

The Capital Market Authority Publishes the Proposed Regulatory Enhancements for the Offering of Debt Instruments for Public Consultation

A) Preamble:

As part of the Capital Market Authority's ("CMA") strategic objectives to regulate and develop the capital market, and based on the Capital Market Law issued by Royal Decree No. (M/30) dated 2/6/1424 H, the CMA Board issued its resolution to publish the proposed regulatory enhancements for the offering of debt instruments ("Proposed Regulatory Enhancements") for public consultation for a period of (30) calendar days.

B) Objectives of the Proposed Amendments and its Main Elements:

The Proposed Regulatory Enhancements aim at facilitating the regulatory frameworks for the registration, offering, and listing of debt instruments in the Kingdom. The main elements of the Draft Regulatory Framework are as follows:

- 1) Including the offering of debt instruments by national development funds or sovereign funds among the cases whereby the offering is an exempt offer, and stipulating the applicable conditions and requirements in such case.
- 2) Developing the provisions governing the offering of debt instrument through a private placement, including the provisions related to the notice period of the private placement to the CMA.
- 3) Developing the provisions governing the offering of debt instrument through a public offer, including facilitating the supporting documents for the application to register and offer debt instruments through a public offer and facilitating the requirements related to a debt instruments prospectus.
- 4) Separating the provisions governing the public offer of debt instruments into a separate chapter.



C) Proposed amendments to the Rules on the Offer of Securities and Continuing Obligations compared with the current provisions:

Rules on the Offer of Securities and Continuing Obligations		
#	Proposed Amendments	Clarification
1	<p style="text-align: center;">PART 2 Exempt Offer</p> <p>Article 6: Exempt Offer</p> <p>a) Without prejudice to the Securities Business Regulations and the Capital Market Institutions Regulations, an offer shall be exempt from the requirements of these Rules in any of the following cases:</p> <p>...</p> <p>2) Offer of debt instruments issued by the Kingdom's development funds and banks and the Kingdom's sovereign funds, in accordance with the following requirements and conditions:</p> <p>a. The issuer shall prepare an offering document in accordance with the requirements of Annex (2) of these rules, and that the offering document is made available to the public through the issuer's website at least five days prior to the date specified to start the offering.</p> <p>b. The offering documents must contain complete, clear and not misleading information, and must contain all the information necessary for investors to arrive at an informed decision concerning the issuer and the debt instruments offered.</p> <p>c. The issuer must submit the pricing supplement and the debt instrument allocation form to the Authority within ten days after the completion of the offering, or the completion of the offering of each issue if the offering was part of a debt instruments offering program.</p> <p>d. The Issuer must deposit the debt instruments with the Depository Center within a period not exceeding ten days from the completion of the offering or the completion of the offering of each issuance if the offering was part of a debt instruments issuance program, provided that the request to deposit such debt instruments with the Depository Center</p>	<p>It is suggested to amend the provisions governing exempt offer to develop the regulatory framework for exempt offer of debt instruments through:</p> <ol style="list-style-type: none"> 1) Addition of an offer of debt instruments by the Kingdom's development funds and banks and the Kingdom's sovereign funds among the cases of exempt offer, and stipulating the conditions and requirements of such case, including the requirements on the offering document. 2) Including an exception for an offer of debt instruments by the Kingdom's development funds and banks and the Kingdom's sovereign funds from the requirement to notify the Capital Market Authority on a quarterly basis stipulated in paragraph (b) of Article (6) of the Rules on the Offer of Securities and Continuing Obligations. 3) Including an exception for offers of debt instruments made pursuant to subparagraph (8) of paragraph (a) of Article (6) of the Rules on the Offer of Securities and Continuing Obligations, which was amended to be subparagraph (9), from the requirement to submit to the Capital Market Authority a copy of the declaration stipulated in the aforementioned subparagraph; this does not provide an exemption from the requirement to obtain such declaration as a condition pursuant to the aforementioned subparagraph. 4) Addition of a requirement to include in the offering documents for an exempt offer of debt instruments a clear statement in accordance with the form suggested in paragraph (i) of Article (6) of the Rules on the



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	<p>shall be made by the Capital Market Institution through whom the private placement is made.</p> <p>e. The issuer must disclose -through the electronic system specifically designated for such purpose by the Exchange- its audited annual financial statements in Arabic within a period not exceeding six months from the end of the annual financial period covered by those statements.</p> <p>f. The issuer must disclose -through the electronic system specifically designated for such purpose by the Exchange- its annual report within a period not exceeding twelve months from the end of the relevant financial year.</p> <p>g. Subparagraphs (a), (e) and (f) of this subparagraph shall not apply if the issuer does not make the necessary arrangements to list the debt instruments on the Exchange.</p> <p>h. The offering of debt instruments in accordance with subsection (2) of paragraph (a) of this Article is limited to investors of the categories of qualified clients and institutional clients in the event that the issuer does not make the necessary arrangements to list them in the Exchange.</p> <p>...</p> <p>b) Except for the Kingdom's development funds and banks and the Kingdom's sovereign funds, Thethe offeror or the Capital Market Institution (if the offer is carried out through a Capital Market Institution) shall, when making an exempt offer, notify the Authority on a quarterly basis of the total number and value of the exempt offers the Capital Market Institution has made. In addition, the following information must be submitted to the Authority in respect of each exempt offer:</p> <p>...</p>	<p>Offer of Securities and Continuing Obligations.</p>
2	<p style="text-align: center;">PART 2</p> <p style="text-align: center;">Exempt Offer</p> <p>Article 6: Exempt Offer</p> <p>a) Without prejudice to the Securities Business Regulations and the Capital Market Institutions</p>	



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	<p>Regulations, an offer shall be exempt from the requirements of these Rules in any of the following cases:</p> <p>...</p> <p>89) Where the subscription in total value for the securities being offered is less than 10 million SR or an equivalent amount, in accordance to the following conditions:</p> <p>...</p> <p>c. Declaration by the offeree who participate in the subscription for such offered securities (excluding investors under the categories of Institutional and Qualified Clients) to the offeror or the Capital Market Institution (if the offer is carried out through a Capital Market Institution) of its acknowledgment to the risks associated with the investment, including what may result in loss of the full amount of the investment, and that the Authority shall not give any assurance as to the accuracy and completeness of the documents related to the Offering or its completeness, and expressly disclaim any liability whatsoever for any loss arising from or incurred in reliance upon any part of these documents, and its acknowledgment that the offeror or the Capital Market Institution (if the offer is carried out through a Capital Market Institution) does not have to notify the Authority of the suitability of such an investment.</p> <p>...</p> <p>b) Except for the Kingdom's development funds and banks and the Kingdom's sovereign funds, The the offeror or the Capital Market Institution (if the offer is carried out through a Capital Market Institution) shall, when making an exempt offer, notify the Authority on a quarterly basis of the total number and value of the exempt offers the Capital Market Institution has made. In addition, the following information must be submitted to the Authority in respect of each exempt offer:</p> <p>...</p>	



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	<p>12) Declaration by the offeree indicated in subparagraph (c) of paragraph (89) of this Article, including the following information:</p> <p>a. The total amount payable per offeree who participate in the subscription for such securities and the number and description of the securities.</p> <p>b. Name of the offeree who participate in the subscription for such securities and its passport number or National ID and signature.</p> <p>c. Declaration date.</p> <p>The requirement to submit the aforementioned declaration to the Authority does not apply to the offering of debt instruments.</p>	
3	<p style="text-align: center;">PART 2 Exempt Offer</p> <p>Article 6: Exempt Offer</p> <p>...</p> <p>i) The debt instruments offering documents to be used in advertising the offer must contain a prominent statement in the following form: “This document may not be distributed in the Kingdom except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority. The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorised financial advisor.”</p>	
4	<p style="text-align: center;">ANNEX 2 CONTENTS OF THE OFFERING DOCUMENT FOR DEBT INSTRUMENTS ISSUED BY THE KINGDOM’S DEVELOPMENT FUNDS AND BANKS AND THE KINGDOM’S SOVEREIGN FUNDS</p>	



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	<p>The offering document for debt instruments issued by the Kingdom's development funds and banks and the Kingdom's sovereign funds must be prepared in Arabic, and must contain the following information at a minimum:</p> <ol style="list-style-type: none"> 1) overview of the issuance or the issuance program. 2) size and duration of the program (if the offer is a debt instruments issuance program). 3) a notice which shows the purpose of the offering document and the nature of information mentioned in the document. 4) a statement clarifying that the offering is considered an exempt offering in accordance with subparagraph (2) of paragraph (a) of Article (6) of the Rules on the Offer of Securities and Continuing Obligations. 5) the issuer's name and description. 6) issuer credit rating (if any). 7) Information concerning the debt instruments and terms and conditions of the offer: This section must include the following: <ol style="list-style-type: none"> a. terms and conditions of the debt instruments; b. full information on the rights conferred upon holders of debt instruments; c. particulars of the debt instruments; d. subscription method; e. details of the early redemption of the offer; f. the names and addresses of the paying agents, and any registrar and transfer agents for the debt instruments; g. details of the arrangements for transfer of the debt instruments; h. details of repayment related dates including the final maturity date and early repayment dates, specifying whether exercisable at the issuer's or the holder of debt instruments' request and the date from which payments are due; i. details of any restrictions on the transferability of the debt instruments; and j. the date upon which it is expected that trading in the debt instruments will commence, if the issuer can anticipate such date. 	



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	<p>8) The risk factors of the issuer, the market and industry in which it operates, and the debt instruments being offered.</p> <p>9) The funding structure.</p> <p>10) Use of the proceeds of the offer of the debt instruments.</p> <p>11) The applicable final terms model.</p> <p>12) A statement showing the tax and zakat treatment of the debt instruments offered and any tax and zakat obligations on holders of the debt instruments.</p> <p>13) A statement showing the continuing obligations that the issuer will comply with.</p> <p>14) copies of the following documents must be enclosed:</p> <p>a. the issuer's latest annual financial statements; and</p> <p>b. the issuer's latest annual report.</p>	
5	<p style="text-align: center;">PART 3</p> <p style="text-align: center;">Private Placement Offer</p> <p style="text-align: center;">Chapter 1: Private Placement Offer</p> <p style="text-align: center;">Conditions</p> <p>Article 10: Private Placement Requirements</p> <p>a) No person may offer securities by way of private placement unless the following requirements are met:</p> <p>1) the offer is made through a Capital Market Institution licensed to carry out arranging activities; and</p> <p>2) the offeror notifies the Authority in accordance with Annexes (23) or (34) of these Rules (as applicable) at least ten days prior to the proposed date of the offer. and submits the following to the Authority: The offering of debt instruments by an offeror established in the Kingdom is exempt from the period specified in this paragraph, provided that the offeror notifies the Authority prior to the start of the offering;</p> <p>a. 3) the offeror submits to the Authority a declaration by the offeror in the form set out in Annex (45) of these Rules. Or a declaration by the sponsor in the form set out in Annex (45) (a) of these Rules if the offer was made by a special purposes entity;</p> <p>b. 4) the offeror submits to the Authority a declaration from the Capital Market Institution through which the offer is made,</p>	<p>It is suggested to amend the provisions governing private placement to develop the regulatory framework for private placement of debt instruments through:</p> <p>1) Including an exception for offers of debt instruments by an offeror established in the Kingdom from the required period to notify the Capital Market Authority of a private placement.</p> <p>2) Including an exception for offers of debt instruments from the requirement to submit a declaration by the Capital Market Institution through which the offer is made in the form stipulated in Annex (5) of the Rules on the Offer of Securities and Continuing Obligations, and stipulating the Capital Market Institution's obligations in such case.</p> <p>3) Expanding the scope of paragraph (h) of Article (1) of the Rules on the Offer of Securities and Continuing Obligations to include private placements of Saudi Riyal-denominated debt instruments.</p> <p>4) Limiting the requirements of paragraphs (13, 14) of Annex (3) "Contents of a Private Placement</p>



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	<p>in the form set out in Annex (56) of these Rules; and</p> <p>e-5) the offeror submits to the Authority copies of any offering documents to be used in advertising the offer.</p> <p>...</p> <p>h) The Issuer, in case where the Issuer is a Saudi joint stock company or a special purpose entity whose Beneficiary is a Saudi joint stock company; must deposit Saudi Riyal-denominated debt instruments with the Depository Center within a period not exceeding ten days from the completion of the offering or the completion of the offering of each issuance if the offering was part of a debt instruments issuance program, provided that the request to deposit such debt instruments with the Depository Center shall be made by the Capital Market Institution through whom the private placement is made.</p>	<p>Notification in respect of Debt Instruments” on limited offer cases.</p>
6	<p>Article 11: Responsibilities and Obligations of the Capital Market Institution</p> <p>The Capital Market Institution through which the offer is made must:</p> <p>...</p> <p>c) In the event of offering debt instruments, the Capital Market Institution must ensure that the offeror has fulfilled all the relevant conditions necessary to undertake the private offering and that it has submitted or will submit all the information and documentation required to be provided to the Authority under these rules. The Authority may exchange relevant information with the authorities, agencies, or bodies having responsibility for the supervision of financial services or other appropriate authorities.</p>	
7	<p style="text-align: center;">ANNEX 34</p> <p style="text-align: center;">CONTENTS OF A PRIVATE PLACEMENT NOTIFICATION IN RESPECT OF DEBT INSTRUMENTS</p> <p>[To be provided on the offeror’s letterhead]</p> <p>The following information, must be signed and dated by the offeror or an authorised officer of the offeror and notified to the Authority at least ten days prior to the proposed date of the offer</p> <p>...</p>	



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	<p>13) In case of limited offers, The the number and types of securities, including any debt securities, previously issued by the offeror (and the issuer if different from the offeror) within the past 12 months;</p> <p>14) In case of limited offers, The the total number of securities to be offered plus the total number of securities already issued by the offeror (and the issuer if different from the offeror)</p>	
8	<p>PART 3</p> <p>Chapter 2: Registration of Debt Instruments Offered by way of Private Placement for the Purpose of Direct Listing on the Exchange</p>	<p>It is suggested to remove the provisions of Chapter (2) of Part (3) of the Rules on the Offer of Securities and Continuing Obligations and merge such provisions within the provisions governing the public offer of debt instruments, as detailed below.</p>
9	<p>PART 4</p> <p>Public Offer</p> <p>...</p>	<p>It is suggested to develop the provisions governing public of debt instruments through:</p> <ol style="list-style-type: none"> 1) Removing the provisions pertaining to debt instruments from Chapter (2) “Advisors to the Issuer”, Chapter (3) “Conditions for a Public Offer”, and Chapter (4) “Application for Registration and Offer” of Part (4) “Public Offer” of the Rules on the Offer of Securities and Continuing Obligations, and move them to a new chapter titled “Conditions and Requirements for a Public Offer of Debt Instruments”. 2) Merging the provisions of Chapter (2) “Advisors to the Issuer”, Chapter (3) “Conditions for a Public Offer”, and Chapter (4) “Application for Registration and Offer” of Part (4) “Public Offer” of the Rules on the Offer of Securities and Continuing Obligations in a new chapter specific for the conditions and requirements for public offers (except for debt instruments). 3) Merging the provisions of Chapter (2) “Registration of Debt Instruments Offered by way of Private Placement for the Purpose of Direct Listing on the Exchange” Part (3) “Private Placement” within the new chapter titled “Conditions and Requirements”



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		<p>for a Public Offer of Debt Instruments”.</p> <p>4) Moving the provisions related to the detailed conditions for the public offer of debt instruments, the conditions for submitting an application and its supporting documentation, and the conditions and requirements for the prospectus and supplementary prospectus within a new annex titled “Conditions and Requirements for a Public Offer of Debt Instruments”.</p> <p>The structure for Part (4) “Public Offer” is suggested to be as follows:</p> <table border="1"> <thead> <tr> <th colspan="2">Amended structure of Part (4)</th> </tr> </thead> <tbody> <tr> <td>Chapter 1</td> <td>General Provisions</td> </tr> <tr> <td>Chapter 2</td> <td>Conditions and Requirements for a Public Offer (except for debt instruments)</td> </tr> <tr> <td>Chapter 3</td> <td>Conditions and Requirements for a Public Offer of Debt Instruments</td> </tr> </tbody> </table>	Amended structure of Part (4)		Chapter 1	General Provisions	Chapter 2	Conditions and Requirements for a Public Offer (except for debt instruments)	Chapter 3	Conditions and Requirements for a Public Offer of Debt Instruments
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10	<p>PART 4 Public Offer ...</p> <p>Chapter 2: Advisors to the Issuer Conditions and Requirements for a Public Offer (except for debt instruments)</p> <p>...</p> <p>Article 3921: Requirements and Obligations of the Financial Advisor</p> <p>...</p> <p>d) In the event that the offer is made by a special purpose entity, the financial advisor shall, upon submitting an application to the Authority for offering and listing securities, comply with the following:</p> <ol style="list-style-type: none"> 1) To be the main point of contact with the Authority in relation to the application. 2) Ensure, after performing due diligence, and ask the special purpose entity, the sponsor and their advisors, that the sponsor and the special purpose entity have met all the conditions required to list and offer the entity's securities and any other related requirements. 	<p>This cell shows the suggested amendments on Chapter (2) “Advisors to the Issuer”, Chapter (3) “Conditions for a Public Offer”, and Chapter (4) “Application for Registration and Offer” of Part (4) “Public Offer” of the Rules on the Offer of Securities and Continuing Obligations, for the purpose of moving the provisions pertaining to debt instruments to a new chapter as will be detailed below.</p>								



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	<p>3) provide any information or clarifications to the Authority as required within the time limit set by it for the purpose of verifying the compliance of the financial advisor, sponsor and special purpose entity of the Capital Market Law and its Implementing Regulations and Exchange Rules.</p> <p>4) Submit a letter to the Authority as contained in Annex (20)(a) of these Rules.</p> <p>Article 4022: Requirements and Obligations of the Legal Advisor</p> <p>a) The legal advisor must be licensed to practise law in the Kingdom.</p> <p>b) On an application of an issuer for the registration and offer of its securities, the legal advisor to the issuer must provide the Authority with a letter in the form set out at Annexes (21)(2123) or (21)(a) of these Rules.</p> <p>...</p> <p>Chapter 3: Conditions for a Public Offer</p> <p>...</p> <p>Article 42: Conditions for a Public Offer of Debt Instruments</p> <p>a) The issuance of debt instruments shall be in accordance with the conditions set out in Article (41) of these Rules as applicable. And where the offer is made by a special purposes entity, the issuer must be a special purposes entity authorised in accordance with Special Purposes Entity's Rules.</p> <p>b) Where an issuer wishes to launch a debt instrument issuance programme, it must produce a single prospectus which covers the maximum value of debt instruments which may be issued under the programme. If the Authority approves the prospectus, all debt instruments which may be issued under that programme must be offered within (24) months after the approval of the prospectus.</p> <p>c) An application for registration and offer of debt instruments may be accepted even if it does not meet the requirements of this Article if the Authority is satisfied that it will be in the interest of the investors, provided that the issuer must provide the investors with the necessary information to arrive at an informed judgment concerning the issuer and the securities that are the subject of the application.</p>	



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	<p>d) In relation to an offer of debt instruments by a special purposes entity, the provisions of the paragraphs (3), (4), (5), (6) and (7) of Article (41) of these Rules shall apply only on the sponsor</p> <p>e) In relation to an offer of debt instruments by a special purposes entity, the provisions of the paragraph (9) of Article (41) of these Rules shall apply on the special purposes entity and the sponsor.</p> <p>f) The provisions of paragraph (8) of Article (41) of these Rules shall not apply in case of issuing debt instruments.</p> <p>Article 43: Additional Conditions for a Public Offer of Convertible Debt Instruments and Exchangeable Debt Instruments</p> <p>a) The issuance of convertible debt instruments shall be subject to the following conditions:</p> <ol style="list-style-type: none"> 1) The conditions set out in Article (42) of these Rules, as applicable. 2) Convertible debt instruments may be registered and offered only if the shares into which they are convertible are already listed. 3) A prospectus for convertible debt instruments, which would be converted into shares which are already listed on the Exchange, must contain the information set out in Annex (16) of these Rules. 4) The Authority's approval of the application for registration and offer of a convertible debt instrument is regarded as approval of the issuance of the relevant share upon conversion. <p>b) The issuance of exchangeable debt instruments shall be subject to the following conditions:</p> <ol style="list-style-type: none"> 1) The conditions set out in Article (42) of these Rules, as applicable. 2) Exchangeable debt instruments may be registered and offered only if the shares into which they are exchangeable are already listed; and the issuer may not dispose of shares equal to the shares that may be exchanged before the expiration of those instruments' maturity date. 3) A prospectus for exchangeable debt instruments must contain the information set out in Annex (16) of these Rules. 	



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	<p>Chapter 4: Application for Registration and Offer Article 4425: Underwriting ... 5) issuance of debt instruments; 6) issuance of convertible debt instruments; or 7) issuance of exchangeable debt instruments. ... Article 4626: Supporting Documents a) The issuer, or the sponsor if the issuer is a special purposes entity, must submit to the Authority with its application for registration and offer electronic copies of the following documents (it shall maintain original copies of such documents and submit it to the Authority at its request): ... 7) a declaration by the issuer in the form set out in Annex (109) of these Rules, and in case the issuer is a special purposes entity, a declaration by the sponsor in the form set out in Annex (10)(a) of these Rules; 8) a declaration and undertaking signed by the directors of the issuer and by each proposed director of the issuer in the form set out in Annex (1110) of these Rules, and in case the issuer is a special purposes entity, a declaration and undertaking signed by the directors of the sponsor and by each proposed director of the sponsor in the form set out in Annex (11)(a) of these Rules; ... 13) the issuer's articles of association and bylaws and all amendments to date, and in case the issuer is a special purposes entity, the sponsor's articles of association and bylaws and all amendments to date; ... 22) a letter from the issuer's financial advisor in the form set out in Annex (2022) of these Rules, and in case the issuer is a special purposes entity, a letter from the entity's financial advisor in the form set out in Annex (20)(a) of these Rules; 23) a letter from the issuer's legal advisor in the form set out in Annex (2123) of these Rules, and in case the issuer is a special purposes entity, a letter from the issuer's legal advisor</p>	



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	<p>in the form set out in Annex (21)(a) of these Rules;</p> <p>...</p> <p>24) in the case of debt instruments or convertible debt instruments or exchangeable debt instruments, a copy of the debenture agreement or any other document constituting or securing such instruments must be included;</p> <p>...</p> <p>27) in case the issuer is a special purposes entity, the agreement governing the finance with the sponsor;</p> <p>28) in case the issuer is a special purposes entity, the agreement with the custodian (where applicable);</p> <p>29) in case the issuer is a special purposes entity, any agreement governing the special purposes entity's investment or management; and</p> <p>30) 26) any other documentation that may be required by the Authority.</p> <p>b) Following the approval of the application for registration and offer by the Authority and prior to the listing, the issuer, or the sponsor if the issuer is a special purposes entity, must submit an electronic copy (and shall maintain the original copies for submission at the Authority's request) of the following documents</p> <p>...</p> <p>2) its updated commercial registration (as applicable); and in case the issuer is a special purposes entity, the entity's updated commercial registration, and the sponsor's commercial registration;</p> <p>...</p> <p>e) Following the approval of the application for registration and offer by the Authority, and after the completion of the offering of each tranche of a debt issuance programme but prior to the listing thereof, the following requirements must be complied with:</p> <p>1) the issuer must submit the following documents to the Authority:</p> <p>a. a pricing supplement for each tranche under the programme, signed by a duly authorised representative of the issuer;</p>	



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	<p>must be submitted in writing to the Authority as soon as the issuer submits it to the Exchange for consideration under the Listing Rules; and</p> <p>b. the issuer's written confirmation to the Authority that the debt instruments in question have been offered.</p> <p>2) the issuer must notify the Authority as soon as possible of the final allocation of the debt instruments offered as well as the total amount paid compared to the total value offered under the prospectus;</p> <p>3) the pricing supplement of each tranche under the programme must include details in respect of the issue, maturity and redemption dates (if any) of the debt instruments offered as well as the pricing details; and</p> <p>4) the pricing supplement must provide the terms and conditions of an issue, in addition to those set out in the prospectus related to the debt instrument issuance programme.</p> <p>d)c) The issuer, or the sponsor if the issuer is a special purposes entity, must retain original copies (or certified copy where appropriate) of all documents required pursuant to this Article for a period not less than ten years from the completion of the offer. Without prejudice to this period, in the event such documents relate to any litigation or claim (including any litigation pending or threatened) or any on-going investigations, the issuer must retain such documents until the closure of that litigation, claim or on-going investigation.</p> <p>e) For an issuer who does not have securities already listed on the Exchange and is seeking to register and offer debt instruments or convertible debt instruments or exchangeable debt instruments subparagraphs (16), (17), (25) and (26) of paragraph (a) of this Article shall not apply.</p> <p>f)d) If the issuer has its securities already listed on the Exchange:</p> <p>...</p> <p>5) Subparagraphs (5), (12), (13), (14), (15), (16), (17), (25) and (26), of paragraph (a) and subparagraph (4) of paragraph (b) of this Article shall not apply to the application for</p>	



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	<p>the issuance of debt instruments or convertible debt instruments or exchangeable debt instruments.</p> <p>...</p> <p>g) In case the offer is made by a special purposes entity:</p> <p>1) Subparagraphs (3), (4), (5), (10), (14), (15), (21) and (23) of paragraph (a), subparagraphs (1) and (4) of paragraph (b) and paragraph (d) of this Article shall apply to the sponsor in addition to the special purposes entity.</p> <p>2) Subparagraphs (16) and (19) of paragraph (a) of this Article shall apply only to the sponsor.</p> <p>3) Subparagraphs (25) and (26) of paragraph (a) of this Article shall not apply.</p> <p>Article 4727: The Prospectus</p> <p>a) The prospectus must contain all information which is necessary to enable an investor to make an assessment of the activities, assets and liabilities, financial position, management and prospects of the issuer and of its profits and losses and must include information in relation to the number and price of the securities and any obligations, rights, powers and privileges attaching to them. If the Issuer is a Special Purpose Entity, the Prospectus shall include all information necessary to enable the Investor to evaluate the activity, assets and liabilities of the special purposes entity, in addition to the sponsor's assets, liabilities, financial position, management, expected opportunities, profits and losses. and it shall include information on the number and price of securities and any obligations Rights, powers and privileges associated with them.</p> <p>...</p> <p>d) Annex (14) of these Rules sets out the minimum information which must be included in a prospectus for debt instruments where the issuer does not have securities listed on the Exchange. If the Issuer is a Special Purpose Entity, Annex (14)(a) of these Rules shall determine the minimum required information to be included in prospectus of issuing debt-based debt instruments for a special purposes entity. Moreover, annex (14)(b) of these Rules</p>	



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	<p>shall determine the minimum required information to be included in prospectus of issuing asset-linked debt instruments for a special purposes entity.</p> <p>e) Annex (15) of these Rules sets out the minimum information which must be included in a prospectus for debt instruments where that issuer has securities currently listed on the Exchange and continues to have them listed throughout the offer and listing process.</p> <p>f) Annex (16) of these Rules sets out the minimum information which must be included in a prospectus for convertible debt instruments and exchangeable debt instruments.</p> <p>...</p> <p>Article 4828: Issuances not Requiring a Prospectus</p> <p>...</p> <p>d) If the issuer is a special purposes entity, the provisions of subparagraphs (2), (3), (4), (5), (6) and (7) of paragraph (a) of this Article shall no apply.</p> <p>Article 4929: Supplementary Prospectus and Supplementary Circular</p> <p>a) A supplementary prospectus or supplementary shareholders' circular must be submitted (as applicable) to the Authority if, at any time after that prospectus or circular has been published and before completion of the offer (in the case of a prospectus) or before the extraordinary general assembly is convened (in the case of a shareholders circular), the issuer, and the sponsor in relation to issuance of debt instruments by a special purposes entity, becomes aware that:</p> <p>...</p> <p>b) A supplementary prospectus or supplementary circular must contain the following (as applicable):</p> <p>...</p> <p>2) a declaration in the form specified at paragraph (10) of section (1) of Annex (12) of these Rules, paragraph (7) of section (1) of Annex (13) of these Rules, paragraph (13) of section (1) of Annex (13) (a) of these Rules, paragraph (9) of section (1) of Annex 14 of these Rules, paragraph (10) of section (1) of Annex (14)(a) of these Rules,</p>	



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	<p>paragraph (10) of section (1) of Annex (14)(b) of these Rules, paragraph (9) of section (1) of Annex (15) of these Rules, or paragraph (9) of section (1) of annex (16) of these Rules, paragraph (11) of section (1) of Annex (1719) of these Rules, or paragraph (11) of section (1) of Annex (1820) of these Rules, as the case may be;</p> <p>3) a declaration by the directors, and the sponsor's directors if the issuer is a special purposes entity, that there have been no significant changes in material matters nor additional significant matters have arisen other than what has been disclosed in the supplementary prospectus or supplementary circular; and</p> <p>4) a declaration by the directors, and the sponsor's directors if the issuer is a special purposes entity, that a copy of the supplementary prospectus or supplementary circular has been submitted to the Authority.</p> <p>...</p> <p>Article 5030: Authority Powers in Relation to the Application for Registration and Offer</p> <p>...</p> <p>b) The Authority will review the application within (45) days of receiving all information and documentation required pursuant to these Rules. If the application is for registration and offer of debt instruments, or registration and offer of convertible debt instruments, the Authority will review the application within (20) days of receiving all information and documentation required pursuant to these rules. The commencement of the period is not subject to the Authority's receipt of the notification referred to in subparagraph (1) of paragraph (a) of this Article provided that the notification must be submitted to the Authority prior to the end of the review period, otherwise the Authority may extend the review period for a term not exceeding (10) days from the date of receipt of the notification.</p> <p>c) If, having reviewed the application, the Authority considers that the proposed offer of securities may not be in the interest of the investors or may result in a breach of the Capital Market Law, its Implementing</p>	



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	<p>Regulations or the Exchange Rules, then it may take any of the following actions:</p> <p>...</p> <p>2) require the issuer or its representative to appear before the Authority to answer questions and explain any matters that the Authority considers relevant to the application. In case the issuer is a special purposes entity, the Authority may require the entity or its representative and the issuer or its representative to appear before the Authority to answer questions and explain any matters that the Authority considers relevant to the application;</p> <p>...</p> <p>Article 5131: Publication of Prospectus, Shareholders' Circular and Formal Notices</p> <p>...</p> <p>e) Where an issuer has published a disclosure after the publication of the prospectus or the shareholders' circular in a local newspaper, the disclosure must contain at least the following (if applicable):</p> <p>1) the name and commercial registration number of the issuer, and in case the issuer is a special purposes entity; the name and commercial registration number of the entity and the name and commercial registration number of the sponsor;</p> <p>Article 5232: Dissemination of Information</p> <p>...</p> <p>f) The provisions of this Article shall apply to the sponsor if the issuer is a special purposes entity.</p> <p>Article 5333: Application to Employee Share Schemes</p> <p>a) Where an application for registration and offer of securities includes a distribution of shares which are not already listed to employees through an employee share scheme, the following requirements must be fulfilled:</p> <p>1) subscription to such shares is to be restricted to directors and employees of the issuer or its subsidiaries; and</p> <p>2) the issuer must ensure that the total number of shares to be issued under the scheme does not exceed (15%) of the paid-up capital of the issuer at any time.</p>	



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	b) The provisions of this Article shall not apply on special purposes entity.	
11	<p style="text-align: center;">PART 4</p> <p style="text-align: center;">Public Offer</p> <p style="text-align: center;">...</p> <p style="text-align: center;">Chapter 3: Conditions and Requirements for a Public Offer of Debt Instruments</p> <p>Article 35: Scope and application</p> <p>a) The provisions of this Chapter apply to the public offer of debt instruments, and the registration of debt instruments offered by way of private placement for the purpose of direct listing on the Exchange.</p> <p>b) An issuer seeking to register debt instruments offered by way of private placement for the purpose of direct listing on the Exchange must comply with the requirements of this Chapter and ensure that there are no restrictions preventing their registration and direct listing.</p> <p>Article 36: Appointment of advisors</p> <p>a) Where an issuer makes an application for registration and offer of its debt instruments that requires the production of a prospectus, the issuer must appoint financial advisor and legal advisor. The appointment of a legal advisor is not required if the application for registration of debt instruments offered by way of private placement for the purpose of direct listing on the Exchange is submitted by an issuer who has securities listed on the Exchange.</p> <p>b) Where an issuer whose debt instruments are listed submits an application for the voluntary cancellation of listing pursuant to the Listing Rules, the issuer must appoint financial advisor and legal advisor.</p> <p>c) The issuer must appoint a financial advisor or legal advisor to represent holders of debt instruments and monitor the issuer's compliance with the terms of the debt instrument agreement.</p>	<p>This cell shows the provisions governing the public offer of debt instruments and the registration of debt instruments offered by way of private placement for the purpose of direct listing on the Exchange, which are added in the new chapter titled “Conditions and Requirements for a Public Offer of Debt Instruments”, as follows:</p> <ol style="list-style-type: none"> 1) The provisions governing the appointment of advisors, the requirements and obligations of those advisors, the provisions governing submitting an application for the registration and offer of debt instruments, the Capital Market Authority's authorities towards the application, and the publication of the prospectus and dissemination of information. 2) Adding a requirement to appoint a legal advisor or financial advisory to represent the holders of debt instruments and monitor the issue's compliance with the terms of the debt instrument agreement. 3) Reducing the time period to publish the prospectus for debt instruments offered by an issuer who has securities listed on the Exchange to a period at least five days prior to the start of the offer. 4) Including the provisions related to the detailed conditions for the public offer of debt instruments, the conditions for submitting an application and its supporting documentation, and the conditions and requirements for the prospectus and supplementary prospectus within a new annex titled “Conditions and Requirements for a Public Offer of Debt Instruments”, as will be detailed below.



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	<p>d) The Authority may, at all times, require the issuer to appoint a financial advisor, a legal advisor, or any other advisor to advise the issuer on the application of the provisions of the Capital Market Law, its Implementing Regulations, the Exchange Rules or the Companies Law or its Implementing Regulations</p> <p>e) Where a legal advisor (if any) or a financial advisor gives advice to an issuer in relation to the application for registration and offer of its securities or any matter related to the application of these Rules, the Capital Market Law, its Implementing Regulations or the Exchange Rules, it must ensure that it gives appropriate advice in accordance with the rules of its profession.</p> <p>f) The representative of the holders of debt instruments must carry out its work professionally, diligently, and with due care taking into account the holders' interests and rights, and in accordance with the rules of its profession.</p> <p>Article 37: Requirements and obligations of the financial advisor</p> <p>a) The financial advisor must be authorised by the Authority to carry out arranging activities and any other securities business related to the services which the financial advisor agreed with the issuer to provide.</p> <p>b) Upon an application to the Authority of an issuer for registration and offer of debt instruments, the financial advisor must:</p> <ol style="list-style-type: none"> 1) be the main point of contact for the Authority in relation to the application for registration and offer of debt instruments; 2) satisfy itself, having conducted due diligence and made enquiry from the issuer and its advisors, and after conducting the necessary study and investigations through the issuer and 	



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	<p>its advisors, that the issuer has satisfied all conditions required for registration, offer, and the listing of debt instruments and has satisfied all other matters required by the Capital Market Authority;</p> <p>3) provide to the Authority any information or clarifications in such form and within such time limit as the Authority may require for the purpose of verifying whether the financial advisor and the issuer have complied with the Capital Market Law, its Implementing Regulations or the Exchange Rules;</p> <p>4) ensure that all the relevant services required by these Rules with due care and skill are provided, and ensure - based on a reasonable opinion based on adequate investigations and professional experience - that the issuer has satisfied all relevant requirements for the registration and offer of debt instruments including provisions regarding the prospectus;</p> <p>5) ensure that reasonable steps are taken to satisfy itself that the directors of the issuer understand the nature and extent of their responsibilities under the Capital Market Law, its Implementing Regulations, and the Exchange Rules, and ensure - based on a reasonable opinion based on adequate investigations and professional experience - that the directors of the issuer have established adequate procedures, controls and systems which enable the issuer to comply with the requirements of the Capital Market Law, its Implementing Regulations, and the Exchange Rules;</p> <p>6) ensure - based on a reasonable opinion based on adequate investigations and professional experience - that all</p>	



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	<p>matters known to the financial advisor which should be taken into account by the Authority when considering the application for registration and offer of debt instruments have been disclosed to the Authority; and</p> <p>7) ensure that the issuer has obtained letters of consent from all its advisors for the use of their names, logos, and statements in the prospectus.</p> <p>c) In the event that the offer is made by a special purpose entity, the financial advisor shall, upon submitting an application to the Authority for offering and registering debt instruments, comply with the following:</p> <ol style="list-style-type: none"> 1) be the main point of contact with the Authority in relation to the application; 2) satisfy itself, having conducted due diligence and made enquiry from the special purpose entity, the sponsor and their advisors, that the sponsor and the special purpose entity have satisfied all conditions required for registration, offer, and the listing of debt instruments and has satisfied all other matters required by the Capital Market Authority; 3) provide to the Authority any information or clarifications in such form and within such time limit as the Authority may require for the purpose of verifying whether the financial advisor, the special purpose entity, and the sponsor have complied with the Capital Market Law, its Implementing Regulations or the Exchange Rules; 4) ensure that all the relevant services required by these Rules are provided with due care and skill, and ensure - based on a reasonable opinion based on adequate investigations and professional experience - that the 	



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	<p>sponsor and the special purpose entity have satisfied all relevant requirements for the registration and offer of debt instruments including provisions regarding the prospectus;</p> <p>5) ensure that reasonable steps are taken to satisfy itself that the directors of the sponsor and the directors of the special purpose entity understand the nature and extent of their responsibilities under the Capital Market Law, its Implementing Regulations, and the Exchange Rules, and ensure - based on a reasonable opinion based on adequate investigations and professional experience - that the directors of the sponsor and the directors of the special purpose entity have established adequate procedures, controls, and systems which enable the sponsor and the special purpose entity to comply with the requirements of the Capital Market Law, its Implementing Regulations, and the Exchange Rules.</p> <p>6) ensure - based on a reasonable opinion based on adequate investigations and professional experience - that all matters known to the financial advisor which should be taken into account by the Authority when considering the application for registration and offer of debt instruments have been disclosed to the Authority; and</p> <p>7) ensure that the issuer has obtained letters of consent from all the advisors for the use of their names, logos, and statements in the prospectus.</p> <p>Article 38: Requirements and obligations of the legal advisor</p> <p>a) The legal advisor must be licensed to practice law in the Kingdom.</p>	



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	<p>b) Upon an application to the Authority of an issuer for registration and offer of debt instruments, the legal advisor must:</p> <ol style="list-style-type: none"> 1) ensure - in consultation with the financial advisor in relation to the requirements of the Capital Market Law, its Implementing Regulations and the Exchange Rule - that it has advised the issuer on the content of the legal sections of the prospectus, and that it has conducted the additional study and investigations that as it considers appropriate; and 2) ensure - in consultation with the financial advisor in relation to the requirements of the Capital Market Law, its Implementing Regulations, and the Exchange Rule - that there is no material matter of noncompliance by the issuer with the requirements of the Capital Market Law, its Implementing Regulations and the Exchange Rules that the legal advisor should have been aware of in its advisory capacity, including the requirements related to the content of the prospectus. <p>Article 39: Requirements and obligations of the representative of the holders of the debt instruments</p> <ol style="list-style-type: none"> a) The representative of the holders of debt instruments must be authorised by the Authority to carry out arranging activities and any other securities business related to the services which it has agreed with the issuer to provide, or a legal advisor with a license to practice law in the Kingdom. b) The representative of the holders of debt instruments must: <ol style="list-style-type: none"> 1) monitor the issuer's compliance with the terms of the debt instruments agreement. 2) taking any measures necessary for the interests of holders of debt instruments in the event that the issuer defaults on 	



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	<p>its payments in accordance with the debt instruments.</p> <p>Article 40: Conditions and requirements for a public offer of debt instruments</p> <p>a) An issuer seeking to register and offer its debt instruments must submit an application to the Authority which contains the information required in Annex (11) of these Rules.</p> <p>b) The approval of the application for registration and offer of debt instruments will only be given by the Authority if:</p> <ol style="list-style-type: none"> 1) the Authority has received notification from the Exchange of the Exchange's conditional approval of the corresponding application for listing pursuant to the Listing Rules; 2) the conditional approval mentioned under sub-paragraph (1) of this paragraph has not been withdrawn by the Exchange; and 3) the Authority is satisfied that the information contained in the prospectus is complete and fulfils the requirements of the Capital Market Law and its Implementing Regulations. <p>c) The Authority will review the application within (20) days of receiving all information and documentation required pursuant to these Rules. The commencement of the period is not subject to the Authority's receipt of the notification referred to in subparagraph (1) of paragraph (b) of this Article provided that the notification must be submitted to the Authority prior to the end of the review period, otherwise the Authority may extend the review period for a term not exceeding (10) days from the date of receipt of the notification.</p> <p>d) If, having reviewed the application, the Authority considers that the proposed offer of debt instruments may not be in the interest of the investors or may result in a breach of the Capital Market Law, its Implementing Regulations or the Exchange Rules, then it may take any of the following actions:</p>	



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	<p>1) carry out any enquiries which it considers appropriate;</p> <p>2) require the issuer or its representative to appear before the Authority to answer questions and explain any matters that the Authority considers relevant to the application. In case the issuer is a special purposes entity, the Authority may require the entity or its representative and the sponsor or its representative to appear before the Authority to answer questions and explain any matters that the Authority considers relevant to the application;</p> <p>3) require the issuer or third parties to provide additional information or to confirm, in such manner as the Authority may specify, that the information provided is accurate; or</p> <p>4) defer making a decision for such period as may be reasonably necessary to carry out further study or examination.</p> <p>e) If, having taken action pursuant to paragraph (d) of this Article, the Authority determines that the offer to be made pursuant to the application may not be in the interest of the investors or may result in a breach of the Capital Market Law, its Implementing Regulations or the Exchange Rules, the Authority may issue a "notification" to the issuer stating that the application has not been approved, or publish a "notice" prohibiting the offer, sale or transfer of title of the debt instruments to which the application relates.</p> <p>f) The approval of the application for registration and offer of debt instruments by the Authority shall be considered as an approval of the prospectus, as applicable.</p> <p>g) The prospectus must not be published and made available to the public without the approval of the application for registration and offer of debt instruments by the Authority.</p> <p>h) The Issuer and its financial advisor may, prior to obtaining the approval of the Authority, present information on the issuer and its financial statements to a specific group of Capital Market Institutions authorised to</p>	



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	<p>conduct the advice activity for the purpose of preparing research and financial reports on the issuer, provided that such research and reports shall not be published before obtaining the approval of the Authority for the application of registration and offer of debt instruments.</p> <p>Article 41: Publication of prospectus and formal notices</p> <p>a) If the issuer does not have securities listed on the Exchange, it must publish the prospectus and must ensure that it is made available to the public at least (14) days prior to the start of the offering.</p> <p>b) If the issuer has securities listed on the Exchange, it must publish the prospectus and must ensure that it is made available to the public at least (5) days prior to the start of the offering.</p> <p>c) The prospectus and any supplementary prospectus shall be made available to the public on the websites of the issuer, the Exchange, the Authority and the financial advisor.</p> <p>d) Where an issuer has published a disclosure after the publication of the prospectus in a local newspaper, the disclosure must contain at least the following (if applicable):</p> <ol style="list-style-type: none"> 1) the name and commercial registration number of the issuer, and in case the issuer is a special purposes entity; the name and registration number of the entity and the name and commercial registration number of the sponsor; 2) the debt instruments that are the subject of the relevant application for registration and offer and their value, type and class; 3) the addresses and locations where the public may obtain the prospectus; 4) the date of publication of the prospectus; 5) a statement that the disclosure is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for debt instruments ; 	



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	<p>6) the names of the arranging manager, financial advisor, legal advisor and receiving agents;</p> <p>7) a statement of the total value of debt instruments that could be issued under an issuance programme (if applicable); and</p> <p>8) a disclaimer as follows:</p> <p style="padding-left: 40px;">“The Capital Market Authority and the Saudi Stock Exchange Company take no responsibility for the contents of this disclosure, make no representations as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this disclosure.”</p> <p>Article 42: Dissemination of information</p> <p>a) The Authority may require the publication of further information by, or impose additional continuing obligations on, the issuer where it deems this appropriate. The Authority will notify the issuer of its intentions in this regard and will allow representations by the issuer before imposing any such requirements or obligations.</p> <p>b) Except as permitted in paragraph (c) of this Article, information that is required to be disseminated pursuant to these Rules must not be given to a third party before the information has been filed with the Authority and has been published.</p> <p>c) The issuer may disclose information that is required to be disseminated pursuant to these Rules before the information has been filed with the Authority and has been published to any of the following persons:</p> <p style="padding-left: 40px;">1) the issuer’s advisors to the extent necessary for those advisors to provide advice in relation to these Rules;</p>	



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	<p>2) the issuer's agent employed to release the information; and</p> <p>3) persons with whom the issuer is negotiating with a view to effecting a transaction or raising finance.</p> <p>d) The issuer must advise the above mentioned persons in writing that the information is confidential and that they must not deal in the issuer's securities (or any other related securities) before the information has been made available to the public.</p> <p>e) Where, in the opinion of the issuer, disclosure of any matter required by these Rules would be unduly detrimental to the issuer, and omission is not likely to mislead investors with regard to facts and circumstances, knowledge of which is essential for the assessment of the debt instruments in question, the issuer may apply for a waiver from the relevant requirement. The issuer must in that case provide to the Authority on a strictly confidential basis a statement of the requested waiver together with the reasons why the issuer believes that the information should not be disclosed at that time. The Authority may approve or reject the application for a waiver. If the Authority approves the application for a waiver, the Authority may at any time require the issuer to disclose any information in relation to the waiver.</p> <p>f) The provisions of this Article shall apply to the sponsor if the issuer is a special purposes entity.</p> <p>Article 43: Dormant applications</p> <p>The Authority may, at its absolute discretion, cancel an application for registration and offer of debt instruments where such application has in the opinion of the Authority remained dormant. The effect of such cancellation is that if the issuer then wishes to seek approval for registration and offer of the same debt instruments, it must make a new</p>	



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	application in accordance with the process set out in these Rules.	
12	<p style="text-align: center;">ANNEX 11</p> <p style="text-align: center;">CONDITIONS AND REQUIREMENTS FOR A PUBLIC OFFER OF DEBT INSTRUMENTS</p> <p>First: Conditions for a Public Offer of debt instruments</p> <p>The conditions for making a public offer of debt instruments are:</p> <ol style="list-style-type: none"> 1) The issuer must be a joint stock company, or a special purposes entity authorised in accordance with the Rules for Special Purposes Entities. 2) Any application for registration and offer of debt instruments must be accompanied by a prospectus. 3) When submitting an application for registration and offer of debt instruments, the issuer must have been carrying on, either by itself or through one or more of its subsidiaries, the same main activity for at least the previous three years before submitting the application for registration and offer of debt instruments. 4) When submitting an application for registration and offer of debt instruments, the issuer must have audited financial statements that cover at least the previous three financial years and that were prepared in accordance with the accounting standards adopted by SOCPA. 5) If the period covered by the most recent audited financial statements has ended more than six months prior to the expected date of approval of the application for registration and offer of debt instruments, it shall submit to the Authority a reviewed interim financial statements covering any period from the date of the end of the period covered by the latest audited financial statements until the expected 	<p>This cell shows the conditions and requirements for a public offer of debt instruments, which have been added to a new annex titled “Conditions and Requirements for a Public Offer of Debt Instruments” as follows:</p> <ol style="list-style-type: none"> 1) Including the detailed conditions for the public offer of debt instruments, the conditions for submitting an application and supporting documentation, and the conditions and requirements for the prospectus and supplementary prospectus in a new annex. 2) Adding provisions allowing to include in the prospectus or registration document for an issuer who has securities listed on the Exchange (and sponsor who has securities listed on the Exchange if the offer is by a special purposes entity) electronic links to information previously published by the issuer (and sponsor if the offer is by a special purposes entity) on the Exchange’s website, and stipulating the relevant conditions. 3) Facilitating the supporting documents to for the application to register and offer debt instruments by way of a public offer. 4) Aligning the supporting documentation requirements for issuers who have securities listed on the Exchange with those required by the issuer who is a special purposes entity and the sponsor has securities listed in the Exchange.



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	<p>date of approval of the application for registration and offer of debt instruments, or submit audited annual financial statements (as applicable). In all cases, the period covered by the latest audited interim financial statements submitted to the Authority shall not have ended more than (6) months before the date of approval of the application for registration and offer of debt instruments.</p> <p>6) Where the issuer has undergone material restructuring, an application for registration and offer of debt instruments may not be submitted until one financial year has elapsed from the date of completion of that material restructuring. For the purposes of this paragraph, "material restructuring" shall mean:</p> <ol style="list-style-type: none"> a. disposing any of the issuer's asset that has contributed in generating (30%) or more of the issuer's revenue or net income as per the most recent annual financial statements. b. acquiring assets with a value exceeding (30%) or more of the net asset value of the issuer as per the most recent annual financial statements. c. acquiring a company with a shareholder equity constituting (30%) or more of the issuer's shareholder equity as per the most recent annual financial statements. <p>7) The senior executives of the issuer must have an appropriate expertise and experience for the management of the issuer's business.</p> <p>8) If reviewed interim financial statements are issued during the application period, the issuer must provide a copy of such statements to the Authority as soon as reasonably practicable.</p> <p>9) Where an issuer wishes to launch a debt instrument issuance programme, it must produce a single prospectus which covers the maximum value of debt instruments which may be issued under the programme. If the Authority approves the prospectus, all debt instruments which</p>	



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	<p>may be issued under that programme must be offered within (24) months after the approval of the prospectus.</p> <p>10) In the event of offering convertible debt instruments or exchangeable debt instruments:</p> <ol style="list-style-type: none"> a. convertible debt instruments may be registered and offered only if the class of shares into which they are convertible are already listed. b. Exchangeable debt instruments may be registered and offered only if the shares into which they are exchangeable are already listed; and the issuer may not dispose of shares equal to the shares that may be exchanged before the expiration of those instruments' maturity date. c. The Authority's approval of the application for registration and offer of a convertible debt instrument is regarded as approval of the issuance of the relevant share upon conversion. <p>11) Debt instruments offered by way of private placement may not be registered for the purpose of direct listing on the Exchange unless the maturity date of the debt instruments that are the subject of the registration application is at least one calendar year after the date of the Authority's approval of the application.</p> <p>12) Convertible debt instruments offered by way of private placement may not be registered for the purpose of direct listing on the Exchange unless the class of shares into which they may be converted is listed.</p> <p>13) An application for registration and offer of debt instruments may be accepted if it does not meet the requirements of this Article if the Authority is satisfied that it will be in the interest of the investors and that the issuer presented investors with the necessary information to arrive at an informed judgment concerning the issuer and the debt instruments that are the subject of the application.</p> <p>14) In relation to an offer of debt instruments by a special purposes entity, the provisions</p>	



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	<p>of paragraphs (3), (4), (5), (6) and (7) of this Article shall apply only on the sponsor.</p> <p>15) Where the registration of asset-linked recourse debt instruments or debt-based recourse debt instruments offered by way of private placement for the purpose of direct listing on the Exchange by a special purposes entity, paragraph (6) of this Article shall apply on the sponsor only.</p> <p>16) In relation to an offer of debt instruments by a special purposes entity, the provisions of the paragraph (8) of this Article shall apply on the special purposes entity and the sponsor.</p> <p>17) Where an issuer (or the sponsor if the offer was made by a special purposes entity) already has securities that are listed on the Exchange, paragraphs (3), (4), (5), (6) and (8) of this Article shall not apply.</p> <p>18) Paragraph (2) of this Article shall not apply in the event an issuer who has securities listed on the Exchange issues additional debt instrument and such additional debt instruments lead to an increase not exceeding 10% of the previously listed debt instruments, provided that the issuer discloses any issuance made in accordance with this paragraph according to what the Authority determines. For the purposes of determining this percentage, a series of issuances that take place within (12) months are considered one issuance, and a series of deals that the Authority considers to be one deal are considered one issuance.</p> <p>Second: Requirement to Submit an Application for Registration and Offer to the Authority:</p> <p>a) An issuer seeking to register and offer its debt instruments must submit an application to the Authority which contains the information required under these Rules, and submit to the Exchange, at the same time, an application for listing</p>	



of such securities in accordance with the provisions of the Listing Rules.

- b) The issuer, or the sponsor if the issuer is a special purposes entity, must submit to the Authority with its application for registration and offer electronic copies of the following documents (it shall maintain original copies of such documents and submit it to the Authority at its request):
- 1) a formal letter of application for registration and offer, signed by a representative of the issuer that contains the applicable information as required by Annex (8) of these Rules;
 - 2) a list containing the names and civil registry numbers (or the equivalent to it for non-Saudi nationals) of the directors and their relatives, senior executives and their relatives and shareholders;
 - 3) a declaration by the issuer in the form set out in Annex (9) of these Rules, and in case the issuer is a special purposes entity, a declaration by the sponsor in the form set out in Annex (9)(a) of these Rules;
 - 4) a declaration and undertaking signed by the directors of the issuer and by each proposed director of the issuer in the form set out in Annex (10) of these Rules, and in case the issuer is a special purposes entity, a declaration and undertaking signed by the directors of the sponsor and by each proposed director of the sponsor in the form set out in Annex (10)(a) of these Rules;
 - 5) approvals required by the relevant governmental agencies, where applicable;
 - 6) evidence of the issuer obtaining the required approvals in accordance with Article (17) of these Rules;
 - 7) the draft prospectus in Arabic;
 - 8) the issuer's articles of association and bylaws and all amendments to



	<p>date, and in case the issuer is a special purposes entity, the sponsor's articles of association and bylaws and all amendments to date;</p> <p>9) the audited annual financial statements of the issuer for each of the three financial years immediately preceding submission of the application;</p> <p>10) the latest interim financial statements produced since the date of the most recent audited annual financial statements;</p> <p>11) a presentation detailing the structure of the issuer and its subsidiaries, along with a detailed description of the most recent restructuring of the issuer (if applicable);</p> <p>12) a copy of the debenture agreement or any other document constituting or securing such instruments must be included;</p> <p>13) a copy of the agreement appointing the representative of the holders of the debt instruments;</p> <p>14) in case the issuer is a special purposes entity, the agreement governing the finance with the sponsor;</p> <p>15) in case the issuer is a special purposes entity, the agreement with the custodian (where applicable);</p> <p>16) in case the issuer is a special purposes entity, any agreement governing the special purposes entity's investment or management; and</p> <p>17) any other documentation that may be required by the Authority.</p>	
	<p>c) Following the approval of the application for registration and offer by the Authority and prior to the listing, the issuer, or the sponsor if the issuer is a special purposes entity, must submit an electronic copy (and shall maintain the original copies for</p>	



submission at the Authority's request) of the following documents:

- 1) a prospectus in Arabic signed on every page by the representatives of the issuer who are appointed as authorised signatories;
 - 2) the debt instruments allocation model;
 - 3) the latest reviewed interim financial statements (where applicable);
 - 4) all relevant signed distribution agreements and subscription management agreements (as applicable); and
 - 5) an updated and signed letter that contains the applicable information as required by Annex (8) of these Rules.
- d) With regard to the debt instrument issuance program, the issuer, or the sponsor if the issuer is a special purposes entity in the context of a financing transaction subject to the provisions of Chapter Five of these Rules, must, following the approval of the application for registration and offer by the Authority, and after the completion of the offering of each tranche of a debt issuance programme but prior to the listing thereof, comply with the following requirements:
- 1) must submit the following documents to the Authority:
 - a. a pricing supplement (or a guiding pricing supplement for registration of debt instruments offered by way of private placement) for each tranche under the programme, signed by a duly authorised representative of the issuer, must be submitted in writing to the Authority as soon as the issuer submits it to the Exchange for consideration under the Listing Rules; and if the offer is by a special



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	<p>purposes entity in the context of a financing transaction subject to the provisions of Chapter Five of these Rules, a pricing supplement for each tranche of the debt instrument issuance program signed by a representative of the entity and the sponsor authorised to sign; and</p> <p>b. a confirmation letter that the debt instruments in question have been offered.</p> <p>2) the issuer must notify the Authority as soon as possible of the final allocation of the debt instruments offered in accordance with the provisions of this section, as well as the total amount paid compared to the total value offered under the prospectus;</p> <p>3) the pricing supplement of each tranche under the programme must include details in respect of the issue, maturity and redemption dates (if any) of the debt instruments offered as well as the pricing details; and</p> <p>4) the pricing supplement must provide the terms and conditions of an issue, in addition to those set out in the prospectus related to the debt instrument issuance programme.</p> <p>e) The issuer, or the sponsor if the issuer is a special purposes entity, must retain original copies (or certified copy where appropriate) of all documents required pursuant to this Article for a period not less than ten years from the completion of the offer. Without prejudice to this period, in the event such documents relate to any litigation or claim (including any litigation pending or threatened) or any on-going investigations, the issuer must retain such</p>	



documents until the closure of that litigation, claim or on-going investigation.

- f) Subparagraphs (2), (8), (9), and (10) of paragraph (b), and subparagraph (3) of paragraph (c) of this Section shall not apply if the issuer has securities listed on the Exchange.
- g) Subparagraph (4) of Paragraph (b) of this Section shall not apply to an issuer whose shares are listed on the Exchange.
- h) In case the offer is made by a special purposes entity:
 - 1) subparagraphs (2), (6), (9), and (10) of paragraph (b), subparagraphs (1) and (3) of paragraph (c) and paragraph (e) of this Article shall apply to the sponsor in addition to the special purposes entity.
 - 2) subparagraph (2), (8), (9), and (10) of paragraph (b), and subparagraphs (3) of paragraph (c) of this Article shall not apply to the sponsor if the sponsor has securities listed on the Exchange.

Third: Conditions and Requirements of the Prospectus

- a) The prospectus must contain all information which is necessary to enable an investor to make an assessment of the activities, assets and liabilities, financial position, management and prospects of the issuer and of its profits and losses and must include information in relation to the number and price of the debt instruments and any obligations, rights, powers and privileges attaching to them. If the Issuer is a Special Purpose Entity, the Prospectus shall include all information necessary to enable the Investor to evaluate the activity, assets and liabilities of the special purposes entity, in addition to the sponsor's assets, liabilities, financial position, management, expected opportunities, profits and losses. and it shall include information on the number and price of debt instruments and any obligations Rights, powers and privileges associated with them.



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	<p>b) Annex (14) of these Rules sets out the minimum information which must be included in a prospectus for debt instruments where the issuer does not have securities listed on the Exchange. If the Issuer is a Special Purpose Entity, Annex (14)(a) of these Rules shall determine the minimum required information to be included in prospectus of issuing debt-based recourse debt instruments or asset-linked recourse debt instruments for a special purposes entity.</p> <p>c) Annex (15) of these Rules sets out the minimum information which must be included in a prospectus for debt instruments where the issuer has securities listed on the Exchange, provided that such securities continue to be listed throughout the offer and listing process.</p> <p>d) Annex (16) of these Rules sets out the minimum information which must be included in a prospectus for convertible debt instruments and exchangeable debt instruments.</p> <p>e) In case of registration of debt instruments offered by way of private placement, annex (17) of these Rules sets out the minimum information which must be included in the registration document for debt instruments offered by way of private placement for the purpose of direct listing on the Exchange if issuer does not have securities listed on the Exchange, and annex (18) of these Rules sets out the minimum information which must be included in the registration document for debt instruments offered by way of private placement for the purpose of direct listing on the Exchange where the issuer has securities listed on the Exchange, provided that such securities continue to be listed throughout the offer and listing process.</p>	



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	<p>f) The draft of the prospectus that is submitted to the Authority must be in the Arabic language.</p> <p>g) The draft prospectus submitted to the Authority must be annotated in the margin to indicate where the information required by the applicable paragraphs of these Rules has been included and any changes from any previous drafts must be clearly marked. Each draft prospectus must indicate the draft number and date of submission on its cover page.</p> <p>h) If the issuer or sponsor -if the issuer is a special purpose entity-has its securities listed in the Exchange, the prospectus may include electronic links referring to information that the issuer or sponsor has previously disclosed in the Exchange, provided that the following conditions are met:</p> <ol style="list-style-type: none"> 1) the information must be published by the issuer or sponsor on the Exchange's website; 2) all electronic links to the Exchange's website must be valid and functional at all times; 3) the information referred to must be defined in a clear and non-misleading manner; and 4) Such referrals should not prejudice the completeness, clarity, and correctness of any information in the prospectus. <p>For the purposes of the Capital Market Law and its implementing regulations, the information contained in the electronic pages referred to in the prospectus shall be considered part of the prospectus.</p> <p>Fourth: Conditions and Requirements of the Supplementary Prospectus</p> <p>a) A supplementary prospectus must be submitted to the Authority if, at any time after that prospectus has been published and before completion of the offer, the</p>	



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	<p>issuer, and the sponsor in relation to issuance of debt instruments by a special purposes entity, becomes aware that:</p> <ol style="list-style-type: none"> 1) there has been a significant change in material matters contained in the prospectus; or 2) additional significant matters have become known which would have been required to be included in the prospectus. <p>b) A supplementary prospectus must contain the following (as applicable):</p> <ol style="list-style-type: none"> 1) details of the change or new matters in accordance with paragraph (a) of this Article; 2) a declaration in the form specified at paragraph (2) of section (2) of Annex (14) of these Rules, paragraph (2) of section (2) of Annex (14) (a) of these Rules, paragraph (2) of section (2) of Annex (14) (b) of these Rules, paragraph (2) of section (2) of Annex (15) of these Rules, paragraph (2) of section (2) of Annex (16) of these Rules, paragraph (2) of section (2) of Annex (17) of these Rules, or paragraph (2) of section (2) of Annex (18) of these Rules, as the case may be; 3) a declaration by the directors, and the sponsor's directors if the issuer is a special purposes entity, that there have been no significant changes in material matters nor additional significant matters have arisen other than what has been disclosed in the supplementary prospectus; and 4) a declaration by the directors, and the sponsor's directors if the issuer is a special purposes entity, that a 	



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	<p>copy of the supplementary prospectus has been submitted to the Authority.</p> <p>c) Where a supplementary prospectus is submitted to the Authority under this Article, it must be signed on every page by the relevant representatives of the issuer who are appointed as authorised signatories.</p> <p>d) Where a supplementary prospectus is submitted to the Authority under this Article, an investor who subscribed for securities prior to the disclosure of the supplementary prospectus is permitted to rescind or amend his subscription for such debt instruments prior to the end of the offering period.</p> <p>e) Where a supplementary prospectus is submitted to the Authority under this Article, the Authority must be satisfied that the information contained in such supplementary prospectus is complete and fulfils the requirements of the Capital Market Law, its Implementing Regulations and the Exchange Rules. If the information supplied suggests to the Authority that the proposed offer of securities may not be in the interest of the investors or may result in a breach of the Capital Market Law, its Implementing Regulations or the Exchange Rules, then it may require the issuer to terminate the offer.</p> <p>f) The supplementary prospectus must not be published or otherwise made available to the public without obtaining the approval of the Authority.</p>	
13	<p style="text-align: center;">PART 5</p> <p style="text-align: center;">Financing Transactions for Special Purposes Entity</p> <p>...</p> <p>Article 55 44: Scope and Application</p>	<p>It is suggested to amend the provisions governing the financing transactions for special purposes entities in Part (5) of the Rules on the Offer of Securities and Continuing Obligations, including:</p> <p>1) Stipulating the Part (5) is limited on financing transactions for special</p>



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	<p>This Part sets out requirements applicable to each financing transaction entered into in relation to the issuance of a new class or series of debt instruments and its public offering by a special purposes entity.</p> <p>...</p> <p>Article 56 45: Approval of New Financing Transactions by the Authority</p> <p>a) No financing transaction subject to the provisions of this Chapter may be entered into in relation to the issuance of a new class or series of debt instruments by a special purposes entity without obtaining an approval from the Authority for the financing transaction application—required—under paragraph (a) of Article (57) of these Rules.</p> <p>...</p> <p>e) For the purposes of this Chapter, the Authority's approval may include multiple issues of debt instruments under a single issuance program. If the Authority approves the financing transaction, all debt instruments to be issued under the program will be offered within (24) months following the approval of the Authority provided that the sponsor complies with the following requirements:</p> <p>1) submit to the Authority, as soon as possible, the following documents:</p> <p>a. pricing annex for each segment of the debt instrument issuance program signed by a representative of the entity and the sponsor authorised to sign; and</p> <p>b. A confirmation letter by the sponsor to the Authority that the debt instruments in question have been offered.</p> <p>2) The pricing annex for each issue of debt instrument shall include details of the issuance, maturity and redemption dates</p>	<p>purposes entities for a new class or new issue of debt instruments and the offer of such debt instruments by way of public offer.</p> <p>2) Removing the requirement to offer all debt instruments that will be issued as part of a debt instruments program within the (24) months following the Capital Market Authority's approval, while sufficing with the requirements in the proposed Annex (11) as was detailed above.</p> <p>3) Facilitating the conditions and requirements for financing transactions related to the issue of a new class or new issue of debt instruments by a special purpose entity, and sufficing with the conditions and requirements stipulated in Part (4) of the Rules on the Offer of Securities and Continuing Obligations and the Rules for Special Purposes Entities.</p>



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	<p>(if any) of the debt instruments to be included, and their price details.</p> <p>3) The Pricing Annex shall explain all terms and conditions of the issue.</p> <p>4) The Sponsor shall notify the Authority in writing of the final allocation results of the debt instruments offered, and the total amounts paid against the total amount specified in the application.</p> <p>d) Neither a sponsor nor a special purposes entity shall offer or hold itself out, or allow a third party to offer or hold itself out, as offering debt instruments in the special purposes entity which are subject of the application unless it has received the Authority's approval referred to in paragraph (a) of this Article.</p> <p>e) An applicant shall commence the offer of debt instruments within one year of receipt of the Authority's approval under paragraph (a) of this Article, failing which the approval shall lapse.</p> <p>Article 57: Procedures and Powers of the Authority in Relation to a Financing Transaction Application</p> <p>a) The sponsor shall submit an application to the Authority which contains the information and declarations required in accordance with the requirements contained in these Rules, and according to the type of offering.</p> <p>b) The Authority shall, upon receipt of all information and documents required, notify the sponsor in writing of the same, and it may make any of the following decisions within the period specified in paragraph (c) of this Article:</p> <p>1) approve the financing transaction application, and in respect of a financing transaction in relation to offering debt instruments privately, the approval of the Authority is considered obtained upon the lapse of (10) days from the date of the</p>	



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	<p>Authority notification referred to in paragraph (b) of this Article unless the Authority perform any of the actions mentioned in this Article before the lapse of the period specified in this subparagraph;</p> <p>2) approve the financing transaction application subject to such conditions and restrictions as it considers appropriate; or</p> <p>3) reject the financing transaction application.</p> <p>e) For the purposes of paragraph (b) of this Article, the Authority shall make its decision in respect of a financing transaction within (20) days, if the financing transaction is in relation to the public offering debt instruments, but if the transaction is related to privately offered debt instruments, the Authority shall make its decision within 10 days.</p> <p>d) If the authority, in considering an application made under paragraph (a) of this Article, found that approving the financing transaction application may not be in the interest of the investors or may result in a breach of the Capital Market Law, its Implementing Regulations or the Exchange Rules the Authority may:</p> <p>4) Carry out any enquiries that it deems appropriate.</p> <p>5) Request the sponsor, its representative or the representative of the special purposes entity, to attend before the Authority to answer questions and explain any matter the Authority considers relevant to the application.</p> <p>6) Request the special purposes entity or the sponsor to provide such additional information as the Authority considers appropriate within fourteen (14) days of</p>	



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	<p>the request, unless the Authority states otherwise.</p> <p>7) Verify any information provided by the sponsor or the special purposes entity.</p> <p>e) The Authority may refuse to consider the application where the sponsor or the special purposes entity has failed to provide information requested from it within the time specified in sub-paragraph (3) of paragraph (d) of this Article.</p> <p>f) The Authority may refuse the financing transaction application if the Authority believes that the proposed financing transaction may not be in the interest of the investors or may result in a breach of the Capital Market Law or its Implementing Regulations.</p> <p>...</p> <p>Article 59: Financing Structures</p> <p>There is no limit on the type of financing structure that may be utilised by the special purposes entity in a financing transaction</p> <p>...</p> <p>Article 66: Financing Transactions Involving the Issue of Asset-Linked Recourse Debt Instruments or Asset Backed Debt Instruments</p> <p>Financing transaction involving the issue of asset-linked recourse debt instruments or asset-backed debt instruments is subject to the following requirements:</p> <p>1) In relation to issuing asset-linked recourse debt instruments, the sponsor shall be a Saudi joint stock company, a Capital Market Institution licensed to carry on securities business related to the business of special purposes entities, a local bank or a finance company with the required licenses to carry on their businesses and activities from the relevant government entities, in accordance with sub-paragraph (1) of paragraph (a) of</p>	



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	<p>Article (11) of the Rules for Special Purposes Entities.</p> <p>2) In relation to issuing asset-backed debt instruments, the sponsor shall be a Saudi joint stock or limited liability company, a Capital Market Institution licensed to carry on securities business related to the business of special purposes entities, a local bank or a finance company with the required licenses to carry on their business and activities from the relevant government entities, in accordance with sub paragraph (2) of paragraph (a) of Article (11) of the Rules for Special Purposes Entities.</p> <p>3) As an exception to the provisions of paragraph (1) of this Article, if a special purposes entity issues, or intends to issue, asset-linked recourse debt instruments through a private placement, the sponsor may be a Saudi limited liability Company, in accordance with sub paragraph (3) of paragraph (a) of Article (11) of the Rules for Special Purposes Entities.</p> <p>4) the custodian shall hold custody of the real estate assets and securities owned by the special purposes entity (if any), in accordance with Article (31) of the Rules for Special Purposes Entities.</p> <p>...</p> <p>Article 69: Stop Orders</p> <p>a) The Authority may at any time issue an order to a special purposes entity or its sponsor prohibiting or restricting the marketing or sale of debt instruments in the special purposes entity if the Authority believes that the marketing or sale of those debt instruments may result in a breach of the Capital Market Law or its Implementing Regulations.</p> <p>b) A special purposes entity or sponsor served with a notice under paragraph (a) of this Article shall:</p>	



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	<p>1) immediately cease, and procure that any person acting on its behalf ceases, the marketing or sale of the debt instruments;</p> <p>2) immediately notify any other person of whom it is aware marketing or selling the debt instruments of the issue of the order; and</p> <p>3) on request from the Authority, notify the Authority of the identity of any person involved in the marketing or selling of the debt instruments.</p>	
14	<p>PART 7</p> <p>Continuing Obligations</p> <p>Article 8065: Disclosure of Specific Events</p> <p>a) The issuer must immediately and without delay disclose to the Authority and the public any of the following developments (regardless of whether or not they qualify as "material" under Article (7964) of these Rules):</p> <p>...</p> <p>27) the call for convening a general or special assembly and its agenda;</p> <p>28) the outcome of the general or special assembly;</p> <p>29) any proposed change in the capital of the issuer, with a statement of its impact on the holders of convertible debt instruments (as applicable);</p> <p>...</p> <p>35) any defaults in payments associated with debt instruments.</p> <p>...</p> <p>37) b) Paragraphs Subparagraphs (27), (28) and (29) of paragraph (a) of this Article shall not apply where the issuer is a special purposes entity.</p> <p>c) Subparagraphs (27) and (28) of paragraph (a) of this Article shall not apply on the issuer of debt instruments listed on the Exchange if the issuer does not have shares listed on the exchange.</p> <p>...</p> <p>Chapter 3: Restrictions on Offering Convertible Debt Instruments Outside the Kingdom</p>	<p>It is suggested to develop the continuing obligations on the issuers of listed debt instruments, including the restrictions related to the issue of convertible debt instruments outside the Kingdom by an issuer whose shares are listed on the Exchange.</p>



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	<p>Article 73: Restrictions on Offering Convertible Debt Instruments Outside the Kingdom</p> <p>Where an issuer with shares listed on the Exchange wishes to offer convertible debt instruments outside the Kingdom, the number of shares into which convertible debt instruments may be converted shall not exceed 15% of the issuer's total number of shares</p>	
15	<p>ANNEX 14</p> <p>CONTENT OF A PROSPECTUS FOR DEBT INSTRUMENTS FOR AN ISSUER WITHOUT SECURITIES LISTED ON THE EXCHANGE</p> <p>A prospectus submitted for the registration and the offer of debt instruments from an issuer which does not have any listed securities on the Exchange at the time of submission must contain the information under the following sections at a minimum:</p> <p>1. Cover page</p> <p>This section must include the following information (where applicable):</p> <ol style="list-style-type: none"> 1) the issuer's name, incorporation date and commercial registration number; 2) capital and number of shares; 3) a summary of the offer including debt instruments details and rights; 4) target participants; 2) prospectus date; 3) the name of the issue, its size, and the number of debt instruments to be issued. If the offering is a debt instrument issuance program, include the program's name, its size, and number of debt instruments to be issued; 4) offer price. If the prospectus is published before determining the offering price for debt instruments, a statement must be included stating that the information in the prospectus will be updated or completed before the beginning of the offering; 5) offer period and conditions; 6) name of the financial advisor, arranging manager, and underwriter (if any); and 6) shares and debt instruments that have been listed prior to the particular offer by the issuer (if applicable); 	<p>It is suggested to develop Annex (14) of the Rules on the Offer of Securities and Continuing Obligations to facilitate the requirements to prepare a prospectus by an issuer who does not have securities listed on the Exchange.</p>



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	<p>7) a statement that the issuer has submitted the application for registration and offer of securities that are subject to this prospectus to the Authority, has submitted the application for listing to the Exchange and has submitted all the required documents to the relevant authorities;</p> <p>87) a statement referring to the “Important Notice” and the “Risk Factors” under section (2) and section (98) of this Annex, respectively before making an investment decision. ; and</p> <p>9) the following declaration: “This prospectus includes information provided as part of the application for registration and offer of securities in compliance with the Rules on the Offer of Securities and Continuing Obligations of the Capital Market Authority of the Kingdom of Saudi Arabia (the "Authority") and the application for listing of securities in compliance with the Listing Rules of the Saudi Stock Exchange Company. The directors, whose names appear in this prospectus, collectively and individually accept full responsibility for the accuracy of the information contained in this prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading. The Authority and the Saudi Stock Exchange Company do not take any responsibility for the contents of this prospectus, do not make any representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this prospectus.”</p> <p>2. Important notice This section must include the following:</p> <p>1) a notice which shows the purpose and the nature of information mentioned in the prospectus.</p> <p>2) the following declaration: “This prospectus includes information provided as part of the application for registration and offer of securities in</p>



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	<p>compliance with the Rules on the Offer of Securities and Continuing Obligations of the Capital Market Authority of the Kingdom of Saudi Arabia (the "Authority") and the application for listing of securities in compliance with the Listing Rules of the Saudi Stock Exchange Company. The directors, whose names appear in this prospectus, collectively and individually accept full responsibility for the accuracy of the information contained in this prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading. The Authority and the Saudi Stock Exchange Company do not take any responsibility for the contents of this prospectus, do not make any representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this prospectus”.</p> <p>73. Table of contents This section must include a table of contents.</p> <p>84. Terms and definitions This section must include the terms and definitions used through the prospectus.</p> <p>35. Corporate directory This section must include the following: ... 2) the contact information, including addresses, telephone numbers, and website and e-mail addresses, for each of the parties listed below, and any other expert to whom a statement or report included in the prospectus has been attributed: ... f) credit rating agency (if any); g) representative of debt instrument holders; and f) receiving entities.</p> <p>46. Offer summary</p>	



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	<p>This section must include a disclaimer to the target investors on the importance of reading the prospectus prior to making an investment decision and include the following information (where applicable):</p> <p>1) the issuer's name, description and incorporation information;</p> <p>2) the issuer's activities;</p> <p>3) substantial shareholders showing their ownership percentages and number of shares;</p> <p>4) the capital of the issuer;</p> <p>5) the issuer's total number of shares;</p> <p>6) the nominal value for offered debt instrument;</p> <p>7) the use of proceeds;</p> <p>8) types of targeted investors;</p> <p>9) subscription method for each type of targeted investors;</p> <p>10) the minimum number of offer debt instruments to be subscribed for by each type of targeted investors;</p> <p>11) the minimum value of offer of debt instruments to be subscribed for by each type of targeted investors;</p> <p>12) the maximum number of offer debt instruments to be subscribed for by each type of targeted investors;</p> <p>13) the maximum value of offer debt instruments to be subscribed for by each type of targeted investors;</p> <p>4) subscription method;</p> <p>14) allocation method and description of the process where an excess of subscription monies has been received for all types of targeted investors;</p> <p>15) the offer period;</p> <p>16) full information of rights granted to holders of the debt instruments;</p> <p>17) debt instruments particulars;</p> <p>18) details of repayment related dates including final maturity date and early repayment dates, specifying whether exercisable at the issuer's or the holder of debt instruments' request and the date from which payments are due to start;</p> <p>19) restrictions on debt instruments;</p> <p>20) details of the arrangements for transfer of the debt instruments;</p>	



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	<p>2112) the names and addresses of the paying agents, and any registrar and transfer agents for the debt instruments;</p> <p>2213) details of the early redemption of the debt instruments; and</p> <p>23) a statement referring the reader to the “Important Notice” and the “Risk Factors” under section (2) and section (9) of this Annex, respectively before making an investment decision.</p> <p>14) include details of any guarantees related to the debt instruments offered (if any); and</p> <p>15) a statement showing the tax and zakat treatment of the debt instruments offered and any tax and zakat obligations on holders of the debt instruments.</p> <p>...</p> <p>6. Summary of financial information This section must include a summary of key financial information contained in the prospectus, including issuer’s operational performance, financial condition, cash flows and key performance indicators.</p> <p>...</p> <p>109. Issuer’s background and business nature This section must include the following information:</p> <p>...</p> <p>7) information concerning the policy of the issuer and the issuer’s subsidiaries (if applicable) on the research and development of new products and production processes over the past three financial years, where significant;</p> <p>8) particulars of any interruption in the business of the issuer and the issuer’s subsidiaries (if applicable) which may have or has had a significant effect on the financial position in the last 12 months;</p> <p>9) the number of people employed by the issuer and the issuer’s subsidiaries (if applicable) and any material changes to that number over the last two financial years, with a breakdown of persons employed by Saudisation ratio; and</p> <p>...</p> <p>110. Organisational structure This section must include the following information:</p>	



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	<p>1) Management</p> <p>...</p> <p>g) the aggregate remuneration and benefits in kind granted by the issuer or any subsidiary during the three financial years prior to offering to the directors and the five senior executives who received the highest payments, including the CEO and CFO if they were not within the top five;</p> <p>...</p> <p>j) information on the issuer's compliance with corporate governance.</p> <p>2) Employees</p> <p>a) any employee share schemes in place prior to the application for registration and offer of securities subject to this prospectus along with details on the aggregate amount of shares owned by the employees in the issuer; and</p> <p>b) any other arrangements involving the employees in the capital of the issuer.</p> <p>1211. Financial information</p> <p>The information required below must be provided in relation to the issuer for the three financial years immediately preceding the application for registration and offer of securities that are subject to this prospectus as well as the period covered in the interim financial in accordance with the requirements of Annex (11) statements as per paragraph (4) of Article (41) of the Rules on the Offer of Securities and Continuing Obligations:</p> <p>...</p> <p>3) details of holdings, including holdings in contractually based securities or other assets whose value may be subject to fluctuations or be difficult to ascertain with certainty, significantly affecting the assessment of the issuer's financial position.</p> <p>43) the information required below must be provided in relation to the to financial, and operating performance, indicators and results of operations.:</p> <p>a) performance indicators;</p> <p>b) the financial, operating performance, and results of operations of the main lines of business;</p>	



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	<p>e) any seasonal or business cycles which affect the business or the financial condition;</p> <p>d) an explanation of any material changes from year to year in the financial information;</p> <p>e) information regarding any governmental, economic, fiscal, monetary or political policies or other factors that have materially affected, or could materially affect, directly or indirectly, the operations;</p> <p>f) the funding structure;</p> <p>g) particulars of any alterations in the capital of the issuer, or where material, any of the issuer's subsidiaries (if applicable) within the three years immediately preceding the date of the application for registration and offer of securities that are subject to this prospectus. Such particulars must state the price and terms of any issues by the issuers or its subsidisers; and</p> <p>h) a table showing any capital of the issuer or any subsidiary which is under option, including the consideration for which the option was granted, and the price and duration of the option, and the name and address of the grantee, or provide an appropriate negative statement.</p> <p>5) property, plant and equipment</p> <p>a) a breakdown of any existing material fixed assets, including leased properties;</p> <p>b) an explanation of the issuer's depreciation policy and any changes contemplated in that policy; and</p> <p>e) any planned material fixed assets, including leased properties.</p> <p>...</p> <p>7) A statement by the directors of any material adverse change in the financial or trading position in the three financial years preceding the application for registration and offer of securities that are subject to this prospectus and during the period from the end of the period covered in the external auditors' report up to and including the date of approval of the prospectus or provide an appropriate negative statement.</p>	



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	<p>...</p> <p>1716. Underwriter</p> <p>This section must include information about the underwriter of the offer, as follows:</p> <p>1) the name and address of the underwriter; and</p> <p>2) the principal terms of the underwriting agreement, including the compensation arrangement between the issuer and the underwriter.</p> <p>...</p> <p>1917. Information concerning the debt instruments and terms and conditions of the offer</p> <p>This section must include the following information:</p> <p>1) a statement that application has been made to the Authority for the registration and offer of the securities that are subject to this prospectus and to the Exchange for the listing;</p> <p>...</p> <p>10) a description of default cases, their conditions, and the procedures that will be taken in these cases.</p> <p>...</p>	
16	<p style="text-align: center;">ANNEX 15</p> <p style="text-align: center;">CONTENT OF A PROSPECTUS FOR DEBT INSTRUMENTS FOR AN ISSUER THAT HAS SHARES CURRENTLY LISTED ON THE EXCHANGE</p> <p>A prospectus submitted for the registration and offering of debt instruments from an issuer which has shares currently listed on the Exchange at the time of submission must contain the information under the following sections at a minimum:</p> <p>1. Cover page</p> <p>This section must include the following information (where applicable):</p> <p>1. the issuer's formation, incorporation and commercial registration information;</p> <p>2. prospectus date;</p> <p>2. capital and number of shares;</p> <p>3. a summary of the offer including debt instruments details and rights;</p> <p>4. target participants;</p> <p>3. the name of the issue, its size, and the number of debt instruments to be issued. If the offering</p>	<p>It is suggested to develop Annex (15) of the Rules on the Offer of Securities and Continuing Obligations to facilitate the requirements to prepare a prospectus by an issuer who has securities listed on the Exchange, including in relation to allowing to include electronic links to information previously published by the issuer on the Exchange's website, and stipulating the requirements on the disclosure of financial information for the last three annual financial statements that were published.</p>



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	<p>is a debt instrument issuance program, include the program's name, its size, and number of debt instruments to be issued;</p> <p>4. offer price. If the prospectus is published before determining the offering price for debt instruments, a statement must be included stating that the information in the prospectus will be updated or completed before the beginning of the offering;</p> <p>5. offer period and conditions;</p> <p>6. name of the financial advisor, arranging manager, and underwriter (if any); and</p> <p>6. shares and debt instruments that have been listed prior to the particular offer by the issuer (if applicable);</p> <p>7. a statement that the issuer has submitted the application for registration and offer of securities subject to the prospectus to the Authority, has submitted the application for listing to the Exchange and has submitted all the required documents to the relevant authorities;</p> <p>87. a statement referring to the “Important Notice” and the “Risk Factors” under section (2) and section (8) of this Annex, respectively before making an investment decision; and, and the importance of referring to any information referred to in the prospectus via an electronic link to the Exchange's website.</p> <p>9. the following declaration:</p> <p>“This prospectus includes information provided as part of the application for registration and offer of securities in compliance with the Rules on the Offer of Securities and Continuing Obligations of the Capital Market Authority of the Kingdom of Saudi Arabia (the "Authority") and the application for listing of securities in compliance with the Listing Rules of the Saudi Stock Exchange Company. The directors, whose names appear in this prospectus, collectively and individually accept full responsibility for the accuracy of the information contained in this prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.</p>	



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	<p>The Authority and the Saudi Stock Exchange Company do not take any responsibility for the contents of this prospectus, do not make any representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this prospectus.”</p> <p>2. Important notice This section must include the following:</p> <p>1) a notice which shows the purpose and the nature of information mentioned in the prospectus.</p> <p>2) the following declaration: “This prospectus includes information provided as part of the application for registration and offer of securities in compliance with the Rules on the Offer of Securities and Continuing Obligations of the Capital Market Authority of the Kingdom of Saudi Arabia (the "Authority") and the application for listing of securities in compliance with the Listing Rules of the Saudi Stock Exchange Company. The directors, whose names appear in this prospectus, collectively and individually accept full responsibility for the accuracy of the information contained in this prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading. The Authority and the Saudi Stock Exchange Company do not take any responsibility for the contents of this prospectus, do not make any representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this prospectus.”</p> <p>3. Table of contents This section must include a table of contents.</p> <p>4. Incorporation by Reference If the sponsor or special purpose entity has listed securities, this section must include a list of</p>	



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	<p>information incorporated by references to this prospectus and related sections of this prospectus.</p> <p>5. Terms and definitions This section must include the terms and definitions used through the prospectus.</p> <p>36. Corporate directory This section must contain the following: ... 2. the contact information, including addresses, telephone numbers, and website and e-mail addresses, for each of the parties listed below, and any other expert to whom a statement or report included in the prospectus has been attributed: ... f) credit rating agency (if any); g) representative of debt instrument holders; and e) receiving entities.</p> <p>47. Offer summary This section must contain a disclaimer to the target investors on the importance of reading the prospectus prior to making an investment decision and include the following information (where applicable): 1. the issuer's name, description and incorporation information; 2. the issuer's activities; 3. substantial shareholders showing their ownership percentages and number of shares; 4. the capital of the issuer; 5. the issuer's total number of shares; 6. the nominal value for offered debt instrument; 7. the use of proceeds; 8. types of targeted investors; 9. subscription method for each type of targeted investors; 10. the minimum number of offer debt instruments to be subscribed for by each type of targeted investors; 11. the minimum value of offer of debt instruments to be subscribed for by each type of targeted investors; 12. the maximum number of offer debt instruments to be subscribed for by each type of targeted investors;</p>	



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	<p>13. the maximum value of offer debt instruments to be subscribed for by each type of targeted investors;</p> <p>4. subscription method;</p> <p>145. allocation method and description of the process where an excess of subscription monies has been received for all types of targeted investors;</p> <p>156. the offer period;</p> <p>167. full information of rights granted to holders of the debt instruments;</p> <p>178. debt instruments particulars;</p> <p>189. details of repayment related dates including final maturity date and early repayment dates, specifying whether exercisable at the issuer's or the holder of debt instruments' request and the date from which payments are due to start;</p> <p>1910. restrictions on debt instruments;</p> <p>2011. details of the arrangements for transfer of the debt instruments;</p> <p>2112. the names and addresses of the paying agents, and any registrar and transfer agents for the debt instruments;</p> <p>2213. details of the early redemption of the debt instruments; and</p> <p>23. a statement referring the reader to the "Important Notice" and the "Risk Factors" under section (2) and section (8) of this Annex, respectively before making an investment decision.</p> <p>14. include details of any guarantees related to the debt instruments offered (if any); and</p> <p>15. a statement showing the tax and zakat treatment of the debt instruments offered and any tax and zakat obligations on holders of the debt instruments.</p> <p>5. Summary of financial information This section must contain at least summary of key financial information contained in the prospectus, including the issuer's operational operation, financial condition cash flow and key performance indicators.</p> <p>6. Table of contents This section must include a table of contents.</p> <p>7. Terms and definitions</p>	



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	<p>This section must include the terms and definitions used through the prospectus.</p> <p>...</p> <p>98. Financial information</p> <p>The information required below must be provided in relation to the issuer for the last three annual financial statements that were published and the issuer's subsidiaries (if applicable) for the three financial years immediately preceding the application for registration and offer of securities that are subject to this prospectus as well as the period covered in the interim financial statements in accordance with the requirements of Annex (11) as per paragraph (4) of Article (41) of the Rules on the Offer of Securities and Continuing Obligations.</p> <p>1. comparative tables of financial information with commentary and analysis by management of financial material information. The comparative tables must:</p> <p style="margin-left: 20px;">a. be prepared on a consolidated basis;</p> <p style="margin-left: 20px;">b. be extracted without material adjustment from audited financial statements; and</p> <p style="margin-left: 20px;">c. include financial information presented in a form consistent with that which is adopted in the issuer's annual financial statements.</p> <p>21. a report by certified external auditor must be prepared in accordance with the requirements of Annex (1921) of the Rules on the Offer of Securities and Continuing Obligations in any of the following circumstances:</p> <p style="margin-left: 20px;">a. where the external auditor has reservations on the report of the audited financial statements of the issuer for any of the last the three financial years immediately preceding the application for registration and offer of securities that are subject to this prospectus;</p> <p style="margin-left: 20px;">b. where the issuer has undergone restructuring in the three financial years immediately preceding the date of the application for registration and offer of securities that are subject to this prospectus;</p> <p>...</p> <p>3. details of holdings, including holdings in contractually based securities or other assets whose value may be subject to fluctuations or</p>	



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	<p>be difficult to ascertain with certainty, significantly affecting the assessment of the issuer's financial position.</p> <p>4. the information required below must be provided in relation to the financial, operating performance, and results of operations:</p> <p>a. performance indicators;</p> <p>b. the financial, operating performance, and results of operations of the main lines of business;</p> <p>c. any seasonal or business cycles which affect the business or the financial condition;</p> <p>d. an explanation of any material changes from year to year in the financial information;</p> <p>e. information regarding any governmental, economic, fiscal, monetary or political policies or other factors that have materially affected, or could materially affect, directly or indirectly, the operations;</p> <p>f. the funding structure;</p> <p>g. a table showing any capital of the issuer or any subsidiary which is under option, including the consideration for which the option was granted, and the price and duration of the option, and the name and address of the grantee, or provide an appropriate negative statement.</p> <p>5. property, plant and equipment</p> <p>a. breakdown of any existing material fixed assets, including leased properties;</p> <p>b. an explanation of the issuer's depreciation policy and any changes contemplated in that policy; and</p> <p>c. any planned material fixed assets, including leased properties.</p> <p>...</p> <p>7. A statement by the directors of any material adverse change in the financial or trading position in the three financial years preceding the application for registration and offer of securities that are subject to this prospectus and during the period from the end of the period covered in the external auditors' report up to and including the date of approval of the prospectus or provide an appropriate negative statement.</p>	



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	<p>83. Particulars of any commissions, discounts, brokerages or other non-cash compensation granted within the three years immediately preceding the application for registration and offer of securities that are subject to this prospectus in connection with the issue or offer of any securities by the issuer or any of the issuer's subsidiaries (if applicable), together with the names of any directors, proposed directors, senior executives, persons offering or placing the securities or experts who received any such payment or benefit or provide an appropriate negative statement.</p> <p>...</p> <p>13. Legal Information This section must include the following declarations from the board of directors that:</p> <ol style="list-style-type: none"> 1. the issuance does not constitute a breach of the relevant laws and regulations in Saudi Arabia. 2. the issuance does not constitute a breach of any contract/agreement entered into by the issuer. 3. all material legal issues concerning the issuer have been disclosed in the prospectus. 4. details of any bankruptcies of each director or proposed director, senior executives, or the company secretary of the issuer; 5. details of any company insolvency in the preceding five years where any of the directors or proposed directors, senior executives, or the company secretary of the issuer were employed by the insolvent company in a managerial or supervisory capacity; <p>14. Underwriter This section must include information about the underwriter of the offer, as follows:</p> <ol style="list-style-type: none"> 1. the name and address of the underwriter; and 2. the principal terms of the underwriting agreement, including the compensation arrangement between the issuer and the underwriter. <p>...</p> <p>17. Information concerning the debt instruments and terms and conditions of the offer This section must include the following information:</p>	



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	<p>1. a statement that application has been made to the Authority for the application for registration and offer of securities that are subject to this prospectus and to the Exchange for the listing;</p> <p>...</p> <p>9. a description of default cases, their conditions, and the procedures that will be taken in these cases;</p> <p>...</p> <p>13. details of any agreements with the representative of the holders of the debt instruments, if any, the name and function and head office of such representative, the conditions under which the representative may be replaced together with an indication of where the public may inspect copies of the documents detailing the obligations of the representative;</p> <p>...</p>	
17	<p style="text-align: center;">ANNEX 16</p> <p style="text-align: center;">CONTENTS OF A PROSPECTUS FOR CONVERTIBLE DEBT INSTRUMENTS OR EXCHANGEABLE DEBT INSTRUMENTS</p> <p>A prospectus submitted for the registration and offering of convertible debt instruments or exchangeable debt instruments must contain the information under the following sections at a minimum:</p> <p>1. Cover page</p> <p>This section must include the following information (where applicable):</p> <p>1) the issuer's name, incorporation date and commercial registration number;</p> <p>2) capital and number of shares (as applicable);</p> <p>3) a summary of the offer including convertible debt instruments or exchangeable debt instruments details and rights;</p> <p>4) target participants;</p> <p>2) prospectus date;</p> <p>3) the name of the issue, its size, and the number of debt instruments to be issued. If the offering is a debt instrument issuance program, include the program's name, its size, and number of debt instruments to be issued;</p>	<p>It is suggested to develop Annex (16) of the Rules on the Offer of Securities and Continuing Obligations to facilitate the requirements to prepare a prospectus by an issuer who has securities listed on the Exchange, including in relation to allowing to include electronic links to information previously published by the issuer on the Exchange's website, and stipulating the requirements on the disclosure of financial information for the last three annual financial statements that were published.</p>



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	<p>4) offer price. If the prospectus is published before determining the offering price for debt instruments, a statement must be included stating that the information in the prospectus will be updated or completed before the beginning of the offering;</p> <p>5) offer period and conditions;</p> <p>6) name of the financial advisor, arranging manager, and underwriter (if any);</p> <p>6) shares and debt instruments or convertible debt instruments or exchangeable debt instruments that have been listed prior to the particular offer by the issuer (if applicable);</p> <p>7) a statement that the issuer has submitted the application for registration and offer of securities subject to this prospectus to the Authority, has submitted the application for listing to the Exchange and has submitted all the required documents to the relevant authorities;</p> <p>8) a statement referring to the “Important Notice” and the “Risk Factors” under section (2) and section (10) of this Annex, respectively before making an investment decision; and the importance of referring to any information referred to in the prospectus via an electronic link to the Exchange's website.</p> <p>9) the following declaration: “This prospectus includes information provided as part of the application for registration and offer of securities in compliance with the Rules on the Offer of Securities and Continuing Obligations of the Capital Market Authority of the Kingdom of Saudi Arabia (the "Authority") and the application for listing of securities in compliance with the Listing Rules of the Saudi Stock Exchange Company. The directors, whose names appear in this prospectus, collectively and individually accept full responsibility for the accuracy of the information contained in this prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading. The Authority and the Saudi Stock Exchange Company do not take any responsibility for the</p>	



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	<p>contents of this prospectus, do not make any representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this prospectus.²²</p> <p>2. Important notice This section must include the following:</p> <p>1) a notice which shows the purpose and the nature of information mentioned in the prospectus.</p> <p>2) the following declaration: “This prospectus includes information provided as part of the application for registration and offer of securities in compliance with the Rules on the Offer of Securities and Continuing Obligations of the Capital Market Authority of the Kingdom of Saudi Arabia (the "Authority") and the application for listing of securities in compliance with the Listing Rules of the Saudi Stock Exchange Company. The directors, whose names appear in this prospectus, collectively and individually accept full responsibility for the accuracy of the information contained in this prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading. The Authority and the Saudi Stock Exchange Company do not take any responsibility for the contents of this prospectus, do not make any representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this prospectus.”</p> <p>3. Table of contents This section must include the prospectus table of contents.</p> <p>4. Incorporation by Reference</p>	



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	<p>This section must include a list of information incorporated by references to this prospectus and related sections of this prospectus.</p> <p>5. Terms and definitions This section must include the terms and definitions used through the prospectus.</p> <p>36. Corporate directory This section must contain the following: ... 2. the contact information, including addresses, telephone numbers, and website and e-mail addresses, for each of the parties listed below, and any other expert to whom a statement or report included in the prospectus has been attributed: ... f. credit rating agency (if any); g. representative of debt instrument holders; and h. receiving entities.</p> <p>47. Offer summary This section must contain a disclaimer to the target investors on the importance of reading the prospectus prior to making an investment decision and include the following information (where applicable): 1. the issuer's name, description and incorporation information; 2. the issuer's activities; 3. substantial shareholders showing their ownership percentages and number of shares; 4. the capital of the issuer; 5. the issuer's total number of shares (as applicable); 62. the nominal value for offered convertible debt instrument or exchangeable debt instrument; 73. the total number of offered convertible debt instruments or exchangeable debt instruments; 84. The percentage of offered the convertible debt instruments to the capital of the issuer; 95. the use of proceeds; 10. types of targeted investors; 11. subscription method for each type of targeted investors;</p>	



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	<p>12. the minimum number of convertible debt instruments or exchangeable debt instruments to be subscribed for by each type of targeted investors;</p> <p>13. the minimum value of convertible debt instruments or exchangeable debt instruments to be subscribed for by each type of targeted investors;</p> <p>14. the maximum number of convertible debt instruments or exchangeable debt instruments to be subscribed for by each type of targeted investors;</p> <p>15. the maximum value of convertible debt instruments or exchangeable debt instruments to be subscribed for by each type of targeted investors;</p> <p>6. subscription method</p> <p>167. allocation method and description of the process where an excess of subscription monies has been received for all types of targeted investors;</p> <p>178. the offer period;</p> <p>189. full information of rights granted to holders of the convertible debt instrument or the exchangeable debt instrument;</p> <p>1910. details of convertible debt instruments or exchangeable debt instruments which includes:</p> <p>a. Conversion or exchange price.</p> <p>b. Conversion or exchange rate.</p> <p>2011. details of repayment related dates including final maturity date and early repayment dates, specifying whether exercisable at the request of the issuer or at the request of the holder of the convertible debt instrument or exchangeable debt instrument, and the date from which payments are due to start;</p> <p>2112. restrictions on convertible debt instruments or exchangeable debt instruments;</p> <p>2213. details of the arrangements for transfer of the convertible debt instruments or exchangeable debt instruments;</p> <p>2314. the names and addresses of the paying agents, and any registrar and transfer agents for the convertible debt instruments or exchangeable debt instruments;</p> <p>2415. details of the early redemption of the convertible debt instrument or exchangeable debt instruments;</p>	



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	<p>16. include details of any guarantees related to the debt instruments offered (if any);</p> <p>17. a statement showing the tax and zakat treatment of the debt instruments offered and any tax and zakat obligations on holders of the debt instruments;</p> <p>25. a statement referring to the “Important Notice” and the “Risk Factors” under section (2) and section (10) of this Annex, respectively before making an investment decision;</p> <p>2618. any information required under Annex (12) of the Rules on the Offer of Securities and Continuing Obligations that has materially changed since approval of the most recent prospectus; and</p> <p>2719. any additional information required by the Authority to be provided in the prospectus as it deems appropriate.</p> <p>...</p> <p>7. Summary of financial information This section must contain a summary of key financial information contained in the prospectus, including the issuer’s operational performance, financial condition, cash flows, and key indicators.</p> <p>8. Table of contents This section must include the prospectus table of contents.</p> <p>9. Terms and definitions This section must include the terms and definitions used through the prospectus.</p> <p>...</p> <p>1211. Financial information The information required below must be provided in relation to the issuer for the last three annual financial statements that were published for the three financial years immediately preceding the application for registration and offer of securities that are the subject of this prospectus as well as the period covered in the interim financial statements in accordance with the requirements of Annex (11) as per paragraph (4) of Article 41 of the Rules on the Offer of Securities and Continuing Obligations:</p> <p>1. comparative tables of financial information with commentary and analysis by management</p>



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	<p>of financial material information. The comparative tables must:</p> <ol style="list-style-type: none"> a. be prepared on a consolidated basis; b. be extracted without material adjustment from audited financial statements; and c. include financial information presented in a form consistent with that which is adopted in the issuer's annual financial statements. <p>2. A report by certified external auditor must be prepared in accordance with the requirements of Annex 1921 of the Rules on the Offer of Securities and Continuing Obligations in any of the following circumstances:</p> <ol style="list-style-type: none"> a. where the external auditor has reservations on the report of the audited financial statements of the issuer for any of the last three financial years immediately preceding the application for registration and offer of securities that are the subject of this prospectus; b. where the issuer has undergone restructuring in the three financial years immediately preceding the date of the application for registration and offer of securities that are subject to this prospectus; c. where any material change has been made to the accounting policies of the issuer; or d. where any material adjustment has been made or is required to be made to the published audited financial statements during the periods referred to in subparagraph (1) above. <p>3. details of holdings, including holdings in contractually based securities or other assets whose value may be subject to fluctuations or be difficult to ascertain with certainty, significantly affecting the assessment of the issuer's financial position.</p> <p>43. The information required below must be provided in relation to the financial, and operating performance, indicators and results of operations:</p> <ol style="list-style-type: none"> a. performance indicators; b. the financial, operating performance, and results of operations of the main lines of business; c. any seasonal or business cycles which affect the business or the financial condition; 	



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	<p>d. an explanation of any material changes from year to year in the financial information;</p> <p>e. information regarding any governmental, economic, fiscal, monetary or political policies or other factors that have materially affected, or could materially affect, directly or indirectly, the operations;</p> <p>f. the funding structure;</p> <p>g. particulars of any capital of the issuer or any subsidiary (if any) which is under option, including the consideration for which the option was or will be granted, and the price and duration of the option, and the name and address of the grantee, or provide an appropriate negative statement.</p> <p>h. Particulars of any alterations in the capital of the issuer, or where material, any of the issuer's substantial subsidiaries (if applicable), within the three years immediately preceding the date of the application for registration and offer of securities that are the subject of this prospectus. Such particulars must state the price and terms of any issues by the issuer or its subsidiaries (if any);</p> <p>For the purpose of measuring the substantiality of a subsidiary, the issuer and its financial advisors must consider its impact on the investment decision in the securities and its price, including but not limited to, a subsidiary is considered substantial if it constitutes 5% or more of the total assets, liabilities, revenues or profits of the issuer, or any potential obligations on it.</p> <p>5. property, plant and equipment</p> <p>a. a breakdown of any existing material fixed assets, including leased properties;</p> <p>b. an explanation of the issuer's depreciation policy and any changes contemplated in that policy; and</p> <p>c. any planned material fixed assets, including leased properties.</p> <p>...</p> <p>7. A statement by the directors of any material adverse change in the financial or trading position in the three financial years preceding the application for registration and offer of securities that are subject to this prospectus and</p>	



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	<p>during the period from the end of the period covered in the external auditors' report up to and including the date of approval of the prospectus, or provide an appropriate negative statement.</p> <p>85. Particulars of any commissions, discounts, brokerages or other non-cash compensation granted within the three years immediately preceding the application for registration and offer of securities that are subject to this prospectus in connection with the issue or offer of any securities by the issuer or any of the issuer's subsidiaries (if applicable), together with the names of any directors, proposed directors, senior executives, persons offering or placing the securities or experts who received any such payment or benefit, or provide an appropriate negative statement.</p> <p>...</p> <p>16. Underwriter This section must include information about the underwriter of the offer, as follows:</p> <ol style="list-style-type: none"> 1. the name and address of the underwriter; and 2. the principal terms of the underwriting agreement, including the compensation arrangement between the issuer and the underwriter. <p>...</p> <p>19. Information concerning the convertible debt instruments or the exchangeable debt instruments and terms and conditions of the offer This section must include the following information:</p> <p>1) a statement that an application has been made to the Authority for the registration and offer of the securities that are the subject of this prospectus and to the Exchange for the listing thereof;</p> <p>...</p> <p>76) details of any agreements with the representative of the holders of the convertible debt instruments or the exchangeable debt instruments, if any, the name and function and head office of such representative, the conditions under which the representative may be replaced together with an indication of</p>	



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	<p>where the public may inspect copies of the documents detailing the obligations of the representative;</p> <p>8) a description of default cases, their conditions, and the procedures that will be taken in these cases;</p> <p>...</p>	
18	<p style="text-align: center;">ANNEX 14 (A)</p> <p style="text-align: center;">CONTENTS OF A PROSPECTUS FOR DEBT-BASED RECOURSE DEBT INSTRUMENTS OR ASSET-LINKED RECOURSE DEBT INSTRUMENTS</p> <p>A prospectus submitted for registration and admission to listing of debt-based recourse securities debt instruments or asset-linked recourse debt instruments must contain the information under the following sections at a minimum. If the sponsor or special purpose entity has listed securities Additionally, such the prospectus for registration and admission to listing debt instruments or asset-linked recourse debt instruments of debt-based recourse debt instruments submitted by a Special Purposes Entity with listed securities are is exempted from satisfying the requirement of sections (58), (11), (12), (13), (14/4/g) paragraph (1) and paragraph (3) of section (14), and paragraph (1) of section (17/4).</p> <p>1. Cover page</p> <p>This section must include the following information (where applicable):</p> <ol style="list-style-type: none"> 1) A license to establish a special purposes entity; 2) The sponsor's commercial registration. 3) prospectus date; 3) The capital of the sponsor; 4) a summary of the offer including debt instruments details and rights; 5) substantial shareholders of the sponsor; 6) target participants; 5) the name of the issue, its size, and the number of debt instruments to be issued. If the offering is a debt instrument issuance program, include the program's name, its size, and number of debt instruments to be issued; 6) offer price. If the prospectus is published before determining the offering price for debt 	<p>It is suggested to merge Annex (14)(A) and Annex (14)(b) of the Rules on the Offer of Securities and Continuing Obligations, and develop Annex (14)(A) to facilitate the requirements to prepare a prospectus by a special purposes entity, including in relation to allowing to include electronic links to information previously published by the issuer on the Exchange's website if the issuer (or sponsor) has securities listed on the Exchange, and stipulating the requirements on the disclosure of financial information for the last three annual financial statements that were published if the sponsor or the special purpose entity has securities listed on the Exchange.</p>



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	<p>instruments, a statement must be included stating that the information in the prospectus will be updated or completed before the beginning of the offering;</p> <p>7) offer period and conditions; and</p> <p>8) Shares and debt instruments that have been listed prior to the particular offer by the special purposes entity and the sponsor (if applicable);</p> <p>9) a statement that the special purposes entity has submitted the application for admission to listing to the Authority and that all requirements have been met;</p> <p>108) a statement referring to the “Important Notice” and the “Risk Factors” under section (2) and section (9), respectively before making an investment decision; and. If the sponsor or special purpose entity has listed securities, a statement indicating the importance of referring to any information added via an electronic link to information previously published on the Exchange’s website.</p> <p>11) the following declarations:</p> <p>“This prospectus includes information given in compliance with the Listing Rules of the Capital Market Authority of the Kingdom of Saudi Arabia (the “Authority”). The directors of the special purposes entity and the sponsor, whose names appear in this prospectus, collectively and individually accept full responsibility for the accuracy of the information contained in this prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading. The Authority and the Saudi Stock Exchange Company do not take any responsibility for the contents of this prospectus, do not make any representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this prospectus”</p> <p>and</p> <p>“The securities offered hereby are issued by a special purposes entity licensed by the Capital Market Authority. The Capital Market</p>	



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	<p>Authority maintains a register of special purposes entities and regulates the special purposes entity. The Capital Market Authority does not approve, and is not responsible for, the terms of the securities the special purposes entity issues, the financing structure the special purposes entity employs, or the investment risks and rewards associated with the securities. The Capital Market Authority does not regulate or monitor the value of the assets of the special purposes entity or the ability of the special purposes entity to meet its obligations and makes no endorsement of or recommendation about the securities.”</p> <p>2. Important notice This section must include the following:</p> <ol style="list-style-type: none"> 1) a notice which shows the purpose and the nature of information mentioned in the prospectus. 2) the following declarations: “This prospectus includes information given in compliance with the Listing Rules of the Capital Market Authority of the Kingdom of Saudi Arabia (the “Authority”). The directors of the special purposes entity and the sponsor, whose names appear in this prospectus, collectively and individually accept full responsibility for the accuracy of the information contained in this prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading. The Authority and the Saudi Stock Exchange Company do not take any responsibility for the contents of this prospectus, do not make any representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this prospectus” and “The securities offered hereby are issued by a special purposes entity licensed by the Capital Market Authority. The Capital Market Authority maintains a register of special purposes entities and regulates the special 	



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	<p>purposes entity. The Capital Market Authority does not approve, and is not responsible for, the terms of the securities the special purposes entity issues, the financing structure the special purposes entity employs, or the investment risks and rewards associated with the securities. The Capital Market Authority does not regulate or monitor the value of the assets of the special purposes entity or the ability of the special purposes entity to meet its obligations and makes no endorsement of or recommendation about the securities.”</p> <p>3. Table of contents This section must include the table of contents of the prospectus.</p> <p>4. Incorporation by Reference If the sponsor or special purpose entity has listed securities, this section must include a list of references to this prospectus and related sections of this prospectus.</p> <p>5. Terms and definitions This section must include the terms and definitions used through the prospectus.</p> <p>36. Corporate directory This section must include the following: 2) the contact information, including addresses, telephone numbers, and website and e-mail addresses, for each of the parties listed below, and any other expert to whom a statement or report included in the prospectus has been attributed: ... h) credit rating agency (if any); i) representative of debt instrument holders; and j) receiving entities.</p> <p>47. Offer summary This section must include a disclaimer to the target investors on the importance of reading the prospectus prior to making an investment decision. This section must include the following information (where applicable):</p>	



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	<p>1) the special purposes entity's name, description and incorporation information;</p> <p>2) the special purposes entity's activities;</p> <p>3) substantial shareholders of the sponsor showing their ownership percentages and number of shares.</p> <p>4) the capital of sponsor;</p> <p>5) the nominal value for offered debt instrument;</p> <p>6) the use of proceeds of the offer;</p> <p>7) the sponsor ensuring the due payments are paid as per the debt instruments;</p> <p>8) types of targeted investors of the issuer;</p> <p>9) subscription method for each type of targeted investors of the issuer;</p> <p>10) the minimum number of debt instruments to be subscribed for by each type of targeted investors;</p> <p>11) the value of minimum number of debt instruments to be subscribed for by each type of targeted investors;</p> <p>12) the maximum number of debt instruments to be subscribed for by each type of targeted investors;</p> <p>13) the value of the maximum number of debt instruments to be subscribed for by each type of targeted investors;</p> <p>5) subscription method</p> <p>14) allocation method and description of the process where an excess of subscription monies is returned to all types of targeted investors;</p> <p>15) the offer period;</p> <p>16) full information of rights granted to holders of the debt instruments;</p> <p>17) debt instruments particulars;</p> <p>18) details of repayment related dates including final maturity date and early repayment dates, specifying whether exercisable at the special purposes entity's or the holder of debt instruments' request and the date from which payments are due to start;</p> <p>19) restrictions on debt instruments;</p> <p>20) details of the arrangements for transfer of the debt instruments;</p> <p>21) the names and addresses of the paying agents, and any registrar and transfer agents of the issuer for the debt instruments;</p> <p>22) the names and addresses of the special purposes entity's board members;</p>	



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	<p>2315) details of the early redemption of the debt instruments; and</p> <p>24) a statement referring to the “Important Notice” and the “Risk Factors” under section (2) and section (9), respectively before making an investment decision.</p> <p>16) include details of any guarantees related to the debt instruments offered (if any);</p> <p>17) a statement showing the tax and zakat treatment of the debt instruments offered and any tax and zakat obligations on holders of the debt instruments; and</p> <p>...</p> <p>6. Summary of financial information This section must include a summary of key financial information contained in the prospectus, including issuer’s operational performance, financial condition, cash flows and key performance indicators.</p> <p>7. Table of contents This section must include the table of contents of the prospectus.</p> <p>8. Terms and definitions This section must include the terms and definitions used through the prospectus.</p> <p>...</p> <p>14. Sponsor financial information The information required below must be provided in relation to the sponsor and its affiliates (if any) for the three financial years immediately preceding the application for registration and admission to listing subject to this prospectus (or the last three published annual financial statements if the sponsor or special purpose entity has securities listed) and the period referred to in preliminary financial statements in accordance with the requirements of Annex (11) according to paragraph (4) of Article (41) of the Rules for the Offer of Securities and Continuing Obligations:</p> <p>1) comparative tables of financial information with commentary and analysis by management. The comparative tables must:</p> <p>(a) be prepared on a consolidated basis;</p> <p>(b) be extracted without material adjustment from audited financial statements; and</p>	



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	<p>(c) include financial information presented in a form consistent with that which is adopted in the sponsor's annual financial statements.</p> <p>2) a report by certified external auditor must be prepared in accordance with the requirements of Annex (1921) of the Listing Rules in any of the following circumstances:</p> <p>(a) where the external auditors' report on the consolidated financial statements of the sponsor for any of the last three financial years immediately preceding the application for registration and admission to listing has been qualified (or for any of the three financial years subject to this prospectus if the sponsor or special purpose entity has securities listed);</p> <p>(b) where the sponsor has undergone restructuring or an alteration in capital using external financing in the three financial years immediately preceding the date of application for registration and admission to listing (or for any of the three financial years subject to this prospectus if the sponsor or special purpose entity has securities listed);</p> <p>(c) where any material change has been made to the accounting policies of the sponsor; or</p> <p>(d) where any material adjustment has been made or is required to be made to the published audited financial statements during the periods referred to in subparagraph (a) above.</p> <p>3) details of holdings, including holdings in contractually based securities or other assets whose value may be subject to fluctuations or be difficult to ascertain with certainty, significantly affecting the assessment of the sponsor's financial position.</p> <p>43) the information required below must be provided in relation to the on financial, and operating performance, indicators and results of operations.:</p> <p>(a) performance indicators;</p> <p>(b) the financial, operating performance, and results of operations of the main lines of business;</p>	



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	<p>(c) any seasonal or business cycles which affect the business or the financial condition;</p> <p>(d) an explanation of any material changes from year to year in the financial information;</p> <p>(e) information regarding any governmental, economic, fiscal, monetary or political policies or other factors that have materially affected, or could materially affect, directly or indirectly, the operations;</p> <p>(f) the funding structure;</p> <p>(g) particulars of any alterations in the capital of the sponsor, or where material, any of the sponsor's subsidiaries (if applicable) within the three years immediately preceding the date of application for registration and admission to listing. Such particulars must state the price and terms of any issues by the sponsor; and</p> <p>(h) details of any capital of the sponsor which is under option, including the consideration for which the option was granted, and the price and duration of the option, and the name and address of the grantee, or provide an appropriate negative statement.</p> <p>5) property, plant and equipment</p> <p>(a) a breakdown of any existing material fixed assets, including leased properties;</p> <p>(b) an explanation of the issuer's depreciation policy and any changes contemplated in that policy; and</p> <p>(c) any planned material fixed assets, including leased properties.</p> <p>...</p> <p>7) A statement by the directors of any material adverse change in the financial or trading position in the three financial years preceding the application for registration and admission to listing and during the period from the end of the period covered in the external auditors' report up to and including the date of approval of the prospectus or provide an appropriate negative statement.</p> <p>85) Particulars of any commissions, discounts, brokerages or other non-cash compensation granted within the three years immediately preceding the application for registration and admission to listing in connection with the</p>	



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	<p>issue or offer of any securities by the sponsor or any of the sponsor's subsidiaries (if applicable), together with the names of any directors, proposed directors, senior executives, persons offering or placing the securities or experts who received any such payment or benefit or provide an appropriate negative statement.</p> <p>15. Financing Structure and Use of proceeds This section must include the following:</p> <p>1) Information regarding the financial structure including details of:</p> <ul style="list-style-type: none"> (a) the use of the proceeds of issuance by the special purposes entity; (b) the rights to be acquired by the special purposes entity under the financing structure (including their ranking on the event of insolvency of the sponsor or any other person, where applicable); (c) the nature of the claim of the special purposes entity on the sponsor; (d) any direct rights of recourse of the holders against the sponsor; (e) details of any security interest to be granted in favour of the special purposes entity, including a description of the assets secured and any rights to substitute such assets, or a description of any variation in such security; <p>2) a description of any obligation on the special purposes entity in relation to the transaction, including the order of priority of any payments.</p> <p>3) Information of any investment powers associated with the special purposes entity's assets.</p> <p>4) a description of how the cash flows will be used to meet the special purposes entity's obligations including details of. If the offering is for asset-linked recourse debt instruments, this must include the following:</p> <ul style="list-style-type: none"> a. how the cash flow from the assets will meet the issuer's obligations to holders of the securities; b. information on any credit enhancements, an indication of where material potential liquidity shortfalls may occur and the availability of any liquidity supports and 	



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	<p>indication of provisions designed to cover interest/principal shortfall risks;</p> <p>c. without prejudice to item (b) above, details of any subordinated debt finance;</p> <p>d. an indication of any investment parameters for the investment of temporary liquidity surpluses and description of the parties responsible for such investment;</p> <p>e. how payments are collected in respect of the assets;</p> <p>f. the order of priority of payments made by the issuer to the holders of the class of securities in question; and</p> <p>g. details of any other arrangements upon which payments of interest and principal to investors are dependent.</p> <p>5) particulars of how payments will be made by the sponsor.</p> <p>6) a statement as to how the proceeds of issuance are intended to be used by the sponsor.</p> <p>7) an estimate of the offer expenses.</p> <p>8) If the offering is for asset-linked debt instruments, information regarding the underlying assets of the asset-linked structure including, where relevant, details of:</p> <p>(a) in respect of the assets to which the debt instruments are linked:</p> <ol style="list-style-type: none"> 1. the jurisdictions in which the assets will be held and by which they will be governed; 2. in the case of a small number of easily identifiable obligors, a general description of each obligor. In all other cases, a description of: the general characteristics of the obligors; and the economic environment, as well as global statistical data referred to the securitised assets; 3. the legal nature of the assets; 4. the expiry or maturity date(s) of the assets; 5. the amount of the assets; 6. any loan to value ratio or level of collateralisation, where relevant; 7. the method of origination or creation of the assets, and for loans and credit agreements, the principal lending criteria and an indication of any loans 	



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	<p>which do not meet these criteria and any rights or obligations to make further advances;</p> <p>8. an indication of significant representations and collateral given to the special purposes entity relating to the assets;</p> <p>9. any rights to substitute the assets and a description of the manner in which and the type of assets which may be so substituted; if there is any capacity to substitute assets with a different class or quality of assets a statement to that effect together with a description of the impact of such substitution;</p> <p>10. a description of any relevant insurance policies relating to the assets. Any concentration with one insurer must be disclosed if it is material to the transaction;</p> <p>11. If a relationship exists that is material to the issue, between the special purposes entity or the sponsor and an obligor, details of the principal terms of that relationship.</p> <p>12. Where the assets comprise obligations that are not actively traded on an exchange, a description of the principal terms and conditions of the obligations.</p> <p>13. Where the assets comprise equity securities that are traded on an exchange indicate the following:</p> <p>(a) a description of the securities;</p> <p>(b) a description of the market on which they are traded including its date of establishment, how price information is published, an indication of daily trading volumes, information as to the standing of the market in the country and the name of the market's regulatory authority;</p> <p>(c) the frequency with which prices of the relevant securities, are published.</p> <p>14. a description of the method and date of the sale, transfer, novation or assignment of the assets or of any rights</p>	



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	<p>and/or obligations in the assets to the special purposes entity or, where applicable, the manner and time period in which the proceeds from the issue will be fully invested by the special purposes entity;</p> <p>15. where relevant, the name, address and significant business activities of the originators of the securitised assets;</p> <p>16. the name, address and significant business activities of the administrator, calculation agent or equivalent, together with a summary of the administrator's/calculation agents responsibilities, their relationship with the originator or the creator of the assets and a summary of the provisions relating to the termination of the appointment of the administrator/calculation agent and the appointment of an alternative administrator/calculation agent;</p> <p>17. the name and addresses and brief description of:</p> <ol style="list-style-type: none"> a. any swap counterparties and any providers of other material forms of credit/liquidity enhancements; b. the banks with which the main accounts relating to the transaction are held; and <p>18. an indication in the prospectus whether or not it intends to provide post-issuance transaction information regarding securities to be admitted to trading and the performance of the underlying collateral. Where the special purposes entity has indicated that it intends to report such information, specify in the prospectus what information will be reported, where such information can be obtained, and the frequency with which such information will be reported.</p> <p>(b)In respect of an actively managed pool of assets linked to the issue:</p> <ol style="list-style-type: none"> 1. equivalent information to that contained in items 15(3/i) to allow an assessment of the type, quality, sufficiency and 	



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	<p>liquidity of the asset types in the portfolio which will secure the issue;</p> <p>2. the parameters within which investments can be made, the name and description of the entity responsible for such management including a description of that entity's expertise and experience, a summary of the provisions relating to the termination of the appointment of such entity and the appointment of an alternative management entity, and a description of that entity's relationship with any other parties to the issue.</p> <p>(c) Valuation of the assets to which the debt instruments are to be linked, where known:</p> <p>1. In respect of marketable securities traded on an exchange or other market approved by the Authority, a valuation at a mid-market basis based on a market price verified by the financial advisor.</p> <p>2. In respect of assets not falling within paragraph (1) above, a valuation by a third party valuer of the assets and any cash flow/income streams. In this respect, the third party valuer must:</p> <p>(a) not be the special purposes entity, the sponsor, the financial advisor or an affiliate of any of them; and</p> <p>(b) be appropriately qualified and have relevant expertise in valuing the relevant asset class;</p> <p>3. particulars of any investment powers associated with the special purposes entity's assets.</p> <p>4. a description of how the cash flows will be used to meet the special purposes entity's obligations including details of:</p> <p>a. how the cash flow from the assets will meet the issuer's obligations to holders of the securities;</p> <p>b. information on any credit enhancements, an indication of where material potential liquidity shortfalls may occur and the availability of any liquidity supports and indication of</p>	



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	<p>provisions designed to cover interest/principal shortfall risks;</p> <p>c. without prejudice to item (b) above, details of any subordinated debt finance;</p> <p>d. an indication of any investment parameters for the investment of temporary liquidity surpluses and description of the parties responsible for such investment;</p> <p>e. how payments are collected in respect of the assets;</p> <p>f. the order of priority of payments made by the issuer to the holders of the class of securities in question; and</p> <p>g. details of any other arrangements upon which payments of interest and principal to investors are dependent.</p> <p>...</p> <p>19. Underwriter This section must include information about the underwriter of the offer, as follows:</p> <p>1) the name and address of the underwriter; and</p> <p>2) the principal terms of the underwriting agreement, including the compensation arrangement between the special purposes entity and the underwriter.</p> <p>...</p> <p>22. Information concerning the debt instruments and terms and conditions of the offer This section must include the following information:</p> <p>1) a statement that application has been made to the Authority for the registration and admission to listing;</p> <p>...</p> <p>9) a description of default cases, their conditions, and the procedures that will be taken in these cases.</p> <p>...</p> <p>13) details of any agreements with the representative of the holders of the debt instruments, if any, the name and function and head office of such representative, the conditions under which the representative</p>	



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	<p>may be replaced together with an indication of where the public may inspect copies of the documents detailing the obligations of the representative;</p> <p>...</p> <p style="text-align: center;">ANNEX 14 (B) CONTENTS OF A PROSPECTUS FOR ASSET-LINKED RECOURSE DEBT INSTRUMENTS</p>	
19	<p style="text-align: center;">ANNEX 7 17</p> <p style="text-align: center;">CONTENTS OF A REGISTRATION DOCUMENT FOR REGISTRATION OF DEBT INSTRUMENTS OFFERED BY WAY OF PRIVATE PLACEMENT FOR AN ISSUER WITHOUT SECURITIES LISTED ON THE EXCHANGE</p> <p>A registration document submitted for the registration of debt instruments offered by way of private placement for the purpose of direct listing on the Exchange by an issuer without securities listed on the Exchange must contain the information under the following sections at a minimum:</p> <p>1. Cover page This section must include the following information (where applicable):</p> <ol style="list-style-type: none"> 1) the issuer's name, incorporation date and commercial registration number. If the issuer is a special purposes entity, a license to establish a special purposes entity and the sponsor's commercial registration; 2) the registration document date; 3) the name of the issue, its size, and the number of debt instruments to be issued. If the offering is a debt instrument issuance program, include the program's name, its size, and number of debt instruments to be issued; 4) the proposed guiding price for the listing of debt instruments. If the registration document is published before determining the price, a statement must be included stating that the information in the registration document will be updated or completed before the beginning of listing of the debt instruments; 	<p>It is suggested to develop Annex (7) of the Rules on the Offer of Securities and Continuing Obligations to facilitate the requirements to prepare a prospectus by an issuer who does not have securities listed on the Exchange, in alignment with the suggested amendments on Annex (14) as detailed above.</p>



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	<p>5) name of the financial advisor and arranging manager;</p> <p>2) capital and number of shares, and the sponsor's capital if the issuer is a special purposes entity;</p> <p>3) a summary that includes the details and rights of the debt instruments;</p> <p>4) shares and debt instruments that have been previously listed (if applicable). If the issuer is a special purposes entity, shares and debt instruments that have been previously listed by the special purposes entity and the sponsor (if any);</p> <p>5) a statement that the issuer has submitted the application for registration of securities subject to this document to the Authority, has submitted the application for listing to the Exchange, and has submitted all the required documents to the relevant authorities;</p> <p>6) a statement on the importance of referring to the "Important Notice" and the "Risk Factors" under section (2) and section (98) of this Annex, respectively; and</p> <p>7) the following declaration:</p> <p>"This registration document includes information provided as part of the application for registration of securities in compliance with the Rules on the Offer of Securities and Continuing Obligations of the Capital Market Authority of the Kingdom of Saudi Arabia (the "Authority") and the application for listing of securities in compliance with the Listing Rules of the Saudi Stock Exchange Company. The issuer's directors (and the sponsor's directors if the issuer is a special purposes entity), whose names appear in this document, collectively and individually accept full responsibility for the accuracy of the information contained in this document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading. The Authority and the Saudi Stock Exchange Company do not take any responsibility for the contents of this document, do not make any representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any</p>	



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	<p>part of this document. In the event that any of the contents of this document cannot be understood, an authorized financial advisor shall be consulted."</p> <p>2. Important notice This section must include the following:</p> <ol style="list-style-type: none"> 1) a notice which shows the purpose and the nature of information mentioned in the document. 2) the following declaration: "This registration document includes information provided as part of the application for registration of securities in compliance with the Rules on the Offer of Securities and Continuing Obligations of the Capital Market Authority of the Kingdom of Saudi Arabia (the "Authority") and the application for listing of securities in compliance with the Listing Rules of the Saudi Stock Exchange Company. The issuer's directors (and the sponsor's directors if the issuer is a special purposes entity), whose names appear in this document, collectively and individually accept full responsibility for the accuracy of the information contained in this document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading. The Authority and the Saudi Stock Exchange Company do not take any responsibility for the contents of this document, do not make any representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. In the event that any of the contents of this document cannot be understood, an authorized financial advisor shall be consulted." <p>3. Table of contents This section must include the registration document table of contents.</p> <p>4. Terms and definitions This section must include the terms and definitions used in the registration document.</p>	



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	<p>35. Corporate directory This section must include the following information (where applicable):</p> <p>...</p> <p>2) The contact information, including addresses, telephone numbers, and website and e-mail addresses, for each of the parties listed below, and any other expert to whom a statement or report included in the registration document has been attributed:</p> <p>...</p> <p>f. credit rating agency (if any); and g. representative of debt instrument holders.</p> <p>3) A statement that the non-objection of the participating parties to use their names, logos, and statements in the registration document was obtained.</p> <p>46. Summary This section must include a disclaimer to the target investors on the importance of reading the registration document prior to making an investment decision. This section must include the following information (where applicable):</p> <p>1) the issuer's name, description and incorporation information (and the name of the sponsor, its description, and incorporation information if the issuer is a special purposes entity);</p> <p>2) the issuer's activities (and the sponsor if the issuer is a special purposes entity);</p> <p>3) substantial shareholders showing their ownership percentages and number of shares. If the issuer is a special purposes entity, substantial shareholders of the sponsor showing their ownership percentages and number of shares;</p> <p>4) details of the debt instruments to be listed, their rights, and any restrictions imposed upon them;</p> <p>5) the nominal value for debt instrument;</p> <p>6) if the issuer is a special purposes entity, the sponsor's commitment to ensure that the due payments are paid as per the debt instruments (as applicable);</p> <p>7) details of repayment related dates including final maturity date and early repayment dates,</p>	



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	<p>specifying whether exercisable at the request of the issuer or sponsor (as applicable) or at the request the holders of the debt instruments, and the date from which payments are due to start;</p> <p>86) details of the arrangements for transfer of the debt instruments;</p> <p>97) the names and addresses of the paying agents, and any registrar and transfer agents for the debt instruments;</p> <p>108) details of the early redemption of the debt instruments (if any);</p> <p>119) any additional information required by the Authority to be provided in the registration document as it deems appropriate; and</p> <p>12)a statement on the importance of referring to the “Important Notice” and the “Risk Factors” under section (2) and section (9) of this Annex.</p> <p>10) include details of any guarantees related to the debt instruments offered (if any); and</p> <p>11) a statement showing the tax and zakat treatment of the debt instruments offered and any tax and zakat obligations on holders of the debt instruments.</p> <p>...</p> <p>6. Summary of financial information This section must include a summary of key financial information contained in the registration document, including issuer’s operational performance, financial condition, cash flows and key indicators (and the sponsor’s operational performance, financial condition, cash flows and key indicators if the issuer is a special purposes entity)</p> <p>7. Table of contents This section must include the registration document table of contents.</p> <p>8. Terms and definitions This section must include the terms and definitions used in the registration document.</p> <p>...</p> <p>109. Information about the market and sector (as applicable) If the issuer is a special purposes entity, this section must include information on the market and sector in which the sponsor operates.</p>	



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	<p>110. The issuer and sponsor (where applicable) background, business nature</p> <p>...</p> <p>8) information concerning the policy of the issuer (or the sponsor if the issuer is a special purposes entity) and its subsidiaries (if applicable) on the research and development of new products and production processes over the past three financial years, where significant;</p> <p>9) particulars of any interruption in the business of the issuer (or the sponsor if the issuer is a special purposes entity) or its subsidiaries (if applicable) which may have or has had a significant effect on the financial position in the last 12 months;</p> <p>10) the number of people employed by the issuer and the issuer's subsidiaries (if applicable) and any material changes to that number over the last two financial years, with a breakdown of persons employed by main categories of activity and by Saudization ratio;</p> <p>...</p> <p>1211. Issuer's and Sponsor's organizational structure (as applicable)</p> <p>This section must include the issuer's organizational structure (and that of the sponsor if the issuer is a special purposes entity), including the following information:</p> <p>...</p> <p>7) the aggregate remuneration and benefits in kind granted by the issuer (and the sponsor if the issuer is a special purposes entity) or any subsidiary, during the three financial years prior to submitting the registration application for the securities that are the subject of this document, to the directors and five senior executives who received the highest payments, including the chief executive officer and the chief financial officer of the issuer (and of the sponsor if the issuer is a special purposes entity) if they were not within the top five;</p> <p>...</p> <p>11) information about the issuer's (and the sponsor if the issuer is a special purposes entity) compliance with the corporate governance regulation; and</p>	



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	<p>12) any employee share schemes in place prior to the application for registration of securities that are the subject of this registration document along with details on the aggregate amount of shares owned by the employees in the issuer (or the sponsor if the issuer is a special purposes entity), and any other arrangements involving the employees in the capital of the issuer (or the sponsor if the issuer is a special purposes entity).</p> <p>1312. Financial information The information required below must be provided in relation to the issuer (or the sponsor if the issuer is a special purposes entity) for the three financial years immediately preceding the application for registration of securities that are the subject of this document:</p> <p>1) comparative tables of financial information with commentary and analysis by the issuer's management (or the sponsor if the issuer is a special purposes entity) of material financial information. The comparative tables must:</p> <ol style="list-style-type: none"> be prepared on a consolidated basis; be extracted without material adjustment from audited financial statements; and include financial information presented in a form consistent with that which is adopted in the issuer's annual financial statements. <p>2) a report by certified external auditor must be prepared in accordance with the requirements of Annex 1921 of the Rules on the Offer of Securities and Continuing Obligations in any of the following circumstances:</p> <ol style="list-style-type: none"> where the external auditors' report on the financial statements of the issuer (or the sponsor if the issuer is a special purposes entity) for any of the last three financial years immediately preceding the application for registration of securities that are the subject of this document; where the issuer (or the sponsor if the issuer is a special purposes entity) has undergone restructuring in the three financial years immediately preceding the date of application for registration of securities that are the subject of this document; 	



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	<p>c. where any material change has been made to the accounting policies of the issuer; or</p> <p>d. where any material adjustment has been made or is required to be made to the published audited financial statements during the periods referred to the subparagraph (a) above.</p> <p>3) details of holdings, including holdings in contractually based securities or other assets whose value may be subject to fluctuations or be difficult to ascertain with certainty, significantly affecting the assessment of the issuer's financial position.</p> <p>43) the information required below must be provided in relation to the on financial, and operating performance; indicators and results of operations.:</p> <p>a. performance indicators;</p> <p>b. the financial, operating performance, and results of operations of the main lines of business;</p> <p>c. any seasonal or business cycles which affect the business or the financial condition;</p> <p>d. an explanation of any material changes from year to year in the financial information;</p> <p>e. information regarding any governmental, economic, fiscal, monetary or political policies or other factors that have materially affected, or could materially affect, directly or indirectly, the operations;</p> <p>f. the funding structure;</p> <p>g. particulars of any alterations in the capital of the issuer (or the sponsor if the issuer is a special purposes entity), or where material, any of the issuer's subsidiaries (if applicable) within the three years immediately preceding the date of the application for registration of securities that are the subject of this document. Such particulars must state the price and terms of any issues by the issuer (or the sponsor if the issuer is a special purposes entity), or its subsidiaries (if applicable); and</p> <p>h. details of any amendments in the capital of the issuer (or the sponsor if the issuer is a special purposes entity) or its subsidiaries (if applicable) which is under option, including the consideration for which the option was</p>	



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	<p>granted, and the price and duration of the option, and the name and address of the grantee, or provide an appropriate negative statement.</p> <p>5) property, plant and equipment</p> <p>a. a breakdown of any existing material fixed assets, including leased properties;</p> <p>b. an explanation of the issuer's depreciation policy and any changes contemplated in that policy; and</p> <p>c. any planned material fixed assets, including leased properties.</p> <p>...</p> <p>7) a statement by the directors of any material adverse change in the financial or trading position in the three financial years preceding the application for registration of securities that are the subject of this document and the period covered in the external auditors' report up to and including the date of approval of the registration document or provide an appropriate negative statement.</p> <p>85) particulars of any commissions, discounts, brokerages or other non-cash compensation granted within the three years immediately preceding the application for registration of securities that are the subject of this document in connection with the issue or offer of any securities by the issuer (or the sponsor if the issuer is a special purposes entity) or any of its subsidiaries (if applicable), together with the names of any directors, proposed directors, senior executives, persons offering or placing the securities or experts who received any such payment or benefit or provide an appropriate negative statement.</p> <p>...</p> <p>1918. Information concerning the debt instruments</p> <p>This section must include the following information:</p> <p>1) a statement that an application has been made to the Authority for the registration of the debt instruments and to the Exchange for the listing thereof;</p> <p>...</p>	



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	<p>11) a description of default cases, their conditions, and the procedures that will be taken in these cases;</p> <p>12) details of any agreements with the representative of the holders of the debt instruments, if any, the name and function and head office of such representative, the conditions under which the representative may be replaced together with an indication of where the public may inspect copies of the documents detailing the obligations of the representative;</p> <p>...</p>	
20	<p style="text-align: center;">ANNEX 818</p> <p style="text-align: center;">CONTENTS OF A REGISTRATION DOCUMENT FOR REGISTRATION OF DEBT INSTRUMENTS OFFERED BY WAY OF PRIVATE PLACEMENT FOR AN ISSUER THAT HAS SECURITIES CURRENTLY LISTED ON THE EXCHANGE</p> <p>A registration document submitted for the registration of debt instruments offered by way of private placement for the purpose of direct listing on the Exchange by an issuer that has securities currently listed on the Exchange must contain the information under the following sections at a minimum:</p> <p>1. Cover page This section must include the following information (where applicable):</p> <ol style="list-style-type: none"> 1) the issuer's name, incorporation date and commercial registration number. If the issuer is a special purposes entity, a license to establish the special purposes entity and the sponsor's commercial registration; 2) the registration document date; 3) the name of the issue, its size, and the number of debt instruments to be issued. If the offering is a debt instrument issuance program, include the program's name, its size, and number of debt instruments to be issued; 4) the proposed guiding price for the listing of debt instruments. If the registration document is published before determining the price, a 	<p>It is suggested to develop Annex (8) of the Rules on the Offer of Securities and Continuing Obligations to facilitate the requirements to prepare a prospectus by an issuer who has securities listed on the Exchange, in alignment with the suggested amendments on Annex (15) as detailed above.</p>



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	<p>statement must be included stating that the information in the registration document will be updated or completed before the beginning of listing of the debt instruments;</p> <p>5) name of the financial advisor and arranging manager; and</p> <p>2) capital and number of shares, and the sponsor's capital if the issuer is a special purposes entity;</p> <p>3) a summary that includes the details and rights of the debt instruments;</p> <p>4) shares and debt instruments that have been previously listed (if applicable). If the issuer is a special purposes entity, shares and debt instruments that have been previously listed by the special purposes entity and the sponsor (if any);</p> <p>5) a statement that the issuer has submitted the application for registration of securities subject to this document to the Authority, has submitted the application for listing to the Exchange, and has submitted all the required documents to the relevant authorities;</p> <p>6) a statement on the importance of referring to the "Important Notice" and the "Risk Factors" under section (2) and section (58) of this Annex, respectively; and the importance of referring to any information referred to in the prospectus via an electronic link to the Exchange's website.</p> <p>7) the following declaration:</p> <p>"This registration document includes information provided as part of the application for registration of securities in compliance with the Rules on the Offer of Securities and Continuing Obligations of the Capital Market Authority of the Kingdom of Saudi Arabia (the "Authority") and the application for listing of securities in compliance with the Listing Rules of the Saudi Stock Exchange Company. The issuer's directors (and the sponsor's directors if the issuer is a special purposes entity), whose names appear in this document, collectively and individually accept full responsibility for the accuracy of the information contained in this document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any</p>	



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	<p>statement herein misleading. The Authority and the Saudi Stock Exchange Company do not take any responsibility for the contents of this document, do not make any representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. In the event that any of the contents of this document cannot be understood, an authorized financial advisor shall be consulted."</p> <p>2. Important notice This section must include the following:</p> <ol style="list-style-type: none"> 1) a notice which shows the purpose and the nature of information mentioned in the document. 2) the following declaration: "This registration document includes information provided as part of the application for registration of securities in compliance with the Rules on the Offer of Securities and Continuing Obligations of the Capital Market Authority of the Kingdom of Saudi Arabia (the "Authority") and the application for listing of securities in compliance with the Listing Rules of the Saudi Stock Exchange Company. The issuer's directors (and the sponsor's directors if the issuer is a special purposes entity), whose names appear in this document, collectively and individually accept full responsibility for the accuracy of the information contained in this document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading. The Authority and the Saudi Stock Exchange Company do not take any responsibility for the contents of this document, do not make any representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. In the event that any of the contents of this document cannot be understood, an authorized financial advisor shall be consulted." <p>3. Table of contents</p>	



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	<p>This section must include the registration document table of contents.</p> <p>4. Incorporation by Reference This section must include a list of information incorporated by references to this registration document and related sections of this prospectus.</p> <p>5. Terms and definitions This section must include the terms and definitions used in the registration document.</p> <p>36. Corporate directory This section must contain the following (where applicable):</p> <p>...</p> <p>2) The contact information, including addresses, telephone numbers, and website and e-mail addresses, for each of the parties listed below, and any other expert to whom a statement or report included in the registration document has been attributed:</p> <p>...</p> <p>e. credit rating agency (if any); and f. representative of debt instrument holders.</p> <p>47. Summary This section must include a disclaimer to the target investors on the importance of reading the registration document prior to making an investment decision, and include the following information (where applicable):</p> <p>...</p> <p>6) a statement on the importance of referring to the “Important Notice” and the “Risk Factors” under section (2) and section (5) of this Annex, respectively.</p> <p>6) include details of any guarantees related to the debt instruments offered (if any); and</p> <p>7) a statement showing the tax and zakat treatment of the debt instruments offered and any tax and zakat obligations on holders of the debt instruments.</p> <p>...</p> <p>6. Table of contents This section must include the registration document table of contents.</p> <p>7. Terms and definitions This section must include the terms and definitions used in the registration document.</p>	



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	<p>910. Information concerning the debt instruments This section must include the following information: ... 11) a description of default cases, their conditions, and the procedures that will be taken in these cases. 11) a statement that an application has been made to the Authority for the registration of the debt instruments and to the Exchange for the listing thereof.</p>	