

New terms to be included in the Glossary of Defined Terms Used in the Exchange Rules

Term	Definition
Application for registration and offer	in the Listing Rules, means any application submitted to the Authority to register and/or offer securities of any type.
Calendar day	any day, whether or not such day is a business day.
Capitalisation issue	an offer of further shares to existing shareholders, fully paid up out of the issuer's reserves, in proportion to existing shareholders holdings.
CEO	the chief executive officer, being any individual who heads the operations of any person and includes the managing director, the chief executive, the president of the company or equivalent.
Companies Law	the Companies' Law issued by Royal Decree Number M/3 dated 28/1/1437H.
Custodian	a person who is authorised under the Authorised Persons Regulations to conduct the securities activity of custody.
Director	in relation to a joint stock company, includes a member of the board of directors and in relation to any other company includes any manager or other senior executive who makes and implements the company's strategic decisions.

Disclosure forms	forms issued or approved by the Authority to determine the contents of the disclosures or reports required to be published by the issuer pursuant to the relevant rules and instructions.
Employee	in relation to a person, includes a director or manager of a company, a partner in a partnership or any other individual who is employed under a contract of service or contract of service and whose services are placed at the disposal of and under the control of that person.
Fund manager	for the purpose of listing units of investment funds, means an authorised person that is responsible for the management of the assets of an investment fund and for offering units of the investment fund.
Issuance programme	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.
Implementing Regulations of Companies Law	a set of rules, instructions and procedures issued by the Authority relating to the implementation of the Companies Law.
Listing Rules	the Listing Rules proposed by the Board of the Exchange and approved by the Board of the Authority.
Listing	listing securities on the Exchange either on the Main Market or on the Parallel Market, or, where the context permits, the application to the Exchange for listing securities.
Main Market	the market of the Exchange in which securities, that have been registered and offered pursuant to Part 4 of the Rules on the Offer of Securities and Continuing Obligations and have been admitted to listing pursuant to Part 3 of the Listing Rules, are traded.
Market maker	for an exchange traded fund, the authorised person appointed by the fund manager to act as a market maker in accordance with the Investment Funds Regulations.

Parallel Market	the market of the Exchange in which shares, that have been registered and offered pursuant to Part 7 of the Rules on the Offer of Securities and Continuing Obligations and have been admitted to listing pursuant to Part 8 of the Listing Rules, are traded.
Parallel Market Offer	an offer of shares for the purpose of listing and trading such shares on the Parallel Market made by an issuer to Qualified Investors or shareholders of that issuer who owned the shares in that issuer before they were listed.
Prospectus	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.
Public	<p>means in the Listing Rules persons other than the following:</p> <ol style="list-style-type: none"> 1) affiliates of the issuer; 2) substantial shareholders of the issuer; 3) directors and senior executives of the issuer; 4) directors and senior executives of affiliates of the issuer; 5) directors and senior executives of substantial shareholders of the issuer; 6) any relative of persons described at (1), (2), (3), (4) or (5) above; 7) any company controlled by any persons described at (1), (2), (3), (4), (5) or (6) above; or

	<p>8) persons acting in concert, with a collective shareholding of (5%) or more of the class of shares to be listed.</p>
<p>Qualified Investor</p>	<p>for the purpose of Part 8 of the Listing Rules, any of the following persons:</p> <ol style="list-style-type: none"> 1) Authorised Persons act for their own account. 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. 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. 4) Government-owned companies either directly or through a portfolio managed by a person authorised to carry out managing activities. 5) Companies and funds established in a member state of the Cooperation Council for the Arab States of the Gulf. 6) Investment Funds. 7) Qualified Foreign Investors. 8) Any other legal persons allowed to open an investment account in the Kingdom and an account at the Depository Center. 9) Natural persons allowed to open an investment account in the Kingdom and an

	<p>account at the Depository Center, and fulfill any of the following criteria:</p> <p>(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.</p> <p>(b) the average size of his securities portfolio shall exceed 10 million Saudi riyals during the last twelve months.</p> <p>(c) holds the General Securities Qualification Certificate which is recognised by the Authority.</p> <p>10) Any other persons prescribed by the Authority.</p>
Real Estate Investment Traded Fund	a real estate investment fund which its units are publicly offered pursuant to the Real Estate Investment Traded Funds Instructions and for which an application for listing is submitted to the Exchange or where its units are listed on the Exchange.
Real Estate Investment Traded Funds Instructions (REIT)	the Real Estate Investment Traded Funds Instructions issued by the Board of the Authority.
Related party	<p>1) In relation to senior executives or directors or a single shareholder holding majority of the shares, a related party means any of the following:</p> <p>(a) Husband, wife and minor children (shall be jointly referred to as “person’s family”); or</p> <p>(b) Any company that a person or any member or more of the person’s family has an interest in, or that a person and any member or more of the person’s family are jointly interested in, whether directly or indirectly, which enables them to:</p> <ul style="list-style-type: none"> • Vote or control the votes of 30% or more of the voting rights in the general assembly in relation to all or most of the issues presented therein; or • Appoint or dismiss directors having the majority of the voting rights in the board

	<p>meetings in relation to all or most of the issues presented therein.</p> <p>2) In relation to a company holding a majority of the shares, a related party means any of the following:</p> <p>(a) Any other company that is a subsidiary, holding, or affiliate that is owned by the same parent company;</p> <p>(b) Any company in which the directors are used to take instructions from the company that holds a majority of the shares; or</p> <p>(c) Any company that falls within the scope of both paragraphs (a) and (b), and any company that the company which holds a majority of the shares is interested in its capital, whether directly or indirectly, which enables it to:</p> <ul style="list-style-type: none"> • Vote or control the votes of 30% or more of the voting rights in the general assembly in relation to all or most of the issues presented therein; or • Appoint or dismiss directors having the majority of the voting rights in the board meetings in relation to all or most of the issues presented therein.
Registration	the registration of securities with the Authority, or where the context permits, the application to the Authority for registration and offer of securities.
Reverse takeover	an arrangement where a listed company makes an offer of new shares in itself to the shareholders of an unlisted company on the Exchange for their shares and these new shares will represent more than 50% of the listed company voting shares after the acquisition.
Rights issue	an offer of additional shares to existing shareholders which enables those shareholders to subscribe in proportion to their existing holdings.
Rules on the Offer of Securities and Continuing Obligations	the Rules on the Offer of Securities and Continuing Obligations issued by the Board of the Authority.

Senior executives	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: <ul style="list-style-type: none"> 1) the governing body directly; 2) a member of the governing body; or 3) the CEO.
Shareholders' circular	the document required in the context of certain capital alterations of an issuer pursuant to the Rules on the Offer of Securities and Continuing Obligations to enable the shareholders to make an informed vote at the relevant general assembly.
Temporary trading halt	the suspension of trading in the securities during the trading period.
Unitholder	a person who owns units in an investment fund.
Unitholders from the public	for the purpose of the real estate investment traded fund, means unitholders who own units in the real estate investment traded fund other than the following: <ul style="list-style-type: none"> 1) any unitholder owning (5%) or more of the REIT's units. 2) the Fund manager and its affiliates. 3) the Fund's board of directors.