

**His Majesty King Abdullah II Chair for Securities Studies Instructions
Issued according to Articles 8 & 12 of the Securities Law No 76 for the
Year 2002,**

**By Virtue of the Board of Commissioners Decision No 326/2008 of
23/6/2008,**

**Amended by Virtue of the Board of Commissioners Decision No
686/2008 of 18/12/2008**

Article 1

These instructions shall be named “His Majesty King Abdullah II Chair for Securities Studies Instructions for the year 2008” and they shall come into force as at the date of their approval by the Board.

Article 2

The following words and phrases, wherever mentioned in these Instructions, shall have the meaning ascribed to them hereunder unless the context indicates otherwise:

Securities Studies	:	Studies related to securities, securities markets, local and international legislations, and best international practice in supervision and governance .
Board	:	The Board of Directors of the Chair .
Chairman	:	The Chairman of the Board .
Chair	:	His Majesty King Abdullah II Chair for Securities Studies .
University	:	The university of Jordan or any other university or educational institute in which the Board decides to establish the Chair .
Chairman Of the Commission	:	The Chairman of the board of commissioners of Jordan Securities Commission .
Dean of the Faculty of Business Administration	:	The Dean of the Faculty of business administration at the University .
division	:	The relevant division at the University that makes the necessary arrangements, in cooperation with other divisions concerned, to achieve the academic objectives of the Chair .
Capital Market Institutions	:	The Securities Commission, the Amman Stock Exchange, and the Securities Depository Center .

Article 3:

- A. A chair shall be established in the Division named: "His Majesty King Abdullah II Chair for Securities Studies." The Chair shall bear the costs involved in its establishment and operation, including the wages and salaries of its staff.
- B. The Chair shall be linked to the Jordan Securities Commission and subject to its supervision.

Article 4:

The Chair's objectives are :

- A. Teaching students of law and economics and business administration , in its different specializations, , specified academic material in securities, capital market and capital market's legislations.
- B. Conducting basic and applied research in the field of securities and capital markets .
- C. Providing financial support for outstanding students in securities studies according to the criterion set by the Board.
- D. Any other issues decided by the Board that are compatible with the Chair's academic and research nature.

Article 5:

The Board of Directors of the Chair shall be composed of:

- A. The Chairman of the commission or whomever he deputizes/ Chairman.
- B. The CEO of the Commission/ Vice Chairman.
- C. The President of the University or whomever he deputizes.
- D. The Chairman of the Board of Amman Stock Exchange.
- E. The Chairman of the Board of the Securities Depository Center.
- F. The Secretary-General of the Royal Court.
- G. A member with specialization and experience from the private sector selected by the Chairman for a term of two years renewable once.

- H. The Dean of the Faculty of Business Administration or whomever he deputizes from the University.

Article 6

The Division shall perform the following tasks:

- A. Preparing the curriculum for the coming academic year for the Chair at least three months before the end of the current academic year, accompanied by the financial estimates for said curriculum.
- B. Recommending to the Board the appointment of academic and administrative researchers for the Chair.
- C. Preparing regular administrative and financial reports on the work of the Chair in addition to the academic report at the end of the academic year, and submitting these reports to the Board of Directors of the Chair.

Article 7

The Board of Directors of the Chair shall have the following powers:

- A. Drawing the overall policy of the Chair in accordance with the policies of capital market institutions and the University.
- B. Defining the financial needs for operating the Chair and approving the annual budget allocated to the Chair's account.
- C. Approving the annual financial reports of the Chair.
- D. Approving the appointment of the Chair's academic and administrative staff on the basis of annual contracts.
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- E. Reviewing the annual administrative and academic reports of the Chair and providing comments thereon.
- F. Approving the annual academic program of the Chair for the coming academic year.
- G. Appointing the Secretary-General of the Board.
- H. Approving any bonuses or other expenses related to the activities of the Chair.

Article 8

The Chair shall be occupied by one (or more) faculty member/s with the rank of professor or a rank approved by the Board in any of the specialization in finance or law as needed by the Chair. The staff of the Chair shall be appointed by a Board decision based on the recommendation of the Division and in accordance with standards defined by the Board.

Article 9

The financial resources of the Chair shall consist of:

- A. Contributions allocated annually by capital market institutions.
- B. Returns on the investments of the Chair's funds.
- C. Grants and donations that the Board accepts.
- D. Any other resources approved by the Board.

Article 10

The Commission is the authorized entity to hold the the accounts of the Chair independently from it's own accounts.

Article 11

The Chair shall open , upon the Chairman's decision , one or more accounts at one or more banks in which the sums of money received/ financed shall be deposited and from which the Chair's payments shall be made .

Article 12

- A. The Chairman shall order the disbursement of the Chair's expenses and shall execute its policies; he shall also be responsible for the Chair's administration . The Chairman may delegate any of his powers to the CEO of the Commission in writting.
- B. The Chair's expenses tha exceed JD 30,000 shall be approved by the Board upon the recommendation of the Chairman, taken upon the recommendation of the CEO.

- C. The Chair's expenses not exceeding JD 30,000 , shall be approved by the Chairman based upon the recommendation of the CEO .

Article 13

The Chairman shall appoint an accountant for the Chair from the Commission's employees, and he shall set a monthly remuneration for him to be paid from the Chair's funds.

Article 14

The Fund's accountant shall perform the following:

- A. Keeping the Chair's accounts in accordance with accredited accounting standards which includes conducting all financial dealings and keeping and updating accounting records , keeping books, documents, and financial forms, receiving the Chair's funds and paying its financial obligations in accordance with these instructions or regulatory procedures issued in this regard.
- B. Preparing monthly financial reports of the Chair's accounts and its final accounts for submission to the Board to be approved within a period not exceeding three months from the end of the fiscal year.
- C. Preparing the estimated annual budget of the Chair for submission to the Board to be approved before the fiscal year begins.
- D. Any other tasks assigned to him by the Chairman.

Article 15

The Chair's fiscal year shall begin on the first day of January of each year and end on the 31st day of December of the same year. The first fiscal year begins on the date these instructions come into force and ends on the 31 day of December of the same year.

Article 16

- A. Disbursements from the Chair's account shall be dispensed by virtue of duly organized receipt vouchers or money transfers in accordance with

these instructions. Such receipt vouchers /money transfers/cheques shall be duly signed in accordance with the signing procedures adopted by the Commission for this purpose and any amendments thereto.

- B. Official letters addressed to the banks which the Fund deals with, for the purpose of providing them with the conditions related to withdrawals and certified signature forms and any amendments thereto, shall be signed by the Chairman of the Board.

Article 17

- A. The accounts of the chair shall be audited by the Commission's Internal Auditing Department and all of its disbursements shall be subject to the prior audit of the same department.
- B. The accounts of the chair shall be subject to external auditing conducted by the Commission's legal auditor. Such auditor's fees shall be determined by the Chairman.

Article 18

The Board shall meet at least four times a year or whenever the need arises, upon the invitation of the Chairman or his deputy in his absence. The meeting is in quorum if attended by at least five Board members including the Chairman or his deputy. Decisions are taken by the majority of votes of present members. In case of a tie the side for which the Chairman or his deputy voted shall prevail.

Article 19

The Chair's faculty members shall present to the Board, in cooperation with the parties concerned at the University and the division, a detailed report about the academic and administrative state of the Chair at the end of each academic year.

Article 20

The University shall provide housing, offices, office furnishing, health insurance and other privileges to the Chairs faculty members and its employees.

Article 21

The Board may establish the Chair in more than one university.

Article 22

The Board of Commissioners may, after receiving the approval of His Majesty the King, annul the Chair, dissolve its board of directors, end its activities and liquidate its accounts in the manner that it deems appropriate. A period of no less than six months to settle the Chair's status is to be determined.

Article 23

The Board shall be responsible for issuing executive decisions to achieve the Chair objectives and for regulating its activities.

Article 24

The Chair Instructions for the Year 2006 are hereby annulled.