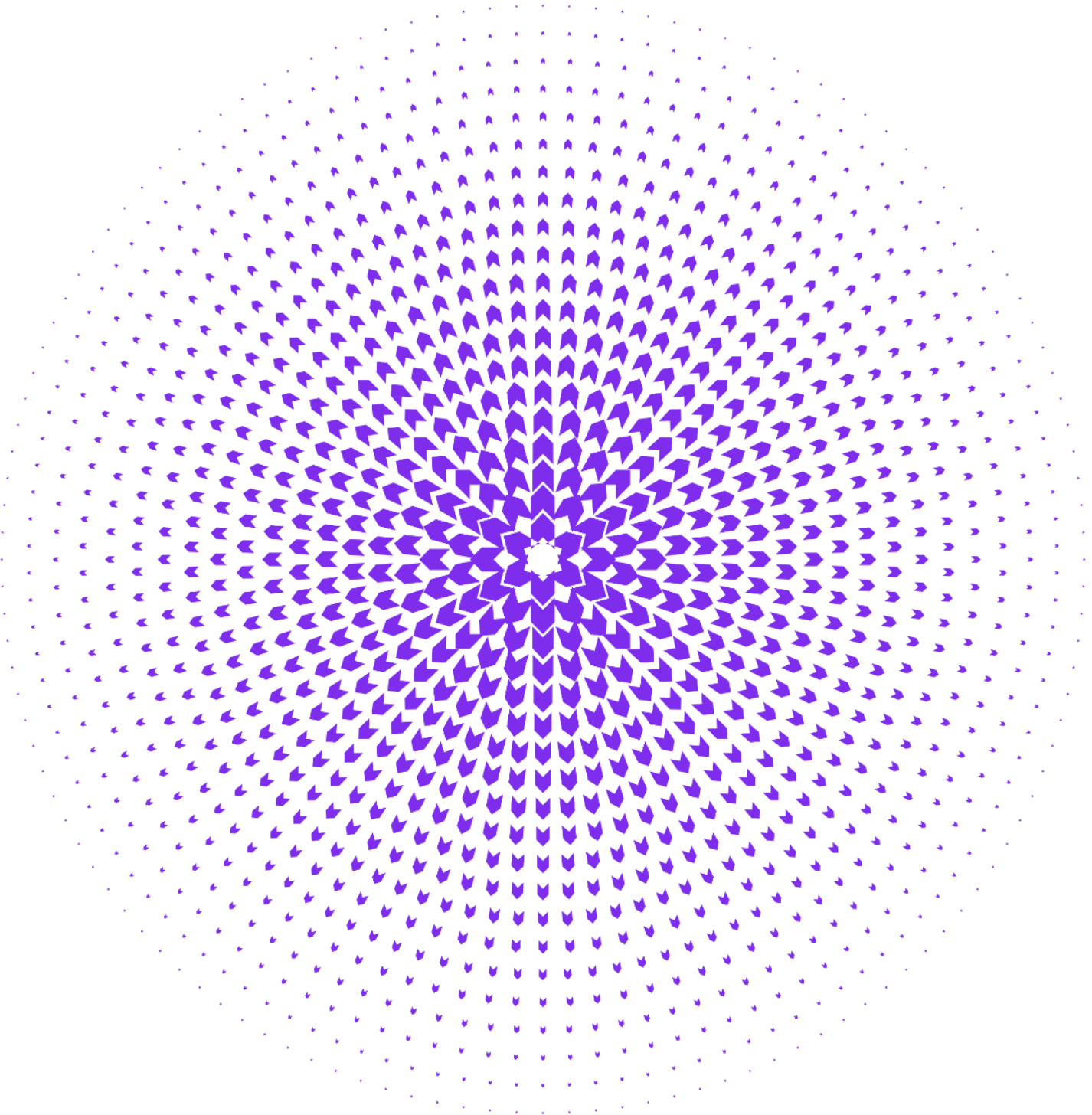


# Association of Global Custodians (AGC) Questionnaire

2022-2023



Contact Information			
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<b>Contact Name</b>	Corporate Support Department - Edaa		
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## Scope, Structure, Ownership, Capital, Regulation and Audit

1. Rule 17f-7, by reference to Rule 17f-4, requires that, for a depository to be eligible to hold securities of U.S. registered investment companies (such depositories hereinafter referred to as “Eligible Securities Depositories”), the depository must be a “system for the central handling of securities where all securities of any particular class or series of any issuer deposited within the system are treated as fungible and may be transferred or pledged by bookkeeping entry without physical delivery of the securities.”

Are all securities of a particular class or series of any issuer that are deposited in your institution treated as fungible, and can they be transferred or pledged by bookkeeping entry without physical delivery of the securities?

- Yes  
 No (please answer 1a)  
 Other (please answer 1a)

### 1a. Please explain:

As the current stage Eadaa does not operate as investor CSD to hold securities of US registered investment companies. On the other hand, the Saudi market practice is based upon the principle of fungibility of the assets that may be transferred by bookkeeping entry without physical delivery of the securities.

2. Rule 17f-7 also requires that an Eligible Securities Depository “acts as or operates a system for the central handling of securities or equivalent book-entries in the country where it is incorporated,” or “acts as or operates a transnational system for the central handling of securities or equivalent book-entries.” Does your institution: (Choose all that apply.)

- Act as or operate a system for the central handling of securities or equivalent book-entries in the country where it is incorporated? (please answer 2b)  
 Act as or operate a transnational system for the central handling of securities or equivalent book-entries? (please answer 2b)  
 Act in another capacity with respect to the handling of securities or equivalent book-entries? (please answer 2a)  
 Not applicable (please answer 2a)  
 Other (please answer 2a)

### 2a. Please explain:

NA

2b. Please specify the types of securities for which you act as or operate a system for the central handling of securities or equivalent book-entries:

All the instruments issued under Saudi law with the exception of T-Bills, centralized by SAMA (Saudi Central Bank). Derivatives are not eligible in Eadaa.

### 3. What type of legal entity is the institution? (Choose all that apply.)

- Public Company  
 Private Company  
 Central Bank (or part thereof)  
 Stock Exchange (or part thereof)  
 Other (please answer 3a)

#### 3a. Please explain:

Eadaa is part of the Saudi Tadawul Group (STG), as 100% subsidiary of the Saudi Tadawul Group holding company.

### 4. Is the institution operated as a "for profit" or a "not for profit" organization?

- For profit  
 Not for profit  
 Other (please answer 4a)

#### 4a. If other, please explain:

NA

### 5. Please provide the names of the owners and their ownership interest percentages.

The largest Group (STG) shareholder as of 13 September 2022 is the following:

Name	Equities	%
Public Investment Fund (Investment Company)	84,000,000	70.0%

### 6. Please answer the following:

#### 6a. What is the date of establishment of the depository?

Securities Depository Center Company ("Eadaa") was established in 2016 as a closed joint stock company in accordance with the Saudi Companies Law issued by Royal Decree No. M/3 dated 28/01/1437, with a capital of SAR 400,000,000 divided into 40,000,000 shares, with a nominal share value of SAR 10, and is fully owned by Saudi Tadawul Group.

#### 6b. What is the date that the depository's operations began?

Eadaa as joint stock company started its operations in 2016. On the other hand, the depository function was operated by the Saudi Exchange since 2007.

**7. Under what regulation or statute is the depository established and governed?**

The establishment was upon the Capital Market Authority (CMA) approval of Saudi Tadawul Group Board of Directors request in relation to converting the Securities Depository Center into a joint stock company in accordance with the Capital Market Law (CML) issued by Royal Decree No. M/30 dated on 2/6/1424H.

**7a. Is the regulation or statute electronically available?**

- Yes (please answer 7b)  
 No

**7b. If regulation or statute is electronically available, please supply web address(es) here or upload document(s) in question 7c.**

Please refer to this [link](#)

**7c. Please supply document(s) here:**

Please refer to the above mentioned link

**7d. Please provide details of the structure and composition of your Board together with their industry experience and responsibilities in governing the depository.  
What are the qualifications to become a board member?**

Please refer to this [link](#)

Since Eadaa is a subsidiary of Saudi Tadawul Group, qualifications of being Eadaa board member should align with the group's internal governance manual that was approved by the Board of Directors on 08/08/2021, the manual includes provisions relating to the Board of Directors, its composition, responsibilities, competencies and work procedures.

**7e. What are the election procedures?**

The Nominations and Remunerations Committee nominates the board members and the board endorse it to the General Assembly for approval.

**7f. What is the maximum length of time a board member can serve?**

The term of the Board of Directors is 3 years, subject to renewal. The member can run for election as long as they're qualified.

**7g. How are the voting powers distributed amongst the board members (i.e. does each board member have one vote or do certain members have additional voting power)?**

Each board member has an equal vote, in the case of ties, the chairman of the meeting shall have a casting vote.

**7h. Who is responsible for regulating the board members?**

As per the Bylaws, the appointment of the board members is through the General Assembly and it reflects the rules and responsibilities of the same.

**8. Rule 17f-7 requires that an Eligible Securities Depository “is regulated by a foreign financial regulatory authority as defined under section 2(a)(50) of the Act”, with section 2(a)(50) establishing that “foreign financial regulatory authority’ means any (A) foreign securities authority, (B) other governmental body or foreign equivalent of a self-regulatory organization empowered by a foreign government to administer or enforce its laws relating to the regulation of fiduciaries, trusts, commercial lending, insurance, trading in contracts of sale of a commodity for future delivery, or other instruments traded on or subject to the rules of a contract market, board of trade or foreign equivalent, or other financial activities, or (C) membership organization a function of which is to regulate the participation of its members in activities listed above.”**

**Who regulates the activities of the depository? (Choose all that apply.)**

- A governmental body or regulatory organization empowered to administer or enforce laws related to securities matters.
- A governmental body or self-regulatory organization empowered to administer or enforce laws related to other financial activities.
- A membership organization which regulates the participation of its members in securities matters or other financial activities.
- Other (please answer 8a)

**8a. Please explain:**

Eadaa is regulated by the Capital Market Authority (CMA).

**9. Please provide the name of regulatory authority(ies) identified in question 8:**

Eadaa is regulated by the Capital Market Authority (CMA).

**10. Rule 17f-7 requires that an Eligible Securities Depository “is subject to periodic examination by regulatory authorities or independent accountants.”**

**Is the depository subject to periodic examination by: (Choose all that apply.)**

- Regulatory authorities?
- Independent accountants?
- Other (please answer 10a)

**10a. Please explain:**

NA

**11. What enforcement actions are available to the regulatory authority(ies) for breach of applicable statute or regulatory requirements? (Choose all that apply.)**

**Name of Authority #1 (please answer 11a):**

Capital Market Authority (CMA)

**11a.**

- Fines
- Restrictions on depository activities.
- Suspension of depository activities.
- Termination of depository activities.
- Other (please answer 11b)

**11b. Please explain:**

NA

**Name of Authority #2 (please answer 11c):**

NA

**11c.**

- Fines
- Restrictions on depository activities.
- Suspension of depository activities.
- Termination of depository activities.
- Other (please answer 11d)

NA

**11d. Please explain:**

NA

**12. Has there been any use of such enforcement actions in the last three years?**

- Yes (please answer 12a)
- No
- Other (please answer 12a)

**12a. If yes or other, please explain:**

NA

## Capital

### 13. Are annual financial statements publicly disclosed?

- Yes (please answer 13a)  
 No (please answer 13e)  
 Other (please answer 13h)

### 13a. If yes, the AGC requests a copy of the institution's annual report. Is the annual report available electronically?

- Yes (please answer 13b)  
 No (if no, please send a copy of the annual report to the Washington office of Baker & McKenzie, 815 Connecticut Ave., NW, Washington, DC 20006, Attn: Robin Truesdale)  
 NA

### 13b. If yes, please upload the document(s) here or insert web link(s) in question 13d:

NA

### 13c. If more than one document for 13b, please upload the additional document here:

NA

### 13d. Please insert web link(s) for 13b here

NA

### 13e. If no, and annual report and/or financial statements are not disclosed, please state your share capital, reserves, and retained earnings (or equivalents as determined under local accounting standards).

#### Share Capital (then please answer 13f):

SAR 400,000,000 (As at 31 March 2022 – Q1 2022)

### 13f. Reserves (then please answer 13g):

NA

### 13g. Retained Earnings:

NA

### 13h. If other, please explain:

NA



## **Internal Audit**

### **14. Is an internal audit undertaken in your depository?**

- Yes (please answer 14a)  
 No (please answer 15)

### **14a. If yes, what areas does the audit cover (financials, operations, etc.) and which department in your depository handles it?**

Internal Audit follows its methodology which is in line with the standards issued by the Institute of Internal Auditors (IIA). In addition, in line with standards, Internal Audit's available methodology has been reviewed and evaluated (for both design and implementation) by IIA itself (twice) and granted Internal Audit confirmation that it complies with the standards.

With regards to the Internal Audit's process to determine the audits to be covered, nature of the audits, and frequency, in line with its methodology, annual Internal Audit conducts its risk assessment, and first step in the risk assessment is to determine the audit universe or auditable areas which could be audited.

The auditable areas will cover systems, operational processes, governance, control functions, and financial processes. Once Auditable areas are determined, Internal Audit assess risks for reach auditable area, and accordingly assign the residual risk rating to each auditable area in line with its methodology. Once the residual ratings are determined, Internal Audit determines (in line with its frequency criteria in methodology) when to audit (which year) each auditable area. This is how the audit plan for the following year is formulated and presented to internal executive management for input, as well as to Audit Committee for approval.

### **14b. Please list the date of your last internal audit:**

All of the below audits were conducted in 2021.

### **Please list the period that the audit covered:**

The scope period covered for:

1. Client Relations - from Jan-2019 to May-2021;
2. Operation Support - from Jan 1st 2020 to 31st August 1st 2021.
3. Corporate Services - from January 2020- August 2021.
4. Corporate Strategy and Corporate Performance- from January 2020- August 2021.

Registry and Depository service will be conducted in 2022

**14c. How frequently does the internal audit occur? (Choose one.)**

- Two or more times a year (please answer 14e)
- Annually (please answer 14e)
- Less than annually (please answer 14d)

\*Please refer to our feedback reflected in point 14-a

**14d. If less than annually, please explain:**

NA

**14e. Are the results of the internal audit publicly available?**

- Yes
- No

**14f. Please select the statement that most accurately characterizes the results of the last internal audit: (Choose one.)**

- No material exceptions found.
- Minor exceptions found. (please answer 14g)
- Material exceptions found. (please answer 14g)

Internal Audit reports to management any weaknesses identified by Internal Audit in the form of Audit Observations. These observations are assigned a Risk Rating in line with Internal Audit's approved Risk Rating Criteria. Risk Rating criteria takes into account Probability / Likelihood of Risk Materialization (5 levels, Remote, Unlikely, Possible, Likely, Almost Certain) and Potential Impact resulting from risk materialization (5 levels, Catastrophic, Major, Moderate, Minor, Insignificant). Multiple of selected Likelihood level with the selected level of Potential Impact, helps Internal Audit in determination of Risk Rating of reported observations.

Therefore, based on categories provided in this questionnaire, Internal Audit may reasonably conclude that based on audits conducted (in scope above) no Material (Critical Risk Rating) exceptions were noted and reported. Only Minor (below critical risk rating levels) exceptions were noted and reported.

**14g. If minor or material exceptions were found, what actions were taken? Please describe:**

It was reported to management for corrective action and resolution.

**15. Is a financial audit performed by an Audit Firm, Regulatory Authority, or other external party?**

- Yes (please answer 15a)  
 No (please proceed to 16)

Financial Audits are performed by an external party.  
 External financial auditors conduct quarterly reviews and annual audit over Eadaa Financials.

As for regulatory audits:

- CMA have audited the processes of Eadaa for the year 2019
- GAB have audited Tadawul for the year 2021 however some the requirements and activities were related to Tadawul and its subsidiaries

**15a. If yes, please state the name(s) of the entity(ies) who perform the financial audit.**

For year 2021 – KPMG

**15b. Please list the date of your last financial audit performed by an Audit Firm, Regulatory Authority, or other external party:**

Same answer as 15 above

**15c. Please list the period that the audit covered:**

Same answer as 15 above

**15d. How frequently does the financial audit occur? (Choose one.)**

- Two or more times a year (please answer 15f)  
 Annually (please answer 15f)  
 Less than annually (please answer 15e)

External financial auditors conduct quarterly reviews and annual audit over Eadaa Financials.

**15e. If less than annually, please explain:**

NA

**15f. Are the results of the financial audit publicly available?**

- Yes  
 No

**15g. Please select the statement that most accurately characterizes the results of the last financial audit: (Choose one.)**

- No material exceptions found.  
 Minor exceptions found. (please answer 15h)  
 Material exceptions found. (please answer 15h)

**15h. If minor or material exceptions were found, what actions were taken? Please describe:**

NA

**16. Is an operational audit performed by an Audit Firm, Regulatory Authority, or other external party?**

- Yes (please answer 16a)  
 No (please proceed to 17)

Edaa is subject to audits from regulatory bodies such as Capital Market Authority and General Audit Bureau and responded by Group Internal Audit.

The scope and frequency of the audits are determined by the regulators and role of Internal Audit is to provide any requested support (in terms of coordination / information, etc.) to these bodies.

It is important to clarify that Internal Audit has no functional responsibility in carrying out these audits.

**16a. If yes, please state the name(s) of the entity(ies) who perform the operational audit.**

Regulatory Authorities such as CMA, and internal Audit

**16b. Please list the date of your last operational audit performed by an Audit Firm, Regulatory Authority, or other external party:**

Same answer for point 15

**16c. Please list the period that the audit covered:**

Same answer for point 15

**16d. How frequently does the operational audit occur? (Choose one.)**

- Two or more times a year (please answer 16f)  
 Annually (please answer 16f)  
 Less than annually (please answer 16e)

For CMA - less than annually.

For GAB - annually

**16e. If less than annually, please explain:**

Depending on the nature of the audit, the periodicity might be different.

**16f. Are the results of the operational audit publicly available?**

- Yes  
 No

**16g. Please select the statement that most accurately characterizes the results of the last operational audit: (Choose one.)**

- No material exceptions found.  
 Minor exceptions found. (please answer 16h)  
 Material exceptions found. (please answer 16h)

**16h. If minor or material exceptions were found, what actions were taken? Please describe:**

Report was issued to management for resolution

## **Participants and Participation**

**17. What types of entities are eligible to become participants and how many of each type are there currently? (Choose all that apply.)**

- Banks (please answer 17a)  
 Brokers (please answer 17e)  
 Individuals (please answer 17i)  
 Foreign Institutions (please answer 17m)  
 Other entities (please answer 17q)

**17a. How many Bank participants are there currently? (then please answer 17b)**

There are 16 Banks acting as Cash Settlement members as of August 31, 2022.

**17b. Please select the features included in the eligibility requirements for Banks. (Choose all that apply.)**

- Financial Thresholds (please answer 17c)  
 Regulatory Oversight (please answer 17c)  
 Market Experience (please answer 17c)  
 Other (please answer 17d)

**17c. Where can a description of the specific eligibility requirements for Bank participants be found?**

Please refer to Securities Depository Centre Rules at Eadaa website Section 2 Chapter III. Moreover, recent changes in post trade infrastructure allow Banks to apply for a Custody membership, please refer to Section 2 Chapter I. Please refer to this [link](#)

**17d. Please explain:**

The Depository Centre Member must comply with the following:

1. continue to satisfy the technical, technological and security requirements that are required to connect it to the Depository and Settlement System.
2. immediately notify the Depository Centre in writing upon its knowledge of the occurrence of any technological error in its systems or any security issues that may affect its connectivity to the Depository and Settlement System or the actions executed through it. Such notice must identify the steps taken to resolve the situation and the time necessary to do so. 7
3. Develop, implement and maintain business continuity plans as specified by the Depository Centre.

**17e. How many Broker participants are there currently? (then please answer 17f)**

There are 31 member acting as Broker/Custody and 17 acting as Independent Custody members as of August 31, 2022.

**17f. Please select the features included in the eligibility requirements for Brokers. (Choose all that apply)**

- Financial Thresholds (please answer 17g)
- Regulatory Oversight (please answer 17g)
- Market Experience (please answer 17g)
- Other (please answer 17h)

**17g. Where can a description of the specific eligibility requirements for Broker participants be found?**

Please refer to Securities Depository Centre Rules at Eadaa website Section 2 Chapter 1 and Chapter 2. Please refer to this [link](#)

**17h. If other, please explain:**

The Depository Centre Member must comply with the following:

1. continue to satisfy the technical, technological and security requirements that are required to connect it to the Depository and Settlement System.
2. immediately notify the Depository Centre in writing upon its knowledge of the occurrence of any technological error in its systems or any security issues that may affect its connectivity to the Depository and Settlement System or the actions executed through it. Such notice must identify the steps taken to resolve the situation and the time necessary to do so.
3. develop, implement and maintain business continuity plans as specified by the Depository Centre.

**17i. How many Individual participants are there currently? (then please answer 17j)**

NA

**17j. Please select the features included in the eligibility requirements for Individual participants. (Choose all that apply.)**

- Financial Thresholds (please answer 17k)
- Regulatory Oversight (please answer 17k)
- Market Experience (please answer 17k)
- Other (please answer 17l)

**17k. Where can a description of the specific eligibility requirements for Individual participants be found?**

NA

**17l. If other, please explain:**

The Capital Market Authority establishes in its "Investment Accounts Instructions" the eligibility requirements for investor accounts applicable to brokers and custodians.

**17m. How many Foreign Institution participants are there currently?**

2 ICSDs.

**17n. Please select the features included in the eligibility requirements for Foreign Institution participants. (Choose all that apply.)**

- Financial Thresholds (please answer 17o)
- Regulatory Oversight (please answer 17o)
- Market Experience (please answer 17o)
- Other (please answer 17p)

**17o. Where can a description of the specific eligibility requirements for Foreign Institution participants be found?**

NA

**17p. If other, please explain:**

At the current stage, Eadaa has on-boarded only two foreign institutions, Euroclear Bank Belgium and Clearstream Banking Luxembourg. The status of these institutions has been approved as "inbound links" by the Capital Market Authority, as a rule foreign entities not being accepted in Eadaa's books.

**17q. If you have selected "Other entities" above, please explain:**

See above 17p

**17r. Indicate how many "Other entities" are currently participants?**

See above 17p

**17s. Please select the features included in the eligibility requirements for the participants referred to above as "Other entities". (Choose all that apply.)**

- Financial Thresholds (please answer 17t)
- Regulatory Oversight (please answer 17t)
- Market Experience (please answer 17t)
- Other (please answer 17u)

**17t. Where can a description of the specific eligibility requirements for participants described above as "Other entities" be found?**

Refer to "Instructions for International Central Securities Depositories". Please refer to this [Link](#)

**17u. If other, please explain:**

NA

**18. Are participants required to contribute capital to the depository that would result in ownership of the depository?**

- Yes (please answer 18a)
- No
- Not applicable
- Other (please answer 18b)

**18a. If yes, what fixed amount is required or what formula is used to determine the appropriate contribution level?**

NA

**18b. If other, please explain:**

NA

**19. Are prospective participants subject to an initial review and approval process regarding compliance with eligibility requirements?**

- Yes
- No
- Not applicable
- Other (please answer 19a)



**19a. If other, please explain:**

NA

**Conditions of Participation**

**20. What governs the relationship between the depository and the participants? (Choose all that apply.)**

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Relevant law and regulation            | <input type="checkbox"/> Standard participation contract |
| <input type="checkbox"/> Established terms and conditions of participation | <input type="checkbox"/> Bye-laws of the depository      |
| <input checked="" type="checkbox"/> Rules of the depository                | <input type="checkbox"/> Other (please answer 20a)       |
| <input type="checkbox"/> Not applicable                                    |  |

**20a. Please explain:**

Securities Depository Center Rules and Depository Centre Procedures that are issued by Depository Center (Edaa) and are approved by Capital Market Authority (regulator), discipline the relationship between the Depository Center (Edaa) and the participants.

**21. Rule 17f-7 requires that an Eligible Securities Depository “holds assets for the custodian that participates in the system on behalf of the Fund under safekeeping conditions no less favorable that the conditions that apply to other participants.”**

- Yes (please answer 21b)
- No (please answer 21a)
- Not applicable (please answer 21a)
- Other (please answer 21a)

**21a. If no, other or not applicable, please explain:**

NA

**21b. Please confirm the basis for the arrangements in place to ensure that the assets you hold for custodians receive the same level of safekeeping protection as the assets held for other categories of participants. (Choose all that apply.)**

- Relevant Law and Regulation (please answer 21d)
- Standard participation contract (please answer 21d)
- Established terms and conditions of participation (please answer 21d)
- Bye-laws of the depository (please answer 21d)
- Rules of the depository (please answer 21d)
- Other (please answer 21c)

**21c. Please explain:**

Securities Depository Center Rules and Depository Centre Procedures that are issued by Depository Center (Edaa) and are approved by Capital Market Authority (regulator), discipline the relationship between the Depository Center (Edaa) and the participants.

**21d. For each item in Question 21b that you checked, please briefly supply references or citations to the law(s), regulation(s), or depository rule(s), participation condition(s), or participant contract provision(s), as applicable.**

Paragraphs (2) and (3) of article (11) of Securities Depository Center Rules.

**22. How does the depository notify participants of material changes to the conditions of participation? (Choose all that apply.)**

- By e-mail
- By telephone
- By public announcement
- By press release
- Other (please answer 22a)
- Not applicable

**22a. Please explain:**

By circulars through the Regulatory Oversight and Authorization Division.

## **Governance of Participants**

**23. Who enforces compliance with the depository's conditions of participation? (Choose all that apply.)**

- The depository
- The exchange
- The depository's regulator
- Other (please answer 23a)
- Not applicable

**23a. Please explain:**

Regulatory Oversight and Authorization Division conduct visits to members to ensure compliance with market rules and regulations.

**24. What enforcement actions are available to the enforcement authority? (Choose all that apply.)**

- Fines
- Restrictions on participation
- Suspension of participation
- Termination of participation
- Other (please answer 24a)
- Not applicable

**25. Has there been any such enforcement actions in the last three years?**

- Yes (please answer 25a)  
 No  
 Not applicable  
 Other (please answer 25b)

**25a. If yes, please explain, including information relative to any suspensions of depository participants:**

NA

**25b. If other, please explain:**

NA

## Depository Functionality and Services; Use of agents

**26. For which of the following security types do you serve as a depository or clearing system? (Choose all that apply.)**

- Government securities  
 Equities  
 Corporate bonds  
 Corporate money market instruments  
 Others (please answer 26a)  
 Not applicable

**26a. Please name the other security types:**

Mutual funds units, REITS, Rights, Closed Ended Funds, Unlisted Equities and Bonds, ETFs and Private Funds.

Eadaa does not act as a registrar for:

- T-bills
- Commercial Papers
- Banker's Acceptances

**27. Is the use of the depository in your market compulsory by law or compulsory by market practice for the settlement or safekeeping of all instrument types in your market (e.g. equities, government securities, corporate bonds, money market instruments, warrants, derivatives etc). (Choose all that apply.)**

- Yes by law for settlement of all instrument types (please answer 27a)
- Yes by law for safekeeping of all instrument types (please answer 27a)
- Yes by market practice for settlement of all instrument types (please answer 27b)
- Yes by market practice for safekeeping of all instrument types (please answer 27b)
- Yes by law for settlement, but not for all instrument types (please answer 27b)
- Yes by law for safekeeping, but not for all instrument types (please answer 27a)
- Yes by market practice for settlement, but not for all instrument types (please answer 27b)
- Yes by market practice for safekeeping, but not for all instrument types (please answer 27b)
- Neither/other (please answer 27c)

**27a. Please list the instrument types for which it is not compulsory by law to:**

**(i) Settle in your depository:**

Instrument types for which it is not compulsory by law to settle in Edaa are unlisted securities. On the other hand, Edaa performs a transfer service for unlisted security if it is available at Edaa system. Edaa rules Article 37.

**(ii) Safekeep in your depository:**

Edaa does not act as a registrar for:

- T-bills
- Commercial Papers
- Banker's Acceptances

**27b. Please list the instrument types for which it is not compulsory by market practice to:**

NA

**27c. If neither/other, please explain:**

NA

**28. Settlement and Safekeeping Percentages**

Edaa is the only CSD in the Kingdom of Saudi Arabia

**28a. Please list by instrument type the percentage of the total market in your jurisdiction (either volume or value) settled within your institution, exclusive of your links with third parties.**

NA

**28b. Please list by instrument type the percentage of the total market in your jurisdiction (either volume or value) held in safekeeping within your institution.**

NA

**29. Are there any activities performed by a third party on behalf of the depository for the depository participants (e.g., vaulting of physical securities, registration, entitlement processing, etc.)?**

- Yes (please answer 29a)  
 No  
 Not applicable  
 Other (please answer 29i)

**29a. If third parties are employed, please indicate which services they supply (then please answer 29b):**

At the current stage there are no third parties (intended as external to the STG) that provide services to Edaa as “business service provider” in the core function (Notary, settlement and asset servicing). Some corporate and IT functions are outsourced to other STG entities and SLAs are in place.

The below answers will relate only to “business service providers”.

**29b. If third parties are employed, does the depository assume liability for losses incurred by participants as a result of the actions/inactions of the third parties?**

- Yes (please answer 29c)  
 No

NA

**29c. If you acknowledge responsibility, please indicate whether your responsibility is assumed (Choose all that apply.)**

- regardless of whether such loss was caused by any action or inaction of the agent (please answer 29d)  
 if such loss was caused by the agent's action or inaction and such action or inaction was deemed to be negligence on the part of the agent (please answer 29d)  
 if such loss was caused by the agent's action or inaction and such action or inaction was deemed to be gross negligence on the part of the agent (please answer 29d)  
 if the loss was caused by the willful default or other willful conduct on the part of the agent (please answer 29d)  
 Other (please answer 29e)

NA

**29d. If you acknowledge responsibility for agents, your responsibility is assumed for losses (Choose all that apply.)**

- without limit
- which are not consequential losses
- subject to a monetary limit not based on insurance limits (please answer 29f)
- subject to a monetary limit based on insurance limits (please answer 29g)
- Other (please answer 29h)

NA

**29e. If other, please explain:**

NA

**29f. Please specify limit:**

NA

**29g. Please specify limit:**

NA

**29h. If other, please explain:**

NA

**29i. If other, please explain:**

NA

**30. Has any participant suffered any losses in the past three years due to the depository's performance?**

- Yes (please answer 30a)
- No
- Not applicable
- Other (please answer 30m)

**30a. If yes, please select all of the following in which loss has occurred. You will be prompted to enter the number of instances and total loss in USD thereafter. (Choose all that apply.)**

- Corporate Action (please answer 30b)
- Settlement Process - Securities (please answer 30d)
- Settlement Process - Cash (please answer 30f)
- System Outage (please answer 30h)
- Other (please answer 30j)

NA

**30b. Corporate Action. Please specify number of instances:**

NA

**30c. Corporate Action. Please specify total loss in USD:**

NA

**30d. Settlement Process – Securities. Please specify number of instances:**

NA

**30e. Settlement Process – Securities. Please specify total loss in USD:**

NA

**30f. Settlement Process – Cash. Please specify number of instances:**

NA

**30g. Settlement Process – Cash. Please specify total loss in USD:**

NA

**30h. System Outage. Please specify number of instances:**

NA

**30i. System Outage. Please specify total loss is USD:**

NA

**30j. If Other, please explain:**

NA

**30k. For Other, please specify number of instances:**

NA

**30l. For Other, please specify total loss in USD:**

NA

**30m. If Other, please explain:**

NA

## **Other Services**

**31. Who accepts cash deposits (or makes payment credit accommodations) for depository transactions? (Choose all that apply.)**

- Depository
- Central Bank
- Banks appointed by depository (please answer 31a)
- Neither/others (e.g. credit lines used please answer 31b)
- Not applicable

**31a. Please name banks:**

NA

**31b. If neither/others, please explain:**

NA

**32. Who processes cash clearing (or draws on credit lines, if applicable) for depository transactions? (Choose all that apply.)**

- Depository
- Central Bank
- Banks appointed by depository (please answer 32a)
- Neither/others (e.g. credit lines used please answer 32b)
- Not applicable

**32a. Please name banks appointed by depository:**

NA

**32b. If others, please explain:**

NA



**33. Who controls the movement of cash for cash deposits (or draws on credit lines, if applicable)? (Choose all that apply.)**

- Depository  
 Central Bank  
 Banks appointed by depository (please answer 33a)  
 Neither/others (e.g. credit lines used please answer 33b)

**33a. Please name banks appointed by depository:**

NA

**33b. If others, please explain:**

NA

**34. Who controls the movement of cash for cash clearing (or for draws on credit lines, if applicable)? (Choose all that apply.)**

- Depository  
 Central Bank  
 Banks appointed by depository (please answer 34a)  
 Neither/others (e.g. credit lines used please answer 34b)  
 Not applicable

**34a. Please name banks appointed by depository:**

NA

**34b. If others, please explain:**

NA

**35. Please indicate services you provide. (Choose all that apply.)**

- Information in advance on corporate (annual or special) meetings in order that owners can vote.  
 Tax assistance where foreign holders may be entitled to tax relief at source or through a claim.  
 In order to avoid fails, an automatic securities lending facility - if requested - is provided for. (please answer 35a)  
 Collateral handling in support of activities including securities lending, overdraft coverage, cash management, repurchase agreements, etc. Please provide details. (please answer 35c)  
 Same day turnaround settlements.  
 Information on distribution of new issues (IPO, Privatization).  
 Other (please answer 35d)  
 Not applicable

**35a. Automatic securities lending facility is provided for: (Choose all that apply.)**

- Brokers  
 Banks  
 Other financial institutions  
 Other (please answer 35b)

**35b. If other please explain:**

Fails driven automated borrowing service is being developed by CSD and planned to be introduced to avoid fails in near future.

**35c. Collateral Handling: please provide details:**

In regards to Eadaa rules; pledge transfer services are available at CSD system.

**35d. If other services, please explain:**

NA

**36. What procedures are in place for the processing of corporate action entitlements? (Choose all that apply.)**

- Credited to the securities account on the day indicated below regardless of whether actually collected by the depository on the scheduled date. (please answer 36a)  
 Credited to the securities account upon actual receipt by the depository.  
 Corporate action entitlements are handled by an entity separate from the depository. (please answer 36c)  
 Not applicable  
 Other (please answer 36d)

**36a. Credited to the securities account: (Choose all that apply.)**

- On pay date.  
 On pay date +1.  
 On pay date +2.  
 Other (please answer 36b)

**36b. If other please explain:**

NA

**36c. Name of entity:**

NA

**36d. If other, please explain:**

NA

**37. What procedures are in place for the processing of interest and dividends? (Choose all that apply.)**

- Credited to the cash account on the day indicated below regardless of whether actually collected by the depository on the scheduled date. (please answer 37a)
- Credited to the cash account upon actual receipt by the depository.
- Income and dividend collection is handled by an entity separate from the depository. (please answer 37c)
- Not applicable

**37a. Credited to the cash account: (Choose all that apply.)**

- On pay date.
- On pay date +1.
- On pay date +2.
- Other (please answer 37b)

**37b. If other please explain:**

NA

**37c. Name of entity:**

The issuer has an option to appoint the paying agent to be Eadaa or other banks to corporate action cash payment. Eadaa has the regulator's approval to provide the service for both Equities and Sukuk bonds, but the service hasn't been provided to Sukuk so far.

**37d. If other please explain:**

NA

**Linkages with Other Central Securities Depositories (CSD) or International Central Securities Depositories (ICSD)**
**38. Please list all depositories or settlement systems to which you have an electronic link.**

Eadaa has inbound links with ICSDs and is working on certain GCC market outbound links

**39. Are procedures and controls (firewalls) in place to avoid systemic collapse or contamination if one of the linked entities should experience business interruptions for whatever reason?**

- Yes (please answer 39a)
- No (please answer 39a)
- Other (please answer 39a)
- Not applicable

**39a. Please explain:**

The CSD does not have in place at the current stage any investor CSD link

**40. Has a business interruption recovery plan been developed in the event the linkages should become inoperable for any reason?**

- Yes
- No (please answer 40a)
- Other (please answer 40a)
- Not applicable

**40a. If no or other, please explain:**

NA

**Account Structure and Recordkeeping**

**41. Are participants permitted to maintain more than one account at the depository?**

- Yes (please answer 41a)
- No
- Other (please answer 41d)
- Not applicable

**41a. If yes, please indicate number: (Choose one.)**

- An unlimited number of accounts.
- More than one account (please answer 41b and indicate how many)
- Other (e.g. subaccounts) (please answer 41c)

**41b. If more than one account what is the maximum?**

NA

**41c. If other, please explain:**

NA

**41d. If other, please explain:**

NA

**42. Are participants required/permitted to segregate assets held for their own benefit from those they hold for their clients?**

- Yes (please answer 42a)  
 No  
 Other (please answer 42d)  
 Not applicable

**42a. If yes, is segregation required or simply permitted?**

- Required (please answer 42b)  
 Permitted (please answer 42b)  
 Other (please answer 42e)

**42b. How does segregation occur? (Choose all that apply.)**

- By separately designated participant accounts.  
 By sub-accounts within a single participant account.  
 By separately designated beneficial owner accounts.  
 Other - e.g. share registration (please answer 42c)

**42c. If other, please explain:**

Article 11 of the Securities Depository Centre Rules states that, "1. The Custody Member must safeguard deposited Securities owned by its client in Eadaa's Account opened by such member in the name of that client, except for any case that is regulated under regulations, rules or procedures issued by the Authority or the Exchange". Moreover, Paragraph (2) of Article 39 of the Securities Depository Centre Rules states that, "The Depository Centre Account shall be used to deposit the Securities owned by the owner of the account...".

Therefore, a Depository Centre account shall be opened in the name of the client and the securities should be always segregated from Custody Members' securities and any other client's securities. In addition, Eadaa account shall be always used to deposit the securities owned by the owner of the account.

**42d. If other, please explain:**

NA

**42e. If other, please explain:**

NA

**43. Does the depository permit its participants to open accounts in the participant's own nominee name(s)?**

- Yes (please answer 43a)  
 No  
 Other (please answer 43b)  
 Not applicable

**43a. If yes, do laws exist, which define as well as protect the rights of beneficial owners with respect to securities registered in nominee name?**

- Yes  
 No

**43b. If other, please explain:**

NA

**44. In the event a participant's single or main account is blocked for any reason (e.g., insolvency, penalties, violations, liens), would securities held in any account or accounts on behalf of the participant's clients be accessible:**

**44a. By the participant's clients?**

- Yes (please answer 44a)  
 No  
 Other (please answer 44c)  
 Not applicable

**44b. If yes, please describe briefly how clients of participants would access their securities and whether there would be any delay in their ability to do so:**

NA

**44c. If other, please explain:**

NA

**44d. By the intervening authorities controlling insolvency or other proceedings?**

- Yes (please answer 44e)  
 No  
 Other (please answer 44f)  
 Not applicable

**44e. If yes, please describe briefly under what conditions access would be granted to the intervening authorities:**

The market authorities can decide to investigate at their discretion the participants assets for their discretionary purposes.

**44f. If other, please explain:**

NA

**44g. By the participant's creditors?**

- Yes (please answer 44h)  
 No  
 Other (please answer 44i)  
 Not applicable

**44h. If yes, please describe briefly under what conditions access would be granted to the participant's creditors:**

NA

**44i. If other, please explain:**

NA

**44j. By the depository's creditors?**

- Yes (please answer 44k)  
 No  
 Other (please answer 44l)  
 Not applicable

**44k. If yes, please describe briefly under what conditions access would be granted to the depository's creditors:**

NA

**44l. If other, please explain:**

Only in the event of pledges, in the event the pledgor does not meet the conditions established in the pledge contract, the creditor (pledgee) is authorized to request the refund.

**45. In what form does the depository maintain records identifying the assets of each participant? (Choose all that apply. Please refer to "Help" for clarification.)**

- Computer file (please answer 45b)  
 Microfiche (please answer 45b)  
 Hard copy (please answer 45b)  
 Computer tape (please answer 45b)  
 Other (please answer 45a)

**45a. If other, please explain:**

NA

**45b. In which format is the source data maintained?**

Source data are maintained electronically, Eadaa operating only assets in book-entry form.

**46. Rule 17f-7 requires that an Eligible Securities Depository “provides periodic reports to its participants with respect to its safekeeping of assets, including notices of transfers to or from any participant's account.”**

**Does the depository make available periodic safekeeping reports to participants, including notices of transfers to or from the participant's account?**

- Yes (please answer 46b)
- No (please answer 46a and then proceed to 48)
- Other (please answer 46a)

**46a. If no or other, please explain:**

NA

**46b. If yes, please indicate the scheduled frequency.**

- Daily
- Weekly
- Monthly
- Quarterly
- Annually
- Upon request
- Other (please answer 46c)

**46c. If other, please explain:**

Daily FTP B file and weekly FTP D file

**47. What is your document and record retention policy for documents and records described above in this section? (Choose one.)**

- 6 months or less
- 1 year
- 3 years
- 5 years
- 7 years
- Other (please answer 47a)

**47a. If other, please explain:**

The Depository Centre shall maintain the information relating to deposited Securities for the period of their depository, and for a period of (10) years from the date of the cancellation of their depository. If the security is in dispute, the center must keep records until the dispute is resolved.



## Settlements

**48. The Committee on Payment and Settlement Systems of the Bank for International Settlements (BIS) has identified three common structural approaches or models for linking delivery and payment in a securities settlement system. Please indicate which model your procedures most closely resemble (Please refer to details on the models within the "Help" section located below this question): (Choose all that apply.)**

- Model 1 - Gross, Simultaneous Settlements of Securities and Funds Transfers. (please answer 48a)
- Model 2 - Gross Settlements of Securities Transfers Followed by Net Settlement of Funds Transfers. (please answer 48a)
- Model 3 - Simultaneous Net Settlement of Securities and Funds Transfers. (please answer 48a)
- Not applicable
- Other (please answer 48b)

**48a. Please briefly describe your settlement process, including how your settlement procedures may vary from the model chosen above (and as described below in the Help section)?**

"Eadaa" performs Settlement of transactions in securities, concluded at the Saudi Stock Exchange.

The settlement is a process for settling the obligations arising from the concluded transactions in securities and the preparation procedure for the settlement of such transactions by checking the availability of the required securities and cash.

The settlement of transactions in securities executed on a delivery versus payment (DvP) basis which means the transfer of securities based on trade transaction is conducted through simultaneous exchange of securities and cash. Securities settlement is executed on a gross basis on the securities side and the cash settlement side is netted (Bank for International Settlements (BIS) DvP Model 3). This means that the exchange of securities is done between the securities accounts of the participants in the trade transaction (buyer and seller), and the exchange of the funds is done at the same time between special accounts intended for settlement of trade transactions of Eadaa members at Saudi Central Bank (SAMA).

**48b. If other, please explain:**

NA

**49. Are the cash and security movements simultaneous?**

- Yes
- No (please answer 49a)
- Other (please answer 49c)
- Not applicable

**49a. If cash and security movements are not simultaneous, please indicate the duration of the timing gap. (Choose one.)**

- 1 hour  
 2 hours  
 3 hours  
 4 hours  
 5 hours  
 Overnight  
 2 days  
 Other (please answer 49b)  
 NA

**49b. If other, please explain:**

NA

**49c. If other, please explain:**

NA

## Ownership of Securities

**50. How are depository eligible securities held by the depository?**

- Securities in the depository are held in dematerialized form.  
 Securities in the depository are held in certificated form.  
 Other (please answer 50a)

**50a. If other, please explain and identify amount held in this other form as a percentage of total depository holdings:**

NA

**51. If depository eligible securities are certificated, can depository eligible securities be held outside of the depository?**

- All eligible securities must be held in the depository. (please answer 51b)  
 Securities may move freely into and out of the depository. (please answer 51)  
 Once entered into the depository, eligible securities must remain in the depository. (please answer 51b)  
 Certain designated securities may be held outside the depository. (please answer 51a)  
 Not applicable  
 Other (please answer 51k)

**51a. If certain designated securities are held outside the depository, please indicate under which conditions these securities would be held outside the depository:**

NA

**51b. If depository eligible securities are required to be centrally immobilized at the depository, where and with whom are the certificates safekept? (then please answer 51c)**

**51c. Are these certificates:**

- Bearer  
 Registered (please answer 51d)  
 Other (please answer 51g)  
NA

**51d. If registered, how are the depository eligible securities registered?**

- In the name of the depository.  
 In the name of the depositing participant or its nominee.  
 In the name of a separate nominee of the depository. (please answer 51f)  
 Other (please answer 51e)  
NA

**51e. If other, please describe:**

NA

**51f. If in the name of a separate nominee, please identify by name the nominee used:**

NA

**51g. If other, please explain:**

NA

**51h. If depository eligible securities may be held either in or out of the depository, are these certificates:**

- Bearer (please answer 51i)  
 Registered (please answer 51i)  
 Other (please answer 51j)  
NA

**51i. What are the control features for receipt of certificates to the depository (e.g., authentication procedures, re-registration)? Please describe:**

NA

**51j. If other, please explain:**

NA

**51k. If other, please explain:**

NA

**52. If securities are dematerialized: May dematerialized security positions be re-certificated and held outside the depository?**

- Yes (please answer 52a)  
 No (please answer 52a)  
 Not applicable  
 Other (please answer 52j)

**52a. Are the securities held: (Choose all that apply)**

- Through book-entry at the depository  
 Through book-entry at a registrar or issuer (please answer 52b)  
 Other (please answer 52k)

**52b. Please identify which types of entities may act as registrars: (Choose all that apply.)**

- Issuers  
 Separate companies that perform registrar functions  
 Depository  
 Other (please answer 52c)

**52c. Please explain:**

NA

**52d. If the securities held by the depository are recorded by book entry at the registrar, are the securities registered only to the depository, with the depository providing the function of recording ownership on a centralized basis for the market? (Choose all that apply.)**

- Yes (please answer 52e)  
 No (please answer 52g)  
 Other (please answer 52l)

**52e. If yes, how are securities held at the registrar for the account of the depository? (Choose one.)**

- In the name of the depository  
 In the name of a separate nominee of the depository  
 Other (please answer 52f)

NA

**52f. Please describe:**

NA

**52g. If the securities held with the depository are recorded by book-entry at the registrar but are not registered exclusively to the depository, may they be registered to:**

- The beneficial owner
- A nominee
- Other (please answer 52h)

**52h. Please describe:**

NA

**52i. If the securities held with the depository are recorded by book-entry at the registrar, what are the control features at the registrar for transfer of registrar positions to and from the depository (e.g., authentication procedures, reconciliation, confirmation of position at registrar)? Please describe:**

NA

**52j. If other, please explain:**

NA

**52k. If other, please explain:**

The depository being the registrar

**52l. If other, please explain:**

NA

**53. Rule 17f-7 requires that an Eligible Securities Depository “maintains records that identify the assets of each participant and segregate the system's own assets from the assets of participants.”****Does the depository maintain records that identify the assets of each participant and segregate the system's own assets from the assets of participants?**

- Yes
- No
- Not applicable (please answer 53a)
- Other (please answer 53a)

**53a. If not applicable or other, please explain:**

In accordance with paragraph (1) of article (22) of the Securities Depository Centre Rules, the Depository Centre becomes responsible for the management of the Securities Ownership Register by depositing it in the Depository and Settlement System, and the Securities Ownership Register is a register that shows the identity of the owners of a certain category of the issuer's Securities in accordance to the Glossary of Defined Terms Used in the Exchange Rules. However, in accordance with paragraph (2) of article (11) and paragraph (2) of article (54) of the Securities Depository Centre Rules, it depicts regarding segregation of deposited Securities that Custody Members and CCP follow.

**54. Does the law protect participant assets from claims and liabilities of the depository?**

- Yes  
 No  
 Not applicable  
 Other (please answer 54a)

**54a. If other, please explain:**

NA

**55. Can the depository assess a lien on participant accounts? (A lien would entitle the depository to take and hold or sell the securities of the participant in payment of a debt.)**

- Yes (please answer 55a)  
 No  
 Not applicable  
 Other (please answer 54o)

**55a. If yes, for what reasons are liens or similar claims imposed? (Choose all that apply.)**

- Fees and expenses  
 Collateralization of overdrafts  
 To secure payment for purchased securities  
 Other (please answer 55b)

NA

**55b. Please describe:**

NA

**55c. Please indicate the limits of this lien as indicated below: (Choose one.)**

- The lien is limited to securities in the participant's proprietary account.  
 The lien is limited to securities in the course of purchase and sale transactions, but does not extend to settled positions.  
 The lien may extend to settled client positions. (please answer 55d)  
 Other (please answer 55d)

NA

**55d. Please explain:**

NA

**55e. If a lien is placed on a participant's account which has been designated for its clients, will the depository select certain securities to be subject to the lien?**

- Yes (please answer 55f)  
 No (please answer 55h)  
 Other (please answer 55n)

NA

**55f. If yes, please indicate whether: (Choose one.)**

- The lien is placed on the most liquid securities in the account  
 The lien is placed on the securities with the greatest value in the account  
 Other selection criteria is used (please answer 55g)

NA

**55g. Please explain:**

NA

**55h. If no, please indicate whether the entire account will be subject to the lien.**

- Yes  
 No  
 Other (please answer 55i)

NA

**55i. If other, please describe:**

NA

**55j. For accounts designated as client accounts, do procedures exist to restrict the placement of liens only to obligations arising from safe custody and administration of those accounts?**

- Yes (please answer 55k)  
 No  
 Other (please answer 55m)

**55k. If yes, are the restrictions accomplished by:**

- Contract between the depository and the participant  
 Other procedures (please answer 55l)

NA

**55l. Please explain:**

NA

**55m. If other, please explain:**

NA

**55n. If other, please explain:**

NA

**55o. If other, please explain:**

NA

**56. Transfer of Legal Ownership**

**Does the depository have legal authority to transfer title to securities?**

The depository acts as primary place of deposit and central registrar of the securities issued under Saudi law. As such it records all transfer of ownership resulting from settlement transactions. Settlement model used by Edaa is BIS Model 3, see answer 48

- At the end of the business day on which the transfer occurs. (please answer 56c)
- When corresponding money or other consideration is transferred. (please answer 56c)
- When the transaction is processed on an intra-day basis. (please answer 56c)
- Other (please answer 56b)

**56a. When does title or entitlement to depository securities pass between participants? (Choose one.)**

- At the end of the business day on which the transfer occurs. (please answer 56c)
- When corresponding money or other consideration is transferred. (please answer 56c)
- When the transaction is processed on an intra - day basis. (please answer 56c)
- Other (please answer 56b)

**56b. Please describe:**

In accordance with article (26) of Securities Depository Centre Rules, the Securities Ownership Register as defined in the Glossary of Defined Terms Used in the Exchange Rules is a register that shows the identity of the owners of a certain category of the issuer's Securities. However, the Securities Ownership Register shall be updated to reflect any event that requires updating of the information in the register. Such events include, but not limited to, the transfer of deposited Securities subject of the register as a result of a transaction, upon the electronic transfer of Securities subject of the register from the Depository Centre Account of the seller to the Depository Centre Account of the buyer.

**56c. Where does title or entitlement to depository securities pass between participants? (Choose one.)**

- On the depository books
- On the registrar's books
- Other (please answer 56d)



**56d. Please describe:**

In accordance with paragraph (1) of article (22) of Securities Depository Centre Rules "The Depository Centre becoming responsible for the management of the Securities Ownership Register by depositing it in the Depository and Settlement System, updating it and electronically registering all actions and transactions executed, after the depository date, on the Securities subject of the register. Such electronic register shall be considered as conclusive evidence of the ownership of the relevant Security and any associated rights. No other documents shall be recognized for this purpose".

**56e. If other, please explain:**

NA

## **Handling of Securities Outside the Depository Environment**

**57. How are eligible securities lodged (that is, placed) in the depository system? (Choose all that apply.)**

- A registered certificate in the name of the depository is delivered to the depository.
- A participant delivers the security with a valid transfer deed or stock power or other transfer document to the depository which then effects registration.
- A registrar re-registers the security in the name of the depository.
- Other (please answer 57a)
- Not applicable

**57a. Please describe:**

Securities are registered in Eadaa system and there is no handling outside of the system.

**58. When are securities lodged into the depository reflected in a participant's depository account? (Choose all that apply.)**

- Securities are reflected in the participant depository account immediately upon delivery to the depository.
- Securities are re-registered prior to being reflected in the participant's depository account.
- Other (please answer 58a)
- Not applicable

**58a. Please explain:**

NA

**59. How long does it usually take to lodge securities with the depository? (Choose one.)**

- 1 to 2 days
- 3 days to 1 week
- 2 to 4 weeks
- More than 4 weeks (please answer 59a)
- Not applicable
- Other (please answer 59b)

**59a. Please specify:**

NA

**59b. If other, please explain:**

NA

**60. During the process of lodging securities into the depository, can the securities: Be traded?**

- Yes  
 No (please answer 60c)  
 Not applicable  
 Other (please answer 60c)

**60a. During the process of lodging securities into the depository, can the securities: Be settled?**

- Yes  
 No (please answer 60d)  
 Not applicable  
 Other (please answer 60d)

**60b. During the process of lodging securities into the depository, can the securities: Have ownership transferred?**

- Yes  
 No (please answer 60e)  
 Not applicable  
 Other (please answer 60e)

**60c. If they cannot be traded, or if you answered other, please explain:**

NA

**60d. If they cannot be traded, or if you answered other, please explain:**

NA

**60e. If ownership cannot be transferred, or if you answered other, please explain:**

NA

**61. Are securities immediately available for delivery upon transfer to the depository?**

- Yes  
 No (please answer 61a)  
 Not applicable  
 Other (please answer 61d)

**61a. If no: Securities are unavailable for:**

- 1 to 2 days  
 3 days to 1 week  
 2 to 4 weeks  
 More than 4 weeks (please answer 61b)  
 Other (please answer 61c)  
 NA

**61b. If more than 4 weeks, please specify:**

NA

**61c. If other, please explain:**

NA

**61d. If other, please explain:**

NA

**62. Please describe briefly the arrangements/procedures/facilities you maintain to ensure that eligible securities held at the depository are handled at least as efficiently as compared to securities held outside the depository, particularly in relation to income, corporate actions and proxy services.**

NA

**63. What transfer process steps are involved when eligible securities are withdrawn from the depository for safekeeping? (Choose one.)**

- Securities are re-registered into the name of the beneficial owner or a nominee.  
 Securities are re-certificated and re-registered into the name of the beneficial owner or a nominee.  
 Securities are re-certificated and delivered as bearer instruments.  
 Securities are transferred as is any physical delivery in the market.  
 Other (please answer 63a)  
 Not applicable.

**63a. Please specify:**

- For listed securities, the Sharebook and restrictions report delivered by Eadaa to the assigned agency appointed by CMA is used as a reference.
- For unlisted securities, when the securities are deleted from the CSD registry, the custody members are informed of the deletion in order to reflect the changes on their systems. The Sharebook and restrictions report is delivered by Eadaa to issuer.

**64. How long does it usually take to remove securities from the depository? (Choose one.)**

- 1 to 2 days  
 3 days to 1 week  
 2 to 4 weeks  
 More than 4 weeks (please answer 64a)  
 Not applicable  
 Other (please answer 64b)

**64a. Please specify:**

NA

**64b. If other, please explain:**

NA

**65. While the securities are being removed from the depository, can they:**
**65a. Be traded? (Choose one)**

- No (please answer 65b)  
 Not applicable  
 Yes  
 Other (please answer 65b)

**65b. Please explain:**

During the process of removal from the depository and registrar, securities are suspended.

**65c. Be settled?**

- No (please answer 65d)  
 Not applicable  
 Yes  
 Other (please answer 65d)

**65d. Please explain:**

During the process of removal from the depository and registrar, securities are suspended.

**65e. Have ownership transferred?**

- No (please answer 65f)  
 Not applicable  
 Yes  
 Other (please answer 65f)

**65f. Please explain:**

During the process of removal from the depository and registrar, securities are suspended.

**Standard of Care**

**66. Does the depository accept liability (independent of any insurance coverage) for the following:**

**66a. Reconciliation errors with the registrar and/or the issuer that result in direct damages or losses to participants?**

- No
- Not applicable
- Yes (please answer 66b)
- Other (please answer 66d)

**66b. If yes, please check all of the following that apply:**

- Financial limits are imposed on the amount of liability assumed by the depository
  - The depository assumes liability for direct losses
  - The depository assumes liability for indirect or consequential losses
  - Other (please answer 66c)
- NA

**66c. If other, please explain:**

NA

**66d. If other, please explain:**

NA

**66e. Theft of securities (either physical certificate or electronically from accounts at the depository) from the depository that result in direct damages or losses to participants?**

- No
- Yes (please answer 66f)
- Not applicable
- Other (please answer 66h)

**66f. If yes, please check all of the following that apply:**

- Financial limits are imposed on the amount of liability assumed by the depository
  - The depository assumes liability for direct losses
  - The depository assumes liability for indirect or consequential losses
  - Other (please answer 66g)
- NA

**66g. If other, please explain:**

NA

**66h. If other, please explain:**

NA

**66i. Failure of the depository's systems that result in direct damages or losses to participants because they cannot use either securities or funds?**

- No  
 Yes (please answer 66j)  
 Not applicable  
 Other (please answer 66l)

NA

**66j. If yes, please check all of the following that apply:**

- Financial limits are imposed on the amount of liability assumed by the depository  
 The depository assumes liability for direct losses  
 The depository assumes liability for indirect or consequential losses  
 Other (please answer 66k)

NA

**66k. If other, please explain:**

NA

**66l. If other, please explain:**

NA

**66m. Any direct damages or losses to participants caused by the depository due to its errors, omissions or fraud?**

- No  
 Yes (please answer 66n)  
 Not applicable  
 Other (please answer 66p)

**66n. If yes, please check all of the following that apply:**

- Financial limits are imposed on the amount of liability assumed by the depository  
 The depository assumes liability for direct losses  
 The depository assumes liability for indirect or consequential losses  
 Other (please answer 66o)

NA

**66o. If other, please explain:**

NA

**66p. If other, please explain:**

NA

**66q. Any direct damages or losses to participants caused by the depository in its capacity as a central counterparty?**

- No  
 Not applicable  
 Yes (please answer 66r)  
 Other (please answer 66t)

**66r. If yes, please check all of the following that apply:**

- Financial limits are imposed on the amount of liability assumed by the depository  
 The depository assumes liability for direct losses  
 The depository assumes liability for indirect or consequential losses  
 Other (please answer 66s)

NA

**66s. If other, please explain:**

NA

**66t. If other, please explain:**

NA

**66u. Does the depository guaranty settlement?**

- No  
 Yes (please answer 66v)  
 Not applicable  
 Other (please answer 66w)

**66v. Please explain how this is accomplished. What are the procedures and safeguards that permit the depository to guarantee settlement?**

NA

**66w. If other, please explain:**

NA

**66x. Any direct damages or losses to participants caused by the depository as a result of force majeure events, acts of God, or political events, etc.?**

- No  
 Yes (please answer 66y)  
 Not applicable  
 Other (please answer 66-1)

**66y. If yes, please check all of the following that apply:**

- Financial limits are imposed on the amount of liability assumed by the depository  
 The depository assumes liability for direct losses  
 The depository assumes liability for indirect or consequential losses  
 Other (please answer 66z)  
NA

**66z. If other, please explain:**

NA

**66-1. If other, please explain:**

NA

**66-2. In all cases where the depository assumes responsibility for direct or indirect or consequential losses, is the depository's liability limited by a standard of care determination?**

- No  
 Yes (please answer 66\*)  
 Not applicable  
 Other (please answer 66!)

**66\*. Please define the standard of care applied:**

NA

**66!. If other, please explain:**

NA



**67. Do the depository's written contracts, rules, or established practices and procedures provide protection against risk of loss of participant assets by the depository in the form of?**

**67a. Indemnification**

- Yes (please answer 67b)
- No
- Other (please answer 67b)
- Not applicable

**67b. Please explain (then please answer 67c):**

In accordance with article (58) of Securities Depository Center Rules, the Depository Centre shall not be held liable for any losses or damages incurred by the Issuer, the Offeror, the Depository Centre Member or the Clearing Member or the Exchange Member or any of their clients which may arise directly or indirectly as a result of any procedures, orders, instructions or actions (including actions taken by the Depository Centre on behalf of Custody Members in respect of settlement failure), entered into the Depository and Settlement System or executed directly at the Depository Centre (except for the intentional or serious mistakes). However, in accordance with paragraph (2) of article (62) of Securities Depository Center Rules, any interested person may file a complaint in relation to the accuracy of any of the information maintained in the Depository Centre registers may be filed with the Depository Centre.

**67c. Please provide details of the relevant sections of the contracts, rules or practices where this information is found.**

Article (58) of Securities Depository Center Rules, and paragraph (2) of article (62) of Securities Depository Center Rules.

**67d. Insurance**

- Yes (please answer 67e)
- No
- Other (please answer 67e)
- Not applicable

**67e. Please explain (then please answer 67f):**

In accordance with article (58) of Securities Depository Center Rules, the Depository Centre shall not be held liable for any losses or damages incurred by the Issuer, the Offeror, the Depository Centre Member or the Clearing Member or the Exchange Member or any of their clients which may arise directly or indirectly as a result of any procedures, orders, instructions or actions (including actions taken by the Depository Centre on behalf of Custody Members in respect of settlement failure), entered into the Depository and Settlement System or executed directly at the Depository Centre (except for the intentional or serious mistakes). However, in accordance with paragraph (2) of article (62) of Securities Depository Center Rules, any interested person may file a complaint in relation to the accuracy of any of the information maintained in the Depository Centre registers may be filed with the Depository Centre.

**67f. Please provide details of the relevant sections of the contracts, rules or practices where this information is found.**

Article (58) of Securities Depository Center Rules, and paragraph (2) of article (62) of Securities Depository Center Rules.

**67g. Acknowledgement of liability for losses caused by depository's own actions.**

- Yes (please answer 67h)  
 No  
 Other (please answer 67h)  
 Not applicable

**67h. Please explain (then please answer 67i):**

In accordance with article (58) of Securities Depository Center Rules, the Depository Centre shall not be held liable for any losses or damages incurred by the Issuer, the Offeror, the Depository Centre Member or the Clearing Member or the Exchange Member or any of their clients which may arise directly or indirectly as a result of any procedures, orders, instructions or actions (including actions taken by the Depository Centre on behalf of Custody Members in respect of settlement failure), entered into the Depository and Settlement System or executed directly at the Depository Centre (except for the intentional or serious mistakes). However, in accordance with paragraph (2) of article (62) of Securities Depository Center Rules, any interested person may file a complaint in relation to the accuracy of any of the information maintained in the Depository Centre registers may be filed with the Depository Centre.

**67i. Please provide details of the relevant sections of the contracts, rules or practices where this information is found.**

Article (58) of Securities Depository Center Rules, and paragraph (2) of article (62) of Securities Depository Center Rules.

**67j. Other**

- Yes (please answer 67k)  
 No

**67k. Please explain (then please answer 67l):**

NA

**67l. Please provide details of the relevant sections of the contracts, rules or practices where this information is found.**

NA

**68. Is the depository immune from legal action in its own jurisdiction?**

- Yes  
 No  
 Other (please answer 68a)

**68a. If other, please explain:**

NA

**Security Control**
**69. How do participants receive information (view actual settlement of trades, movement of securities on their accounts, etc.) and see the status of their accounts? (Choose all that apply.)**

- By direct electronic link  
 By receipt of physical account holding statements  
 Other (please answer 69a)  
 Not applicable

**69a. Please explain:**

NA

**70. Do participants have access to affect their holdings, including confirming and affirming trades, movement of securities on their accounts, etc.?**

- Yes (please answer 70a)  
 No  
 Other (please answer 70d)  
 Not applicable

**70a. How is access given to participants? (Choose all that apply.)**

- By direct electronic link (please answer 70b)  
 Other (please answer 70c)

**70b. Please select type of electronic link:**

- Dial-up modem  
 Secured, leased, dedicated telephone line  
 Internet  
 Fax

See below

**70c. Please explain:**

Members access the system and their relevant data and transactions through either standard ISO15022 protocol or through GUI.

**70d. If other, please explain:**

NA

**71. Regarding data security:****71a. Are passwords used by participants to access their accounts?**

- Yes  
 No  
 Not applicable  
 Other (please answer 71b)

**71b. If other, please explain:**

NA

**71c. Does each user have a unique user ID?**

- Yes  
 No  
 Not applicable  
 Other (please answer 71d)

**71d. If other, please explain:**

NA

**71e. Are passwords regularly changed?**

- Yes (please answer 71f)  
 No  
 Not applicable  
 Other (please answer 71g)

**71f. How often?**

Password change policy not to exceed more than 90 days.

**71g. If other, please explain:**

NA

**71h. Is there a user lock-out after a pre-set number of unsuccessful User ID attempts?**

- Yes (please answer 71i)  
 No  
 Not applicable  
 Other (please answer 71j)

**71i. How many?**

User lock-out for unsuccessful attempts "7 times".

**71j. If other, please explain:**

NA

**72. Does the depository communicate with other market entities such as stock exchanges, payment systems, clearing houses, etc., by secured linkages?**

- Yes (please answer 72a)  
 No (please proceed to 74)  
 Not applicable (please proceed to 74)  
 Other (please answer 72a)

**72a. Please explain:**

Cash settlement related instructions (i.e. DVP, PFOD) settle with batches thru secured gateway channel linked between NCSD and SAMA system (payment system).

**73. How does the depository communicate with other market entities?**
**73a. Stock Exchanges (Choose all that apply.)**

- Dial-up modem  
 Secured, leased, dedicated telephone line  
 Internet  
 Fax  
 Paper/other

**73b. Payment Systems (Choose all that apply.)**

- Dial-up modem  
 Secured, leased, dedicated telephone line  
 Internet  
 Fax  
 Paper/other

**73c. Clearing Houses (Choose all that apply.)**

- Dial-up modem
- Secured, leased, dedicated telephone line
- Internet
- Fax
- Paper/other

**73d. Registrars (Choose all that apply.)**

- Dial-up modem
- Secured, leased, dedicated telephone line
- Internet
- Fax
- Paper/other

**74. How is access to the physical building controlled? (Choose all that apply.)**

- By guards
- By electronic keys/personal ID card
- By alarm system
- Other (please answer 74a)

**74a. Please explain:**

NA

**75. What are the vault security procedures for the safekeeping of physical paper? (Choose all that apply.)**

- Not applicable no vault is maintained
- Electronic keys/combinations
- Dual access control
- Visitor logs
- Vault counts (please answer 75a)
- Intrusion alarms
- Fire alarms
- Guards
- Other (please answer 75b)

**75a. Please indicate frequency of vault counts:**

NA

**75b. Please explain:**

NA

**Participants Default Protections Resulting from a Participant Failure**

**76. If a participant defaults, how is the loss covered? (Choose all that apply?)**

- Depository insurance covers the loss (please answer 76a)
- The depository guaranty fund covers the loss
- Loss is shared among participants (please answer 76b)
- Other (please answer 76d)
- Not applicable

**76a. Please explain the process:**

NA

**76b. Please explain the process of how the loss is shared: (Choose one.)**

- Equally, among participants
- Pro-rata based on participant's volume
- Limited to participants with transactions with failing counterparty
- Other (please answer 76c)

NA

**76c. If other, please explain:**

NA

**76d. Please explain:**

NA

**77. During the past three years, has there been a situation where a participant defaulted which resulted in a significant loss?**

- Yes (please answer 77a)
- No
- Not applicable
- Other (please answer 77a)

**77a. How was the situation resolved? Or if you answered "Other," then please explain:**

NA

**78. Does the depository have a guaranty fund independent of stock exchange or other market guarantees?**

- Yes (please answer 78a)  
 No (please proceed to 79)  
 Not applicable (please proceed to 79)  
 Other (please answer 78l)

**78a. If yes, please respond to the following questions:**
**What is the size of the fund (then please answer 78b)?**

NA

**78b. How is the size of the fund determined? (Choose one.)**

- By participant volume  
 By asset value  
 A fixed amount  
 Other (please answer 78c)

NA

**78c. If other, please explain:**

NA

**78d. How is the fund financed? (Choose one.)**

- Contributions from owner (please answer 78e)  
 Contributions from participants (please answer 78f)  
 Funding from retained earnings  
 Other (please answer 78g)

NA

**78e. If so, what is the amount or percentage per owner?**

NA

**78f. If so, what is the amount or percentage per participant?**

NA

**78g. If other, please explain:**

NA



**78h. Who is covered by the fund? (Choose all that apply.)**

- Direct depository participants only  
 The beneficial owner also  
 Other (please answer 78i)  
 NA

**78i. If other, please explain:**

NA

**78j. When is the guaranty fund used? (Choose all that apply.)**

- When a broker defaults  
 When a direct participant defaults  
 Other (please answer 78k)  
 NA

**78k. If other, please explain:**

NA

**78l. If other, please explain:**

NA

**79. Does the depository have forms of oversight management for assessing and monitoring of the following? (Choose all that apply.)**

- Participant eligibility requirements  
 Participant volumes  
 Participant financial strength  
 Other loss or default protections the depository maintains (please answer 79a)  
 Collateral requirements for participants (please answer 79b)  
 Debit caps for participants (please answer 79c)  
 Settlement controls that minimize or eliminate the risk of default by a participant (please answer 79d)  
 Blocking of securities movement before receipt of payment  
 Blocking payment until securities are moved  
 Other forms of risk management used for assessing and monitoring participant exposures (please answer 79i)  
 Not applicable

**79a. Please explain other loss or default protections:**

NA

**79b. Please explain the requirements:**

NA

**79c. Please explain how these debit caps work:**

NA

**79d. What type or types of settlement controls (Choose all that apply.)**

- Blocking or freezing of securities positions (please answer 79e)
- Controlling DVP settlement (please answer 79f)
- Simultaneous DVP (please answer 79g)
- Other (please answer 79h)

NA

**79e. Please explain:**

NA

**79f. Please explain:**

NA

**79g. Please explain:**

NA

**79h. Please identify and explain:**

NA

**79i. Please explain briefly how these work:**

Members Authorization and Oversight conduct risk based approach Inspection where it covers the member level of compliance with related obligations stated in SDC Rules and Procedures

**80. Does the stock exchange have default protections that extend to the depository, such as the following? (Choose all that apply.)**

- Margin requirements for stock exchange members
- Guaranty fund for stock exchange members
- Financial requirements for stock exchange membership
- Other (please answer 80a)
- No
- Not applicable

**80a. Please explain:**

NA

## **Business Recovery Plan**

**81. Do you have a formal business recovery plan?**

- Yes (please answer 81a)  
 No  
 Other (please 81g)

**81a. Does your Business Recovery Plan include: (Choose all that apply.)**

- Back-up of all computer files  
 Off-site data storage  
 Back-up files stored and locked  
 Off-site operations facility  
 Other (please answer 81h)

**81b. Please identify both the frequency and the last date of testing for the following third party:**

**Depository participants/members**

Annually – last testing occurred in 2020.

**81c. Please identify both the frequency and the last date of testing for the following third party:**

**Stock exchange**

Annually – last testing occurred in 2020.

**81d. Please identify both the frequency and the last date of testing for the following third party:**

**Central bank**

NA

**81e. Please identify both the frequency and the last date of testing for the following third party:**

**Local brokers**

Annually – last testing occurred in 2020.

**81f. Please identify both the frequency and the last date of testing for the following third party:**

**Any other third party**

Annually – last testing occurred in 2020.

**81g. If other, please explain:**

NA

**81h. If other, please explain:**

BCP ensures the recovery of human resources, systems, and all critical aspects in regards that is stated in the BCP.

**82. How quickly can the main system be reactivated in the event of an outage? (Choose one.)**

- 4 - 8 hours
- 8 - 24 hours
- Longer than 24 hours
- Not applicable
- Other (please answer 82a)

**82a. If other, please explain:**

Based on the agreed recovery time objective (RTO).

**83. If a back-up system exists, how quickly can the back-up system be activated in the event of the main system failing? (Choose one.)**

- 1 - 4 hours
- 4 - 8 hours
- 8 - 24 hours
- Longer than 24 hours
- Not applicable
- Other (please answer 83a)

**83a. If other, please explain:**

Based on the agreed recovery time objective (RTO).

**84. Will the depository publicly announce any system interruption?**

- Yes (please answer 84a)
- No (please proceed to 85)
- Not applicable
- Other (please answer 84g)

**84a. To whom will the depository disclose any system interruptions? (Choose all that apply.)**

- To the depository regulators
- To all direct participants
- To direct and indirect participants
- To the public via the internet (please answer 84b)
- In the press (please answer 84c)
- Other (please answer 84d)

**84b. If so, please list webpage address:**

[www.edaa.sa](http://www.edaa.sa)

**84c. If so, please list all publications:**

NA

**84d. Please explain:**

NA

**84e. How will the depository disclose any system interruptions? (Choose all that apply.)**

- By e-mail
- By telephone
- Public announcement
- Press release
- Other (please answer 84f)

**84f. Please explain:**

NA

**84g. If other, please explain:**

NA

**85. In the past three years, has it been necessary to activate the recovery plan in a live situation?**

- Yes (please answer 85a)
- No
- Not applicable
- Other (please answer 85e)

**85a. If yes, how much time was needed to implement the recovery plan? (Choose one.)**

- Less than 1 hour (please answer 85b)
  - 1 - 2 hours (please answer 85b)
  - 2 - 4 hours (please answer 85b)
  - Longer than 4 hours (please answer 85b)
- NA

**85b. How much time was needed to recover and restore business to normal operations? (Choose one.)**

- 1 - 4 hours (please answer 85c)
  - 4 - 8 hours (please answer 85c)
  - 8 - 24 hours (please answer 85c)
  - Longer than 24 hours (please answer 85c)
- NA

**85c. What was the impact to the market? (Choose all that apply.)**

- All securities settlements took place as scheduled on the same day with good value
- All cash settlements took place as scheduled on the same day with good value
- All securities settlements took place one business day late with good value
- All cash settlements took place one business day late with good value
- All securities settlements took place one business day late with value one day late
- All cash settlements took place one business day late with value one day late
- All securities settlements took place more than one business day late
- All cash settlements took place more than one business day late
- As a result of the system failure, all fines and penalties for late settlements were waived
- Even though there was a system failure, all fines and penalties for late settlements were still assessed
- Other (please answer 85d)

**85d. If other, please explain:**

Based on agreed recovery time objective (RTO).

**85e. If other, please explain:**

NA

**Performance, Insurance, and Loss**

**86. Has there been any material loss by the depository during the past three years?**

- Yes (please answer 86a)
- No
- Other (please answer 86b)
- Not applicable

**86a. If there has been a loss, please describe the cause, the final impact and the action taken to prevent a recurrence:**

NA

**86b. If other, please explain:**

NA

**87. Has the depository been subject to any litigation involving a participant during the past three years?**

- Yes (please answer 87a)  
 No  
 Other (please answer 87b)  
 Not applicable

**87a. Please explain the circumstances and resolution:**

NA

**87b. If other, please explain:**

NA

**88. Has the depository realized revenues sufficient to cover expenses during the past three years? (Choose one.)**

- Yes for all three years  
 Yes for two of the last three years  
 Yes for one of the last three years  
 None of the last three years  
 Not applicable  
 Other (please answer 88a)

**88a. If other, please explain:**

NA

**89. Does the depository maintain a reserve for operating losses?**

- Yes (please answer 89a)  
 No  
 Not applicable  
 Other (please answer 89b)

**89a. Please describe and indicate reserve amount:**

The amount of the coverage is confidential.

**89b. If other, please explain:**

NA

**90. Has the regulatory body with oversight responsibility for the depository issued public notice that the depository is not in current compliance with any capital, solvency, insurance or similar financial strength requirements imposed by such regulatory body?**

- Yes (please answer 90a)  
 No  
 Not applicable  
 Other (please answer 90f)

**90a. Please describe:**

NA

**90b. In the case of such a notice having been issued, has such notice been withdrawn, or, has the remedy of such noncompliance been publicly announced by the depository?**

- Yes (please answer 90c)  
 No (please answer 90d)  
 Other (please answer 90e)

**90c. If yes, please describe:**

NA

**90d. If no, why not?**

NA

**90e. If other, please explain:**

Not applicable. This scenario has never occurred.

**90f. If other, please explain:**

NA

**91. Does the depository have insurance to cover losses in the event of Default on settlement commitments by the depository or a participant?**

- Yes (please answer 91a)  
 No  
 Not applicable  
 Other (please answer 91c)



**91a. What is the amount of the coverage?**

NA

**91b. What is the amount of the deductible?**

NA

**91c. If other, please explain:**

NA

**92. Does the depository have Fidelity insurance (that is, insurance to cover loss of securities or money resulting, for example, from acts such as forgery, theft, fraud and/or employee dishonesty)?**

- Yes (please answer 92a)  
 No  
 Not applicable  
 Other (please answer 92c)

**92a. What is the amount of the coverage?**

The amount of coverage is confidential.

**92b. What is the amount of the deductible?**

NA

**92c. If other, please explain:**

NA

**93. Does the depository have insurance for Operational Errors?**

- Yes (please answer 93a)  
 No  
 Not applicable  
 Other (please answer 93c)

**93a. What is the amount of the coverage?**

The amount of coverage is confidential.

**93b. What is the amount of the deductible?**

NA

**93c. If other, please explain:**

NA

**94. Does the depository have Errors and Omissions insurance?**

- Yes (please answer 94a)  
 No  
 Not applicable  
 Other (please answer 94c)

**94a. What is the amount of the coverage?**

The amount of coverage is confidential.

**94b. What is the amount of the deductible?**

NA

**94c. If other, please explain:**

NA

**95. Does the depository have insurance for the Premises?**

- Yes (please answer 95a)  
 No  
 Not applicable  
 Other (please answer 95c)

**95a. What is the amount of the coverage?**

The amount of coverage is confidential.

**95b. What is the amount of the deductible?**

NA

**95c. If other, please explain:**

NA

**96. Does the depository have any other insurance?**

- Yes (please answer 96a)  
 No  
 Not applicable  
 Other (please answer 96d)

**96a. If so, what is it for?**

This information is confidential.

**96b. What is the amount of the coverage?**

This information is confidential.

**96c. What is the amount of the deductible?**

NA

**96d. If other, please explain:**

NA

**97. Who is the insurance carrier? If more than one insurance carrier, please list each carrier here and provide your responses to questions 97a and 97b in corresponding order.**

Insurance carrier information is confidential.

**97a. Who is the insurance carrier's parent company, if applicable? (If inapplicable, simply type n/a.)**

NA

**97b. What is the term of the policy?**

NA

**97c. Who does the insurance cover? (Choose all that apply.)**

NA

**97d. If other, please identify:**

NA

98. If you feel that you would like to provide additional details on any of the given answers, feel free to provide any additional comments here (maximum of 5,000 characters) or prepare an additional document identifying the question(s) you are commenting on and upload the document under 98a:

NA

98a. Upload document here:

NA

## **Public Availability**

99. The AGC encourages respondents/depositories to make their answers to this questionnaire publicly available. Will you be making your response publicly available? (For additional guidance, please review the help feature to this question.)

Yes (please answer 99a)

No

99a. If yes, how will you be making it publicly available: (Choose all that apply.)

Web site (please answer 99b)

By individual request with depository (please answer 99c)

Other (please answer 99i)

99b. Please provide web site address of publicly available questionnaire:

[www.Edaa.sa](http://www.Edaa.sa)

99c. Please provide name of contact at depository who has been designated to receive such requests (then please answer 99d).

Corporate Support Department – Edaa

99d. How would they prefer to be contacted? (Choose all that apply.)

Telephone (please answer 99e)

Facsimile (please answer 99f)

By mail/air courier (please answer 99g)

By e-mail (please answer 99h)

99e. Please provide telephone number:

(+966) 920026000

**99f. Please provide facsimile number:**

+966 (0)11 218 9514

**99g. What is the preferred street address for mailing requests?**

6897 King Fahd Road, Al Olaya, Unit 11  
Riyadh 12211-3388, Kingdom of Saudi Arabia

**99h. What is the preferred e-mail address for such requests:**

[PCD@edaa.com.sa](mailto:PCD@edaa.com.sa)

**99i. If other, please describe how you will be making the questionnaire publicly available:**

NA

100. Association members from time to time receive requests from their direct investor-clients for an informational copy of a depository's completed questionnaire. Such requests typically lead to interactions between personnel at the depository in question and member personnel or client personnel, or both. Those interactions take time and impose costs on both members and depositories.

Do you approve of Association members delivering a copy of your completed questionnaire to the member's direct client in response to the client's request?

Yes

No

## **Cybersecurity**

**101. Does your organization have a documented cyber security policy in place? If so, please provide a copy or overview.**

Yes, the policy includes National Cybersecurity Authority requirement's  
"The cyber Security policy is a confidential document that cannot be shared outside the organization. The STG and Eadaa adhere to the internationally recognized practices and standards in terms of Cyber Security".

**102. Please confirm that your staff receive relevant training about this policy:**

Yes, staff is kept up to date on the most recent updates of the applicable practices and standards either through the company Intranet and through specific awareness course

**103. Please provide an overview of your policy for continuity of business in the event of a large data breach or cyber attack against your organization.**

The details of the policy are confidential. STG and Eadaa have developed a specific component of the Business Continuity Plan (BCP), that in the event of large data breach could be activated.

**104. In the last 12 months have there been any changes to the policy? If yes, please detail.**

No, there have not been any changes in the past 12 months to the policy.

**105. Please advise how often you review the policy.**

The cyber Security Policy is object of periodical review as a minimum on annual basis.

**106. Please provide (as an attachment) a diagram showing where your cyber security function resides and who it reports to.**

The information in terms of detailed governance is confidential. Cyber Security is managed as in most organization under the umbrella of the broad risk management and security framework.

**107. How does your organization identify which business functions carry a cyber risk?**

In line with international practices, the IT function is given the necessary instruments to identify cyber risk. Identified risks associated to cyber security threats are then assessed and share with risk management for further consideration in the wider spectrum of the risk management framework.

**108. Do you conduct ongoing testing and monitoring processes to ensure that all internal and external connectivity and system configurations are not at risk of cybersecurity breaches? If yes, please provide details and indicate frequency.**

Yes, periodical testing and monitoring are conducted to ensure that all internal connectivity and system configurations are not at risk of cyber security breaches. Frequency is confidential. In any case frequency is subject to change depending on the number and the level of threats identified.

**109. What technological controls and protections are in place for your systems and networks?**

The information is confidential and cannot be shared outside the organization.

**110. Does your organization use multi-factor authentication?**

Yes, multi-factor authentication is a standard practice within STG and Eadaa.

**111. Where your organization has outsourced activities or functions to a third-party provider, is your cyber risk exposure documented?**

Yes. Cyber risk exposure is documented in contractual documentation and the principles applicable that are requested to the outsourcers match the requirements of STG and Eadaa standards.

**112. What measures does your organization have to ensure early detection of a cyber attack?**

The information is confidential and cannot be shared outside the organization.

**113. What is the agreed resumption time for critical operations following a cyber attack?**

As per the approved recovery time objective (RTO).

**114. How would you advise clients of a successful cyber attack against your organization?**

Internal STG and Edaa procedures in the BCP define the ownership, the timing and the methodology of communication with external parties (market and regulators) depending on the nature of the event and the consequences produced, as well as the recovery time.

**115. In the last 12 months has your organization been subject to a cyber attack that impacted the service you provide to us? If yes, please provide details.**

No, Edaa has not experienced such type of occurrence in the last 12 months.

**116. Are the following elements of your cybersecurity framework tested pre and post deployment of changes?**

Vulnerability assessment: Yes  
Scenario based penetration tests: Yes  
Testing of incident response process and technical/business/operations (e.g. table-top exercise): Yes

**117. For cloud technology and associated cyber security risks, please confirm:**

**(i) that you have procedures and controls in place to protect our information from mishandling or theft;**  
"STG and Edaa do not, at the current stage, use cloud technology to support their activities."

**(ii) how these procedures and controls tie back to your record retention policy**  
See above

**118. Does your organization conduct dark web searches for signs of a breach (internet protocol or customer/client personally identified information for sale)?**

Yes, these activities are conducted on regular basis, both under periodical and ad hoc periodicity.

**119. Is your organization aware of SWIFT's Customer Security Program (CSP)?**

Yes, but we are not part of such program.

**120. Does your organization ensure compliance with SWIFT's CSP controls?**

NA

**121. Does your organization respond to requests for your institution's attestations?**

NA

**122. Does your organization request the attestation details of your counterparties and incorporate the responses into ongoing relationship and risk management programs?**

Yes, as part of the periodical due diligence.