

Notice N° AV-2016-133

(Only the french version prevails)

Event

Modalities of transactions cancellation

- NOTICE SUBJECT

Modalities of transactions cancellation

- REFERENCES

In accordance with the Royal Decree (Dahir) No. 1-93-211 dated September 21, 1993 relating to the Stock Exchange, as modified and completed by Laws No. 34-96, 29-00, 52-01 and 45-06, namely Section 4 ;

Considering the provisions of the Stock Exchange Regulation, approved by Order of Economy and Finance Ministry No. 1268-08 dated July 7, 2008 as modified and completed by Order No.1156-10 of April 7, 2010 No.30-14 of January 6, 2014 and No.1955-15 of July 4, 2016 namely Sections 3.3.43 and 3.3.44 ;

The following has been decided:

- ARTICLE 1

The Casablanca Stock Exchange shall examine any request to cancel one or more transactions in the following cases:

- Error from a brokerage firm in the transmission of an order, which led to the determination of odd prices of a listed security at the continuous trading cycle.
- Error from a brokerage firm in the transmission of an order on a listed security at the auction trading cycle.

For securities listed on the continuous trading cycle, transactions that occurred during closing auctions may not be canceled.

ARTICLE 2

The cancellation request from the brokerage firm shall sent to the Surveillance division within a maximum of 5 minutes for securities listed at the continuous trading cycle and 15 minutes for securities listed at the auction trading cycle, starting from the time of transaction.

The request shall be confirmed through the sending of a document duly signed by the person in charge and accompanied by all supporting documents requested by the Surveillance division.

ARTICLE 3

Once the acceptability of the cancellation request is verified, and in order to take a decision, the Surveillance division shall:

- suspend trading on the instrument, when it is listed on in the continuous trading cycle;
- make an examination of the request's validity;
- carry out an impact study of the cancellation on the market;
- request written agreement from all the relevant counterparts. Each counterpart shall send the Surveillance authority, within a maximum of 15 minutes, its approval, duly signed by the person in charge.

ARTICLE 4

In case of cancellation of one or more transactions on a security listed according to the auction trading cycle, the Surveillance division can reschedule the auction (including on secondary lines) upon approval by all concerned brokerage firms.

ARTICLE 5

Pursuant to Article 12 quater of Dahir No. 1-93-211 on the Stock Market, brokerage firms that have not initiated the cancellation of a transaction do not incur any liability whatsoever towards their clients regarding the possible consequences of such cancellation.

ARTICLE 6

Any cancellation of transaction shall immediately be brought to the attention of brokerage firms and be published by a notice.

ARTICLE 7

The current notice repeals and replaces notice 172/08.

ARTICLE 8

The current notice will come into effect as from 01/08/2016