

## New terms to be included in the Glossary of Defined Terms Used in the Regulations and Rules of the Capital Market Authority

Term	Definition
<b>Application for listing</b>	means in the Rules on the Offer of Securities and Continuing Obligations, any application submitted to the Exchange to list securities of any type.
<b>Corporate actions</b>	actions taken by an issuer which lead to increasing or decreasing the number of its securities or changing its nominal value including, for example, increasing or decreasing its capital.
<b>Exchange Rules</b>	the regulations, rules, procedures and instructions proposed by the Board of Directors of the Exchange and approved by the Board of the Authority.
<b>Shareholder circular</b>	means in the Rules on the Offer of Securities and Continuing Obligations the document required in the context of certain capital alterations of an issuer to enable the shareholders to make an informed vote at the relevant general assembly.
<b>Main Market</b>	the market of Exchange where securities, that have been registered and offered pursuant to Part 4 of the Rules on the Offer of Securities and Continuing Obligations, are traded.

<b>Parallel Market</b>	the market of Exchange where shares, that have been registered and offered pursuant to Part 7 of the Rules on the Offer of Securities and Continuing Obligations, are traded.
<b>Qualified investor</b>	means in Part 7 of the Rules on the Offer of Securities and Continuing Obligations, any of the following persons: <ol style="list-style-type: none"><li>1) Authorised Persons act for their own account.</li><li>2) Clients of a person authorised by the Authority to conduct managing activities provided that this Authorised Person has been appointed as an investment manager on terms which enable it to make decisions concerning the acceptance of an offer and investment in the Parallel Market on the client's behalf without obtaining prior approval from the client.</li><li>3) The Government of the Kingdom, any government body, any supranational authority recognised by the Authority or the Exchange, and any other stock exchange recognised by the Authority or the Depository Center.</li><li>4) Government-owned companies either directly or through a portfolio managed by a person authorised to carry out managing activities.</li><li>5) Companies and funds established in a member state of the Cooperation Council for the Arab States of the Gulf.</li><li>6) Investment Funds.</li></ol>

	<ul style="list-style-type: none"><li>7) qualified foreign investors.</li><li>8) Any other legal persons allowed to open an investment account in the Kingdom and an account at the Depository Center.</li><li>9) Natural persons allowed to open an investment account in the Kingdom and an account at the Depository Center, and fulfil any of the following criteria:<ul style="list-style-type: none"><li>(a) has conducted transactions in security markets of not less than 40 million Saudi riyals in total, and not less than ten transactions in each quarter during the last twelve months.</li><li>(b) the average size of his securities portfolio shall exceed 10 million Saudi riyals during the last twelve months.</li><li>(c) holds the General Securities Qualification Certificate which is recognised by the Authority.</li></ul></li><li>10) Any other persons prescribed by the Authority.</li></ul>
<b>Real Estate Investment Traded Funds Instructions</b>	the Real Estate Investment Traded Funds Instructions issued by the Board of the Authority.

## Amendments to existing terms of the Glossary of Defined Terms Used in the Regulations and Rules of the Capital Market Authority

Term	Definition
<b>Acting in concert</b>	<p>means in the Rules on the Offer of Securities and Continuing Obligations, actively co-operating, pursuant to an agreement or understanding (whether formal or informal) between persons, to acquire interest in or exercise voting right in the shares or in the convertible debt instruments of the issuer.</p> <p>means in the Merger and Acquisition Regulations actively co-operating, pursuant to an agreement or understanding (whether formal or informal) between persons, to be controllers of a company, through the acquisition by any of them of shares in that company.</p>
<b>Application for registration and offer</b>	the registration of securities with the Authority, or where the context permits, the application to the Authority for registration and offer of securities. .
<b>Issuance programme</b>	a programme under which a single prospectus under the Rules on the Offer of Securities and Continuing Obligations is produced pursuant to which a number of debt instruments or convertible debt instruments may be issued in the future, as stated in the prospectus.

<b>Limited offer</b>	has the meaning specified in Article 10 of the Rules on Offers of Securities and Continuing Obligations.
<b>Listing</b>	listing securities on the Exchange either on the Main Market or on the Parallel Market, or, where the context permits, the application for listing.
<b>Listing Rules</b>	the Listing Rules proposed by the Board of the Exchange and approved by the Board of the Authority.
<b>Offeror</b>	<p>means in the Rules on the Offer of Securities and Continuing Obligations, a person who makes an offer or invites a person to make an offer which, if accepted, would give rise to the issue or sale of securities by him or by another person with whom he has made arrangements for the issue or sale of the securities; and</p> <p>in the Merger and Acquisition Regulations, a person who makes or intends to make a takeover offer that is subject to the Merger and Acquisition Regulations</p>
<b>Private placement</b>	<p>for the purpose of the Rules on the Offer of Securities and Continuing Obligations, means an offer of securities which falls within one of the categories of offers listed in Article 8 of the Rules on the Offer of Securities and Continuing Obligations; and</p> <p>for the purposes of the Investment Fund Regulations, means:</p> <ol style="list-style-type: none"> <li>1) for private funds, the offer of units in accordance with paragraph (a) of Article 74 of the Investment Fund Regulations; and</li> <li>2) for foreign funds, the offer of units in accordance with paragraph (a) of Article 94 of the</li> </ol>

	Investment Fund Regulations.
<b>private placement notification</b>	<p>the notification required to be made to the Authority under subparagraph (2) of paragraph (a) of Article 9 of the Rules on the Offer on the Offer of Securities and Continuing Obligations.</p> <p>for the purpose of the Investment fund regulations, means the notification required to be made to the Authority under subparagraphs (1,2 and 3) of paragraph (a) of Article 75 of the Investment Fund Regulations in relation to private funds or under subparagraphs (1,2 and 3) of paragraph (a) of article (95) of the investment fund regulation in relation to foreign funds</p>
<b>Prospectus</b>	the document required to offer securities in the Main Market or in the Parallel Market in accordance with the Capital Market Law and the Rules on the Offer of Securities and Continuing Obligations.
<b>Public</b>	<p>means in the Listing Rules persons other than the following:</p> <ol style="list-style-type: none"> <li>1) affiliates of the issuer;</li> <li>2) substantial shareholders of the issuer;</li> <li>3) directors and senior executives of the issuer;</li> <li>4) directors and senior executives of affiliates of the issuer;</li> <li>5) directors and senior executives of substantial shareholders of the issuer;</li> <li>6) any relative of persons described at (1), (2), (3), (4) or (5) above;</li> </ol>

	<p>7) any company controlled by any persons described at (1), (2), (3), (4), (5) or (6) above; or</p> <p>8) persons acting in concert, with a collective shareholding of (5%) or more of the class of shares to be listed.</p>
<p><b>Related party</b></p>	<p>in the Rules on the Offer of Securities and Continuing Obligations, means:</p> <ol style="list-style-type: none"> <li>1) affiliates of the issuer;</li> <li>2) substantial shareholders of the issuer;</li> <li>3) directors and senior executives of the issuer;</li> <li>4) directors and senior executives of affiliates of the issuer;</li> <li>5) directors and senior executives of substantial shareholders of the issuer;</li> <li>6) any relatives of persons described at (1), (2), (3), (4) or (5) above;</li> <li>7) any company controlled by any person described at (1), (2), (3), (4), (5) or (6) above; and</li> </ol>
<p><b>Restructuring</b></p>	<p>a material merger or reorganisation, including a material restructuring as described in paragraph (f) of Article 24 of the Rules on the Offer of Securities and Continuing Obligations.</p>

<b>Senior executives</b>	<p>any natural person to whom the governing body of the firm, or a member of the governing body of the firm, has given responsibility, either alone or jointly with others, for management and supervision and either reports to:</p> <ol style="list-style-type: none"><li>1) the governing body directly;</li><li>2) a member of the governing body; or</li><li>3) the CEO.</li></ol>
<b>Sophisticated investor</b>	<p>has the meaning specified in Article 9 of the Rules on the Offer of Securities and Continuing Obligations; and</p> <p>for the purposes of the Investment Funds Regulations, has the meaning specified in paragraph (b) of Article 74 of the Investment Funds Regulations.</p>
<b>the Rules on the Offer of Securities and Continuing Obligations</b>	<p>the Rules on the Offer of Securities and Continuing Obligations issued by the Board of the Authority.</p>