correspondences and memos to allow them to take the necessary measures.

Members' Area

Members' Area is a service developed by SDC. This service enables each member to enter the area devoted to him for his data and requests for amendments electronically, in addition to giving the access for each member to find his legislative violations to take the necessary action for correction in order to serve the public interest, along with publishing such information and data on the SDC's website to enhance transparency and disclosure.



Annexes



Annex 1 Official Identification Documents

Natural Person:

- a. **For Jordanians: Documents that contain National Identification Number, which are:-**
 1. Identity Card issued by the Civil Status and Passport Department.
 2. Passport issued by the Civil Status and Passport Department.
 3. Family Book or Date of Birth Certificate for Minors.
- b. **For Non - Jordanians: Valid Passport.**

Judicial Entity:

- a. **For Jordanians:**
 1. Companies: Registration Certificate by the official competent authorities.
 2. Funds, Charities and Institutions: Registration Certificate or Internal by-Law or Law or prospectus.
 3. Municipalities: Municipalities Law.
- b. **For Non - Jordanians:**
 1. Companies: Certificate of registration, duly certified.
 2. Funds, Charities and Institutions: Registration Certificate or Internal by-Law or Agreement or Law or prospectus.
 3. Municipalities: Municipalities Law.



Annex 2 Powers of Attorney

Conditions for powers of attorney accreditation at the SDC:

a. Type:

Accredited powers of attorney that are issued by (Notary) are:

1. General Power of Attorney.
2. Specific Power of Attorney.

b. Validation Periods:

1. One year from the date of issuance of the general Power of Attorney.
2. Three years from the date of issuance of the private Power of Attorney.
3. If the Power of Attorney exceeded the above periods, it must be recently authenticated a true copy of the original by the notary that issued the POA.

c. Authentication:

If the Power of Attorney was issued outside Jordan it should be authenticated of the following:-

1. The competent authorities in the country in which the Power of Attorney was issued, including the Ministry of Foreign Affairs of that country.
2. Representative of the Hashemite Kingdom of Jordan in the country in which the Power of Attorney was issued, if any, or the country's Embassy at the Hashemite Kingdom of Jordan.
3. The Jordanian Foreign Ministry.
4. The Jordanian Ministry of Justice.

d. Power of Attorney Substance:

Power of Attorney must include explicitly phrases that grants the agent authorities to conduct whatever the purpose of the POA is on behalf of the owner, whether it was Public or Specific.



e. Notes:

1. All information included in the POA shall match the information contained in the statement in the identification documents submitted to the SDC (name, nationality, and identification documents).
2. The SDC maintains the original documents (in cases of a specific Power of attorney which expires by use of one-time) and/or a true copy (for general or specific POA, which does not expire by use for one-time).
3. If the power of attorney issued from outside Jordan and in a language other than Arabic, it shall be notarized by the parties in the article (C) above and then be translated from a certified translator and shall be notarized from a justice of peace in Jordan.



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