

The Decision No (60)/M

The Chairman

Of the Board of Commissioners;

Based upon the provisions of:

- The Law No (22) for the year 2005, and its changes by the Decree No (50) for the year 2009;
- The Law No (55) for the year 2006, and its changes by the Decree No (53) for the year 2009;
- The Decree No (113) for the year 2018;
- The Licensing Act for the Financial Services and Intermediary Companies which was issued by Mr. Prime Minister by the Decision No (3942) dated on 28/8/2006 and its changes;
- And the approval of the Board of Commissioners in their Session No (7) which is held – up dated on 23/3/2022;

Decides the following:

“The Restrictions on the Activity of the Financial Analysis, the Consultancies’ Submitting and the Securities’ Related Information’s Publishing.”

The Article (1):

A. The Definitions:

- **The Law:** The SCFMS Law No (22) for the year 2005, and its changes;
- **The Licensing Act:** The Licensing Act for the Financial Services and Intermediary Companies and Their Rules of Practicing Their Activities

which were issued by Mr. Prime Minister by the Decision No (3942) dated on 28/8/2006 and its changes.

- **The Company:** The Legally Licensed Financial Services and Intermediary Company to practice the activity of Consultancies' Submitting, and the Securities' Related Information's Publishing and analyzing.

- **The Financial Analysis:** The collecting of the special Data and information which are related to the Company's Financial Lists.

The studying of them in details and accurately, in addition to the classification process for stating clearly the elements of these lists, their extent of correlations between them or their occurred upon changes during a certain period or various period. In addition to compare them within the Company's working in Sector.

And consequently the explanation of the achieved results, and deducting their results for conducting a complete evaluation for the Company, and stating its level of performance, for making – up the appropriate investment Decision.

- **The Financial Consultancies:** The opinions and the recommendations which are based upon the researches, studies, and the Financial and the Economical Analyses concerning the feasibility studies, and the defining of the Securities' Expected Future or Current Values, and the Securities' issued Companies which are submitted for the clients or published for the public by any means of the publishing means, or any other various means of communications.

- **The Financial Analyst:** The Natural Person that the Licensed Company to practice the activity of Consultancies' Submitting, and the Securities' Related Information's Analyzing and Publishing is granted him to perform the task of studying and analyzing the Financial Data and the Securities' Related Information to evaluate and measure the performance of the Securities' Issuing's Companies for the purpose of submitting the advice, consultancy and helping the clients to make – up the appropriate investment Decision.

- B.** The un defined words and phrases within the context of these Restrictions shall have their assigned meanings in the Law No (22) for the year 2005, its changes, and its related issued Regulations and Directives.

The Article (2):

The Obligations of the Company”:

The Company has to abide by the principles of dignity, transparency, objectivity and neutrality within the process of performing its activity, besides all the Laws, Regulations and the related Decisions for performing the activity of Consultancies’ Submitting, and the Securities’ related information’s analyzing and publishing, and in specific the Listed Rules and Responsibilities within the Article (13) of “The Licensing Act”, and to abide by in specific with the following:

- 1)** To abstain from submitting consultancies, securities’ related information’s analyzing and publishing or even to offer the Company by –itself as a representative for practicing such activities toward the Clients or even any others except after it has been obtained in advanced an initiating’s order for the practicing of these activities.
- 2)** To pin – down the Terms for submitting the Consultancies, and the Securities’ related information’s analyzing in a manner of a Written Agreement which is signed legally with the clients.
This Agreement must abide by with the Provisions of this Act in addition to all the related issued decisions and circulars. Stipulated for this Agreement to be put as an effective condition as soon as the two parties have obtained a signed copy of it.
- 3)** To keep the Client’s information as top secret except in the cases wherein the disclosing of it is considered as a requirement in accordance with the effective Laws and Regulations.
- 4)** To disclose totally all about the matters that can limit the Company’s neutrality and objectivity, or such matters that can affect in a negative manner the Company’s duties towards its Clients or the others.
- 5)** In case there are cases for the Conflicts of Interests between the Clients and the Company; the interest of the Client must be prioritized, and all the granted steps to guarantee the legality and the priority of the Client’s interest must be made – up.

- 6) To abstain totally from publishing or promoting any incorrect data or even information that concerned about the listed Companies' Securities at the Stock – Exchange.
- 7) To refrain from publishing any Financial Analysis' Report or even to state in the Audio, Visual, Readable means of Communications or in any other means about any information concerning the security, or the Securities' Issuing Company in an exchange manner for obtaining any material or spiritual exchange of rewards (Whether such is in a direct manner or the reverse way's indirectly), by the Company, the Employees, any of its Board of Directors' Members, the General Manager, the Manager or even its working staff whatever the rewards are in shape or even in type by way of offering them whether from the Securities' Issuing Company, any of its related Entities or even its affiliated related Parties, as well.
- 8) To abstain from expressing any material or spiritual pressures (whether such is indirectly, or even directly) on the work of the accredited Financial Analyst while He is in the process of proceedings of His working's tasks in a step to dilute His neutral Technical Opinion, whether such is concerning any information about a certain Security, the Issuing Companies which are under Consultancy's Subject or even if any other matters which are concerned about the Report of the Financial Analysis in even.
- 9) To abstain from inserting any purchasing or selling order on the Security which is under the Consultancy's Subject, or the Report of the Financial Analysis for the interest of the Company's Portfolio, its working at Employees, their wives, Husbands, minors or for the interest of the Clients for whom their investments are managed beginning from the date of preparing the specific Financial Consultancy about this Security and till the date of publishing the Financial Consultancy for the Public, and the passing of a whole one day since its publishing.
Except in the case wherein the inserting orders are from the clients that they do not manage their accounts.

10) To abstain from inserting any orders that can affect the price of the Security for the sake of the interest of the consultancy or the Report of the Financial Analysis.

11) To bear the full responsibility for the disposes of the Financial Analyst, and his Assistant which is contradicting the Laws, Regulations and the Directives.

The Article (3):

The Obligations of the Financial Analyst:

A. The Financial Analyst and His Vice has to abide by all the Laws, Regulations and Decisions which are related to the Positions of the Consultancies, and the Securities' Related Information's analyzing and publishing and in specific " The Rules of Professional Conduct" which is issued by each of the Commission and the Market.

And they have to abide by the following:

- 1) The follow – up of all the latest developments and changes in the Field of the Securities' Investment since preparing the Report of the Financial Analysis or the Financial Consultancy.
- 2) To keep – up with the required levels of Adequacy for the practicing of the works of the Financial Analysis through the consistent training and qualification, and the following – up of the latest developments and specific changes concerning the Accredited International Standards and Practices of the Profession.
- 3) To practice the work in trust, dignity and neutrality in addition to express the careness of the Professional Person, to diverted from any of the misleading practices; adding to pay an interest in the Client's ones and to verify that there are not any cases for Conflicts of Interests between the interests of the Financial Analyst or His Assistant and the Interests of the Client.
- 4) To obtain the specific information about the Client which is related to His identity, Situation, Financial Capacity, his Qualification for concluding – up a contract, His extent of experience in the Field of Investment, in addition to His aims of Investment before conducting any types of dealings or submitting any sort of consultancy.

- 5) To express the nature of risks which are related to the securities before conducting any deals or even the submitting of any consultancy for any client, or even before practicing any publishing for any type of Financial Analysis' Report for the other.
 - 6) To abstain for including the consultancies or the Reports of the Financial Analysis any data or in correct information about the securities, or even about the situations of the Securities' Listed Companies at the Market, in addition to assure the correctness of all the data and information that are submitted for the Client or even for the others before submitting any type of consultancy or even practicing any type of publishing for the Report of the Financial Analysis.
 - 7) In the case of submitting Recommendations for the Investment, it is necessary to be distinguished clearly between the facts and the opinions.
 - 8) To keep the level of the Clients' obtained information as a top secret except in the cases wherein the process of disclosing and providing the required information is considered as a necessary step in accordance with the effective Laws and Regulations.
- B.** The Financial Analyst and His Assistant are prohibited to conduct any of the following acts such as:
1. To conduct or even to do any type of consultation with the Securities' Issuing Company which is subject to consultation or the Report of the Financial Analysis, unless such act is attached with the caused reasons and after getting a written approval from the General Manager of the Company.
 2. To do any type of agreement with the Issuing Company or any other Parties for the purpose of causing any effects on the prices of the securities or the Financial Status of it in a way that is contradicted with its real situation and fact.

The Article (4):

The Items of the Financial Consultancy's Report, or the Report of the Financial Analysis:

1. The Report of the Financial Consultancy, or the Report of the Financial Analysis will be issued in the Company's Name.
With referring clearly to the Name of the Financial Analyst, and all the participating Members in the consultancy or the Report's Preparing, and the Company and the Financial Analyst in both will be considered responsible for the preparing of this Report.
2. The Company will abide by including the Financial Consultancy or the Report of the Financial Analysis the following items at least:
 - A. To define all the names and the addresses of the participating Members at the preparing of the consultancy or the Report.
 - B. To define the date for preparing the Consultancy or the Report.
 - C. To define the type of the Company's relations with the Securities' Issuing Company which is subject to the consultancy or the Financial Report, and the concerned parties with the Issuing Company.
 - D. To mention clearly at the beginning of the Report that the Submitted Consultancy and / or the Report of the Financial Analysis is considered as a Technical Opinion, and the responsibility of the Company for the submitted consultancy and / or even the Report of the Financial Analysis will be excluded in the process of submitting advices, consultancy and the Financial Analysis without guaranteeing any types of their results.
 - E. To clarify the Related Risks to the Securities' Trading.
 - F. To define the Methods of Estimation and the Used Evaluation, in addition to all the assumptions and the comparisons that they based upon them when preparing the Consultation or the Report.
 - G. To deviate from the exaggeration's words, the promises, the illusions, the falseness, the cheating, or even the manipulations in the senses when preparing the Consultancy or the Financial Report.

- H. In the Case wherein there are estimations and used assumptions within the Consultancy or the Report of the Financial Analysis, it is necessary to use defined idioms and ideologies such as “the expectations, the predictions, the estimations or the assumptions” to refer that these percents or data are based upon the estimations of the Company and its assumptions.
- I. To prepare a Column or a diagram that states the prices of the securities that are included in the previous Financial Analysis Reports, for at least one previous year if they are available, in comparison with the actual prices at the expected date for achieving the targeted prices which are listed in this Report.
- J. To add a Margin which includes in details the source of each Number from the used Numbers and Data in the Report or the Financial Consultancy, wherein these Numbers are distinguished from those which are based on the assumptions and the estimations of the Company.
- K. The Certification of the Company on the Financial Consultancy or the Report.

The Article (5):

The Disclosure’s Requirements:

Taking into consideration the Provisions of “The Act of Disclosure and Transparency”, the Company has to disclose the Commission with the following:

1. The beginning date for the preparing of any Report of the Financial Analysis which states the submitting of any Consultancy or any advice for the client or the others, “as soon as the preparing of the Report is initiating.”
2. Any relation that correlates the Company or any of its working at Employees, their wives, Husbands, or even Minors with the Securities’ Issuing Company which is subject to the Financial Analysis, or any other related parties to the Issuing Company.

3. Any services that the Company or its working at Employees, their wives, Husbands or even Minors have submitted to the Securities' Issuing Company which is subject to the Consultancy, the Report of the Financial Analysis or any other related parties to the issuing Company within a period of (12) Twelve Months that preceded the submitting of the Consultancy or the Report of the Financial Analysis in addition to any other expected services to be submitted within a period of (12) Twelve months that preceded the submitting of the Consultancy or the Report.
4. Any Charges, salaries or any other Material Sums that the Company has received or any of its working at Employees, its Wives, Husbands or even minors in exchange for any submitted services by the Securities' Issuing Company which is subject to the Consultancy, the Report of the Financial Analysis or by any other of its related Parties within a period of (12) Twelve months that preceded or proceeded the submitting of the Consultancy or the Financial Report.
5. Any Trading's Transaction's Process that the Company is initiating for its interest or any of its working at Employees, its Wives, Husbands or even Minors for the owning of the Securities which are subject to the Consultancy or the Report of the Financial Analysis as soon as it is occurred within a period of (3) Three Months that proceeded the publishing date of the consultancy or the Financial Report.
6. Any Agreement for submitting the Consultancy and the Financial Analysis as soon as it is signed – up with the Client, and any other occurred changes on this Agreement.
7. Any Report of the Financial Analysis which is related to the Securities' evaluation as soon as it is published on any of the Company's Web – sites.

The Article (6):

The Reservation of the Reports:

- A. Without contradicting the general responsibilities and obligations which are imposed on the Financial Services and Intermediary Companies and listed within The Article (13) of “ The Licensing Act”; and specifically what are related to the reservation of the registrations and information, the Company has to reserve and archive all the studies, researches, and reports in electronic or paper files including the process of reservation of all the

information and the sources of information which is related to the Financial Consultancy or the Report of the Financial Analysis.

- B.** The Commission has the right to acknowledge and obtain copies of all the information and the related documents to the process of Consultancy and / or the Report of the Financial Analysis.

The Article (7):

The General Provisions:

The listed Provisions in each of the Commission's and the Market's Laws and Regulations will be applied in each case that is not included within a clear Legal Text within these Restrictions.

The Article (8):

This Decision is notified the Concerned for implementation.

**Damascus Dated on
23/3/2022.**

**The Chairman
Of the Board of Commissioners;
Of Syrian Commission on Financial Markets and Securities;
Dr. Abd Fadleah.**

24/4/2022.

**Translation Directorate.
K.I.**