Notice N° AV-2016-145

(Only the french version prevails)

Event	Stock Exchange orders

- NOTICE SUBJECT

Stock Exchange orders

- 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 7 ;

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 Janaury 6, 2014 and No.1955-16 of July 4, 2016 namely Sections 3.2.1 to 3.2.1 sexies and 3.3.29 to 3.3.32 ;

- ARTICLE 1

Orders sent to the trading system, may be denominated into the following types :

-   Limit Order ;
- Market Order ;
- Market to Limit ;
- Triggered orders, based on the following forms :

stop order ;

stop limit order ;

Market If Touched Order ;

Trailing Stop Order ;

Trailing Stop Limit Order.

ARTICLE 2

The limit order is one in which the buyer sets the maximum price he is willing to pay and the

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seller the minimum price at which he agrees to sell his shares.

To be accepted by the system, the limit orders shall match the minimum authorized price variation, referred to as « tick structure ».

The execution of the limit order depends on the trading session during which it is introduced into the electronic trading system.

 Auction Sessions

Orders Accumulation

The limit order entered during the order accumulation periods is positioned in the order book, in descending order in terms of purchase price or increasing in terms of sales price (price priority) and in the tail of the orders queue, within the same limit (time priority).

At the end of the auction

At the end of the auction, the limit order is executed, fully or partially, at the auctionprice, if it is compatible with the price at which it was introduced. In case of a partial execution, the remaining is displayed at the auction price.

In case of non execution, the limit order is displayed at its introduction price.

Regular trading session

During the regular trading session, the introduction of a limit order causes either partial or complete execution if the market conditions allow for it Otherwise, the positioning in the orders book in descending order in terms of purchase price or increasing in terms of sales price (price priority) and in the tail of the orders' queue, within the same limit (time priority)

When a buy order is sent at a price equal or better than the best price of the opposite side of the t orders book (i e sell), the introduced purchase order is executed at a price corresponding to the limit of the sell order.

When a sell order is sent at aprice that is lower or equal to the best limit on the opposite side of the order book, the sell order is executed at a price equal to the limit of the buy order.

If the limit of the order introduced covers more than one limit on the opposite side of the market, the latter runs against the various limits up to its threshold, if applicable, until exhaustion of its total quantity.

In case of partial execution, the remainder of the order remains positioned on the order book at its introduction price.

session Closing Price Cross-CPX

If it is entered at the closing price, the limit order introduced during this session is positioned at the tail of the queue of orders at the same limit or is executed against compatible orders of the opposite side of the order book.

A limit order with a price that is different from the closing price will be rejected.

The limit order with CPX validity and at a price that is equal to - or better than - the closing price, introduced before the start of the last rate trading session, is transmitted to the order book at the beginning of this session at a price corresponding to the closing price.

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ARTICLE 3

The market order is not subject to any price indication. It has a higher priority thanthe limit order.

Acution sessions

Accumulation of Orders

The market order introduced during this session is positioned at the tail of the queue of market orders and market to limit orders. It is displayed without a price.

At the end of the auction

At the end of the auction, the market order is executed, wholly or partially at the auction price. In case of partial execution, the remainder is eliminated.

In case of non execution, the market order is also eliminated.

Regular trading Session

When introduced, amarket order is executed at the maximum amount available and shall serve as many limits as necessary on the orders book. The remainder is eliminated.

In the absence of orders from the opposite direction, amarket order is eliminated.

Closing Price Cross-CPX Session

When introduced, the market order with the CPX validity is executed, partially or totally, at the auction price against the compatible orders from the opposite side of the order book. In case of partial execution, the remainder is converted into a limit order at the closing price.

In the absence of compatible orders from the opposite direction, the market order is transformed into a limit order at the closing price.

The market order with other authorized validities, other than CPX, introduced during the negotiation session at the last price, shall be executed, partially or totally, against the compatible orders from the opposite side of the order book. In case of partial execution, the remainder shall be eliminated. In case of non-execution, the order is eliminated.

Halt Session

If a Halt takes a place during an auction, all market orders are eliminated.

ARTICLE 4

Market to limit does not carry any price indication. It has a higher priority than the limit order.

Acution sessions

Accumulation of Orders

The market to limit orders introduced during this session positioned at the tail of the queue of market orders and market to limit orders. It is displayed without a price.

Auctions

During auctions, the market to limit order is executed, fully or partially, during the auction. In case of partial execution, the remainder is converted into a limit order at the auction.

In case of non-execution, the market to limit order is transformed into a limit order at the auction price.

Regular trading Session

When introduced, the market to limit order is executed to the maximum amount available while

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serving as many limits as necessary on the order book. The remainder, if any, is transformed into a limit order at the last traded price.

In the absence of orders on the opposite side of the order book, the market to limit order is transformed into a limit order at the last traded price of the instrument.

Closing Price Cross-CPXSesión

When introduced, the market to limit order, partially or fully, at the closing price against the compatible orders from the opposite side of the order book. In case of partial execution, the remainder is converted into a limit order at the closing price.

In the absence of compatible orders from the opposite side of the order book, the market to limit order is transformed into a limit order at the closing price.

Hall Session

If trading is halted during anauction session, the market to limit orders is transformed into limit orders at the last traded price of the security.

ARTICLE 5

Trigger orders allow to stand as buyer or seller based on a certain price, called « triggering threshold ».

The triggering threshold of trigger orders is defined relative to the last traded price.

The time priority of trigger orders is the trigger time and not the time of orders introduction.

The trigger orders can be modified before they are released. The increase of the quantity or any modification of the triggering threshold is considered to be a new order that is sent and causes the loss of orders priority. Other changes do not affect the priority.

ARTICLE 6

The stop order has only a triggering threshold from which it is triggered.

The buy stop order is triggered as soon as the last traded price is equal or above the triggering threshold.

The sell stop order is triggered when the last traded price is lower than or equal to the threshold.

When triggered, the stop order is converted to a market order. It is executed according to the rules for this type of orders.

ARTICLE 7

The Trailing Stop limit order has, in addition to the triggering threshold, a price that sets the maximum price not to be exceeded when buying or the minimum price below which the order should not be sold.

The buy trailing stop limit order is triggered when the last traded price is equal to or above the triggering threshold.

The sell trailing stop limit order is triggered when the last traded price is equal to or below the trigger threshold.

When triggered, the Trailing Stop order is converted into a limit order. It is executed according to the rules for this type of orders.

ARTICLE 8

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The trailing stop order is an order whose triggering threshold follows the last traded price in case of positive evolution (decrease for buy orders and increase for sell orders).

For the buy trailing Stop order, the triggering price drops if the last traded price goes down.

For the sell Trailing Stop order, the triggering price goes up if the last traded rate goes up.

The trailing stop order is rejected in the absence of a last traded price at the time of its introduction.

At the time of its introduction, the order has a margin that is used to calculate the triggering threshold according to the following formulas:

- For by ordres

Triggering threshold = last traded rate + margin

The triggering threshold is recalculated only if the security price decreases.

- For sel orders

Triggering threshold = last traded price - margin

The triggering threshold is only recalculated if the instrument's price increases.

The trigger threshold recalculation following a favorable market movement is considered as the introduction of a new order and causes the loss of priority.

The buy trailing stop order trigger is triggered as soon as the last traded price is equal to or above the triggering threshold.

The sell trailing stop order trigger threshold is triggered as soon as the last traded price is equal to or below the triggering threshold.

When triggered, the trailing stop order is converted into a market order. It is executed according to the rules for this type of orders.

ARTICLE 9

The trailing stop limit order is an order whose triggering threshold and price follow the last traded price in case of a positive evolution (decrease for the buy orders and increase for the sell orders).

For the buy stop limit order, the triggering price and the price drop if the last traded price goes down.

For the sell trailing limit order, the triggering price and the price increase if the last traded price increases.

In the case of an adverse movement (Increase for buy orders and decrease for sell orders), the triggering threshold and the prices are not recalculated.

The trailing stop loss order is rejected in the absence of a last traded price at the time of its introduction.

At the time of its introduction, the order has a margin that is used to calculate the triggering threshold according to the following formulas:

- For the by Orders

Triggering threshold = last traded rate + margin

The triggering threshold is only recalculated if the instrument price decreases.

- For sale orders

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Triggering threshold = last traded price - margin

At its introduction, the order has a price based on which the system calculates a margin that allows it to recalculate the limit price in the event of a positive evolution, according to the following formulas:

Margin Calculation :

Calculated Margin = Order price - Last traded price

The margin is recalculated in case the order's price is modified by the participant.

Calculation of the Order's Price :

- For Purchase Orders

Price of the order = last traded price + margin calculated by the system

The order's price is only recalculated if the instruments price decreases.

- For sel Orders

Price of the order = last traded price + margin calculated by the system

The orders price is only recalculated if the instruments price increases.

The recalculation of the triggering threshold and the price of the order, following a favorable market movement, is considered as an introduction of a new order and leads to the loss of priority.

The buy trailing stop limit order is triggered as soon as the last traded price is equal to or above the triggering threshold.

The sell trailing stop order is triggered as soon as the last traded price is equal to or below the triggering threshold.

When triggered, the trailing stop limit order is converted into a limit order. It is executed according to the rules for this type of orders.

ARTICLE 10

The stop order has a triggering threshold from which it is triggered.

The buy trailing stop order is triggered when the last traded price is equal to or below the threshold.

The sell Market If Touched order is triggered when the last traded price is equal to or above the threshold.

When triggered, the Market If Touched order is converted into a market order. It is executed according to the rules for this type of orders.

ARTICLE 11

Trigger orders behave according to the different sessions, as outlined below:

Auction Sessions Accumulation of Orders

The trigger orders can be introduced during this session but are not included in the calculation of the indicative auction price.

At the end of the auction

The trigger orders do not take part of the auction process, they are only triggered at the end of the auction, if the next session is:

- Regular trading session ;

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- Closing price cross session: given the fact that the closing price publication session (CPP) takes place between the closing auction call and the closing price cross session, the trigger orders will only be introduced at the end of CPP

Regular Trading Session

Stop Orders, Stop Limit Order and Market If Touched ordersmay be triggered at the time of the introduction, if the triggering threshold is already reached. In that case, the order is injected directly into the order book.

Trailing Stop Orders and Trailing Stop Limit Orders may not be triggered upon their introduction. For that a change to the last traded price, or the best limits (depending on configuration) should occur.

Pending trigger orders are triggered according to the following steps

When executing a new entered order, trigger orders are triggered at the end of the execution. If the entered order is executed at several prices, the evaluation of trigger orders is done based on each executed price.

Eligible orders are triggered and placed in an transitional queue according to a priority rule defined according to theorder of theirtripping.

Once all eligible orders are placed in the transitional queue, they are injected into the orders book according to their priority in that queue. Thus, an order triggered first will be injected into the orders book first.

Following the injection of orders in the orders books, other Stop orders can be triggered and added to the transitional queue.

The previous steps continue until the last order in the transitional queue is processed.

If multiple trigger orders can be triggered, the order with the farthest triggering threshold is triggered first. The priority of trigger orders with the same triggering threshold is determined based on the introduction time.

For Stop Orders, Stop Limit Orders, Trailing Stop Orders and Trailing Stop Limit Orders, an order is considered the 'farthest' if it is the one with the smallest triggering threshold for buy orders, and the order with the largest triggering threshold for sell orders.

For Market If Touched , the order having the largest threshold for buy orders, and order with the smallest triggering threshold for sell orders, is considered the 'farthest'.

In case the latest traded price is modified by the stock exchange, eligible trigger orders shall not be triggered. They remain in a queue until a new transaction occurswith a price that can trigger them.

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If an incoming order is executed at several prices and causes a circuit breaker breach , trigger orders eligible to be triggered by the executed prices shall not be triggered.

Closing price cross Session

The introduction and modification of trigger orders are not allowed during this session.

The cancellation of pending stop orders is authorized.

Halt Session

When session moves to halt session, the trigger orders are not triggered.

The orders are maintained until a new transaction occurs at a price that would triggerthem.

ARTICLE 12

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