



هيئة الأوراق المالية

Jordan Securities Commission

Annual Report
2017



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Jordan Securities Commission



An administration which can achieve objectives at lower cost and in less time is a judicious administration which helps create effective and specialized institutions acting with team spirit under efficient and able leadership marked by integrity, placing the public interest above all other considerations. It is one that is characterized by justice, initiative and creativity, focusing on fieldwork, confronting problems before they arise and before they became too complicated to solve. This administration should be free of the ills of exploitation, favoritism, and manipulation. Public administration requires restructuring to prevent any overlapping of duty and duality and also calls for the choice of leaders and employees on the basis of efficiency, experience and integrity, free of factionalism and fanaticism for any purpose or party.

His Majesty King Abdullah II bin Al-Hussein
March, 4, 1999



His Royal Highness Crown Prince Hussein bin Abdullah II



Vision

A national capital market characterized by fairness, transparency and efficiency.

Mission

To supervise and develop the capital market by regulating issuance, disclosure, financial services activities, and dealing in securities according to the most up-to-date standards and international best practices with the aim to enhance the investors protection and the capital market contribution to the national economy.

Objectives

1. To regulate and develop the national capital market.
2. To protect investors in securities.
3. To protect the capital market from any dangers.



The members of the Board of Commissioners of the Jordan Securities Commission (JSC)

Mr. Mohammed Saleh Hourani
Chairman



Mr. Mohammed Saleh Hourani assumed his duties as the Chairman of the Board of Commissioners of Jordan Securities Commission (JSC) on September 1st, 2012. Mr. Hourani previously assumed several posts in numerous ministries & institutions as follows:

In 2002 to 2012, Mr. Hourani assumed his duties as the Chairman of the Board of Directors of Amman Stock Exchange (ASE). In 1997 to 1999, Mr. Hourani assumed his duties as Minister of Energy & Natural Resources. In 1998 to 1999, he became the Minister of Industry & Trade. In 1994 to 1997 & in 1992 to 1994, Mr. Hourani assumed his duties as the General Manager of two institutions: Al-Sharq Investment Projects Company & the Social Security Corporation, respectively.

In 1989 to 1992, Mr. Hourani assumed his duties as Deputy Governor of the Central Bank of Jordan.

Mr. Hourani was appointed as chairman & member of boards of directors of several public shareholding companies & public institutions in the investment & development sectors.

Mr. Hourani was a part-time lecturer at Amman Private University & the Institute of Banking Studies & participated in many economic seminars & conferences. Mr. Hourani was bestowed the Medal of the Star of Jordan of the First Order. He is a holder of a Master Degree in Management from the University of Southern California, Los Angeles, U.S.A. in 1973.



Dr. Omar Al Zoubi
Deputy Chairman since 1/9/2017



Dr. Zoubi has a PhD in Economics/ Monetary and Fiscal Policy from Texas Tech. University/ USA since 2004. He had earned a Master's Degree in Economics from the University of Jordan in 1997 and a Bachelor's Degree in Economics from Yarmouk University in 1988. Dr. Zoubi has assumed several positions in the ministries and institutions as follows: he worked at the Central Bank of Jordan since 1988 and graduated in several positions until he became Executive Director of the Department of Research and Studies. During that period he has won the King Abdullah II Award of Excellence for Leaders and Supervisors for 2009.

He moved to the Ministry of Finance and worked at first as an Economist at the Minister's Office and then he supervised the work of the Directorate of Studies and Policies at the Ministry, until he was appointed as Secretary General of the Ministry of Finance in 26/2/2012. Dr. Zoubi worked as a visiting professor at Texas Tech University/ USA and served as Dean of the Institute of Banking Studies/ Jordan and also taught as part-time professor at a number of national universities. He has some of published and unpublished economic researches.



Mansour Haddadin
Deputy Chairman from 1/9/2012 till 31/8/2017



Mr. Haddadin assumed the position of the Deputy Chairman of Jordan Securities Commission since September 1st, 2012. Prior to that date, Mr. Haddadin served as a member of the JSC's Board of Commissioners since 1/9/2007. He served as the Deputy Chairman of the Board of the Amman Stock Exchange (ASE) since 1/9/2002.

Since 1966, Mr. Haddadin assumed several duties at the Ministry of Finance. His last post at the Ministry of Finance was the Director of Finance. On the 1st of November, 1991 Mr. Haddadin assumed his duties as the General Director of the Income Tax Department for eight consecutive years.

From 1982 to 1990, Mr. Haddadin represented the Ministry of Finance in the Administrative Committee of the Amman Financial Market. In 2000 & 2001, Mr. Haddadin was a lecturer in the faculties of Law and Business Administration at the University of Jordan. He represented the Government in a number of institutions, companies, committees and Arab and international events.

Mr. Haddadin holds a BA in Law from the University of Damascus in 1966 and an MA in Comparative Law from George Washington University in 1974.



Mr. Mazen Wathaifi
Commissioner



Mr. Wathaifi was appointed as a Commissioner on the JSC Board of Commissioners as of 17/7/2014. He also served as the JSC's Secretary General in addition to his duties till 31/8/2016. He was appointed as the Executive Director of the JSC in July 2013, until he was appointed as a Commissioner on the JSC Board of Commissioners.

Prior to that, Mr. Wathaifi joined the work at the Amman Financial Market (AFM) at the end of 1984. He worked in various departments at the AFM until he was appointed as the Director of the Research and Studies Department in April, 1997. In 1999, he was appointed as the Director of the Research and International Affairs Department at the JSC until he was appointed as the Executive Director of the Commission in July 2013.

Mr. Wathaifi took part in the working committees which drafted the Securities Law and legislations of the national capital market. He chaired the team that prepared the Corporate Governance Code for the Companies Listed on the ASE, He is a member in several national and international committees.

He also has a number of specialized researches and working papers related to capital market. He holds a BA in Management and Economics from the University of Jordan and a Master's degree in Finance/ Capital Markets from the Arab Academy for Banking and Financial Studies, where he was awarded the Scientific Research Award. He also participated in specialized training courses in international institutions, including the US Securities and Exchange Commission, the British Financial Services Authority, the Training Center at the American University in Washington, and the Centre for Capital Market Research at George Town University. He also represented the JSC in numerous Arab and International conferences and meetings.



Mr. MethqalObeidat
Commissioner till 3/12/2017



Mr. Obeidat was appointed as a Commissioner on the JSC Board of Commissioners on 10/8/2014.

He holds a Master's Degree in Private Law P/L from the University of Jordan in 1999 and a Bachelor's Degree in Law from Yarmouk University in 1996.

From 1996 to 1999, he worked at the Legal Department at the Amman Financial Market (AFM) and then moved on to assume the position of the Director of the Legal Department at the (ASE) until 2004.

He moved on to work as a Legal Advisor at Abu Dhabi Securities Exchange (ADX) and after that as an Adviser to the CEO of the ADX.



Mrs. Raeda Naber
Commissioner



Mrs. Naber was appointed as a Commissioner on the JSC Board of Commissioners on 3/12/2017.

Mrs. Naber holds a BA in Finance and Banking Science from Yarmouk University in 1986. She worked at the Amman Financial Market (AFM) from 13/3/1988. She moved to work at the Amman Stock Exchange in 1999 at the beginning of its establishment as a Director of the Listing Department. She served as the director of several departments at the JSC, the last was on 1/4/2009 as the Director of the Disclosure Department till her retirement from the Commission on 15/9/2011.

She was appointed as a member on the Board of Directors of the Securities Depository Center from 12/10/2011 till 2/4/2015.



Chairman's Message

I am honored to submit to you the Jordan Securities Commission (JSC) Annual Report of 2017, which provides a detailed overview of the Commission's most important achievements, and the principal developments in the national capital market during the past year.

In light of the continued effects of the political and economic difficulties in the region, the Commission worked to adopt more solid bases for developing, upgrading, and raising the competitiveness of the national capital market, and applying the best international standards and practices, so as to protect the financial market and investors in it, and minimize risks that might face it.

The year 2017 was rich of legislative amendments and measures to develop operational and regulatory procedures, which aimed to improve the competitive advantage of the national capital market at the regional level. As a result, Jordan's rating of minority shareholders protection rose from 165 in 2017 to 146 in the Doing Business Report of 2018, a rise of 19 positions. This was largely the result of the Commission's move in issuing the Corporate Governance Instructions for Listed Public Shareholding Companies for the Year 2017 and making them mandatory. These Instructions aimed to enhance confidence in the investment climate of the financial market and the national economy, in view of the introduction of minority shareholders protection principles, such as cumulative voting on the boards of directors.

The operational framework was developed in cooperation with capital market institutions to cover efficiently all stages of the securities' life cycle from registration to issuance, disclosure, listing, trading, custody, to transfer of ownership and financial settlements. Most importantly, these stages are completed in a secure, fair and transparent electronic environment. To upgrade which, work is underway to introduce the XBRL electronic disclosure system and the UTP-Hybrid e-trading system, that match the systems in use at advanced international capital markets. The Commission is also working to build and prepare forms/ taxonomies and classifications of financial data for all sectors of public shareholding companies and to provide all main financial statements and clarifications in an electronic format that can be analyzed and processed in line with the International Financial Reporting Standards (IRFS).

One of the most important legislative and regulatory amendments of the year was the issuance of the Securities Law No. 18 for the year 2017. The Law aimed to strengthen JSC's supervisory role, encourage the establishment of mutual funds, and strengthen the legal framework to guarantee the rights of brokers when they perform margin financing by granting them priority rights to receive their dues in the event of the death of a client or if his business is liquidated or impounded. The Commission also completed issuance of the legislation regulating sukuk (Islamic bonds) of Islamic financing to regulate dealing in this important instrument. As a result, three public sector issues worth JD184 million were issued. The Commission is currently considering requests for the issuance of Islamic financing instruments from private sector entities. It is hoped that the issuance of sukuk will enhance the efficiency of the securities market, attract investments, and increase its depth and breadth and the diversity of its instruments, in view of their role in mobilizing savings and their use in financing private as well as public government projects.



Pursuant to the Law of Regulating Dealings at Foreign Stock Exchanges No.1 of 2017, the Commission issued instructions to regulate trading by financial services companies in foreign stock exchanges. Sixteen licenses were granted to 7 existing companies to perform financial services in foreign stock exchanges. The Commission also issued Instructions Regulating Depositary Receipts, which grant Jordanian companies the opportunity to issue depositary receipts in foreign stock exchanges. The instructions also regulate the mechanism of issuing depositary receipts for foreign companies and listing them on the Amman Stock Exchange (ASE). In addition, the Commission issued Instructions for lending and Borrowing Securities and Short Selling. The Commission also worked on preparing a set of draft legislations, mainly the Regulation for Licensing and Registration, the Mutual Funds Regulation, and the Regulation on Investors Protection Funds. Pursuant to the recommendations of the National Integrity Committee to transfer supervisory functions of companies traded from the Companies Control Department to the Securities Commission. The Commission is working on preparing a regulation that will address all related issues.

In parallel, the Commission cooperates with capital market institutions, the Central Bank, licensed banks, the Insurance Administration, the Ministry of Finance, and the Ministry of Industry and Trade, among others, to identify the means necessary for implementing the recommendations of the Roadmap for Developing the Capital Market in Jordan. This Roadmap, which was developed in cooperation with the European Bank for Reconstruction and Development (EBRD), recommends some updates to legislations regulating the securities market.

For the first time in years, a new public shareholding company, the Amman Stock Exchange Company (ASE), was established in 2017 with a capital of JD 4.7 million. This came as a result of the conversion of the ASE into a company wholly owned by the Government of the Hashemite Kingdom of Jordan, pursuant to the Commission's recommendation to the Council of Ministers. Consideration is now given to admitting a strategic partner. This is expected to help the company play its role with more effectiveness and flexibility and to enhance its competitiveness with respect to international exchanges. The year 2017 also witnessed the first issuance of Eurobonds by the government, which were launched in foreign markets at a value of JD 708 million.

In an attempt to raise the liquidity and depth of the financial market, trading was launched in shares of companies not listed on the stock market, after enactment of instructions on trading in the shares of companies not listed on the organized financial market. This was done to enable shareholders in these companies, most of which are either insolvent companies or companies that are suspended from trading to sell their shares and trade them to gain liquidity. These instructions enable interested investors to buy the shares of these companies and gain control over them in order to revive them. In 2016 and 2017, there were initiatives and achievements in the area of communications and the media. Relations with the media and journalists were enhanced, and the management of the Commission's content in these media was improved, to highlight the Commission's achievements and its contributions to the national economy.



Towards this objective, pages were launched for the Commission on Facebook, Twitter, YouTube, Google Plus, and Instagram. In addition, the new website was launched as a pilot project as part of a priorities plan that emerged from the JSC Strategic Communication Plan aimed at enhancing communication with the Commission's internal and external stakeholders and deepening awareness of financial culture and investment in securities by transmitting awareness messages through these channels and electronic and digital platforms. To modernize electronic systems, implementation began in 2017 of the projects to modernize the Commission's electronic systems. A number of projects that had started in previous years were completed, such as the Project for Electronic Transactions and Workflow Tracking System, the DIWAN and Electronic Correspondence System, the INTRA Internal Website, the Automation of the Issuance Department Activities System, and the Boards of Commissioners Management System.

As regarding the performance of the ASE, trading volume improved in 2017 compared to the previous year. The total volume of trading in 2017 was about JD 2.92 billion, compared to JD 2.33 billion in 2016, a rise of 25%. Moreover 1.71 billion shares were traded through 717,5 thousands contracts in 2017, compared with 1.83 billion shares traded in 2016 through 786.2 thousands contracts, a decrease of 6.6%. The turnover of shares, which reflects the number of shares traded to the total number of shares listed, also decreased to 25.7% in 2017, compared to 27.7% in 2016. The weighted price index of shares decreased by 1.48% compared to the previous year, to close at 4009.4 points compared to 4069.7 points in 2016.

In the unlisted securities market, the shares traded in 2017 amounted to 106.7 million shares at a value of JD 24.84 million, through 43 companies whose shares were traded.

As a future outlook, the national economy needs to face the challenges that hinder its progress in building an investment-friendly economic environment for both direct investment and financial investment. The Commission, in cooperation with the Ministry of Finance, works to amend the Income Tax Law to exempt profits, dividends and capital gains of mutual funds from income tax, in view of the importance of mutual funds in stimulating institutional investment and enhancing the protection of small investors in the national capital market. Another requirement is to create courts specialized in economic and financial cases in order to shorten litigation time and ensure that decisions are made by specialized judges, which would reassure investors that the judiciary system is safe, efficient and trustworthy.

In conclusion, I would like to express my appreciation to my fellow members of the Board of Commissioners and all employees of the Securities Commission for their dedication and continuous efforts to upgrade the national capital market to be a safe and advanced investment environment in accordance with the latest international standards and practices, which would enhance confidence in the national economy and encourage investment and investor protection.

May Allah Protect His Majesty King Abdullah II Ibn Al Hussein and protect the Hashemite Kingdom of Jordan, and may Allah's peace and blessings be upon you.

Mohammed Saleh Hourani
Executive Chairman



The Jordan Securities Commission (JSC)

Establishment

The Jordan Securities Commission was established by means of the Securities Law No. 23 for the year 1997 as a supervisory entity that regulates the Jordan capital market. The Commission was established to protect investors in securities, to regulate and develop the capital market to ensure fairness, efficiency and transparency, and to protect it from any possible threat and danger that it may face.

The Commission enjoys financial and administrative autonomy and it is linked directly to the Prime Minister. It has regulatory and supervisory role to enhance the legislative environment, and the technical and institutional foundation to ensure fairness, efficiency and transparency in the market.

The JSC is subject to the supervision of the internal and external audit, and Audit Bureau. It also complies with the standards of the International Organization of Securities Commissions (IOSCO).

Parties under the JSC's supervision in accordance to the Law

The following are subject to the supervision and oversight of the JSC :

1. The Amman Stock Exchange (ASE).
2. The Securities Depository Center (SDC).
3. Public shareholding companies issuing Securities.
4. Licensed financial services companies.
5. Registered Persons.
6. Mutual funds and investment companies

JSC Administration

Board of Commissioners

The JSC is directed by a Board comprising five full-time qualified commissioners, including the Chairman and his Deputy who are experienced specialists in this field. Commissioners are appointed for a four-year term renewable once, by a decision of the Council of Ministers, based on a recommendation by the Prime Minister. The appointment is endorsed by a royal decree. The Chairman is the chief executive officer of the Commission; as such, he authorizes expenditure, executes policies, and is responsible for the JSC's administration.

The Board of Commissioners has been assigned a number of tasks intended to fulfill the goals for which the Commission was established, which include drafting legislations and regulations, issuing instructions, approving bylaws and instructions of the ASE and SDC, granting licenses to financial services companies and capital market registered persons, approving the registration of securities and mutual funds, adopting standards of accounting, auditing, and performance evaluation that are binding for all parties subject to the supervision of the Commission.



Board Meetings and Decisions

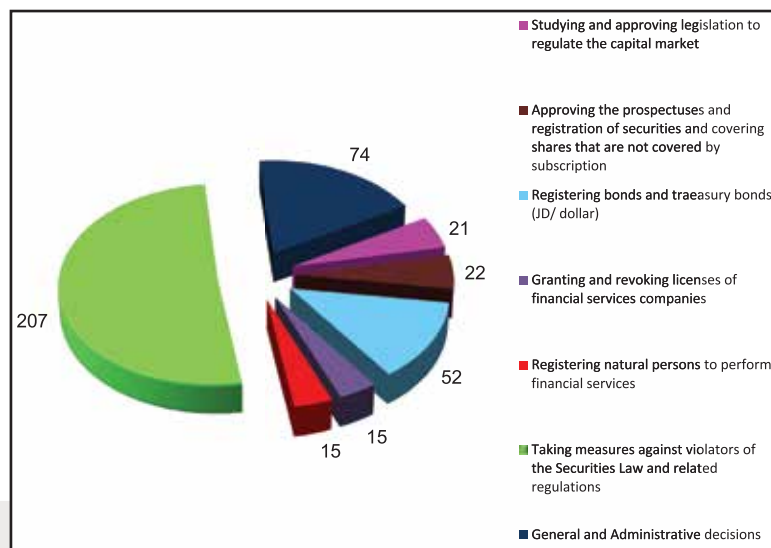
The Securities Law stipulates that the Board of Commissioners should meet at least once a month, and whenever the need arises. In 2017, the Board held 60 meetings and took 406 decisions as listed in the table below:

Table (1): Decisions made by the Board of Commissioners during 2017

Subject	No. of Decisions
Studying and approving legislations to regulate capital market	21
Approving the prospectuses and registration of securities (shares and bonds) and covering shares that are not covered by subscription	22
Registering bonds, treasury bills (JD, Dollars) and corporate bonds	52
Granting and revoking licenses of financial services companies	15
Registering natural persons to perform financial services activities	15
Taking measures against violators of the Securities Law, regulations, instructions, and decisions issued pursuant thereto	207
General and administrative decisions	74
Total	406

The Board of Commissioners of the Securities Commission that is established pursuant to Article (3/a) of Islamic Finance Sukuk Law No. (30) For the year 2012, held 4 meetings and made two decisions during the year 2017.

Diagram (1): Distribution of decisions made by the Board of Commissioners during 2017





Personnel:

JSC personnel numbered 160 at the end of 2017. Their distribution by level of education and gender is shown in the table below:

Table (2): Distribution of JSC personnel by level of education and gender

Education level	Male	Female	Total
Ph.D.	4	1	5
Master	30	15	45
Higher Education Diploma	--	2	2
BA/ BSc	34	27	61
Community College	6	4	10
Secondary School	2	11	13
Professional Certificate	4	--	4
Below Secondary School	20	--	20
Total	100	60	160

Training

The JSC attaches great importance to train its staff in order to upgrade their academic and professional qualifications and acquaint them with the most important developments on the regional and international levels. 79 employees were sent on training courses and specialized conferences within the Kingdom and abroad. These were as follows:

Table (3): Personnel Training Courses held in Jordan and abroad in 2017

Training Course	No. of employees	No. of participations
Internal	75	198
External	4	6
Total	79	204

Public Service Office and Complaints

The Public Service Office at the JSC, provides necessary services to investors and other parties interested in the capital market. It makes available financial reports and special periodical reports related to companies listed on the ASE. The Office receives complaints from investors, records them in a special register. The Complaints Committee at the JSC investigates them to address the problems and solve them. A number of complaints recorded by the Office in 2017 as follow:



Table (4): The number of complaints during the years 2014-2017

Year	Complaints processed and resolved	Complaints under study	Total number
2014	18	4	22
2015	8	1	9
2016	7	2	9
2017	2	0	2

The following demonstrates the nature of complaints received during 2017:

1. Failure to observe the client's interest.
2. Failure to implement the client's orders either buying or selling.
3. Disposition of the client's portfolio without orders.
4. Sales by broker in margin financing accounts.
5. Dissemination and promotion of rumors.
6. Questioning the disclosures submitted by public shareholding companies.
7. Use of inside information.

Performance of the JSC during 2017:

The JSC has worked during 2017 on issuing, amending and approving a number of legislations and procedures that regulate the national capital market, the most important of which were the following:

First: The Securities Law

During 2017 the Securities Law No.(18) for the year 2017 was enforced after its publication in the Official Gazette on 16/5/2017. The main amendments included the following:

1. Encouraging the establishment of mutual funds by restoring the contractual pattern of the funds, and setting the legal basis to facilitate the establishment of new types of funds such as the Exchange Traded Funds (ETFs), and introducing new investment tools to the market.
2. Reinforcing the legal framework to preserve the rights of the financial broker who finances on margin, so that he has the eligibility and priority to fulfill his rights in case of the client's death, liquidation, or seizure.
3. Setting the legal basis to transform the voluntary rules of public shareholding companies' corporate governance to mandatory rules, with the aim to enhance the protection of investors and shareholders rights.



4. The cancellation of articles related to the ASE in light of the Council of Ministers' (CoM) decision to transform the ASE to a public shareholding company fully owned by the government, and considering the company as the legal and real successor for the ASE. All the obligations and rights of the ASE shall be transformed to the company.
5. Transferring the regulatory and supervisory duties and authorities stipulated in the Companies Law and related to the public shareholding companies and shareholding companies which their shares are traded in the market. All these duties shall be determined by regulations issued for this purpose.

Second: Regulations

A. The Licensing and Registration Draft Regulation, the main features of which are :

1. Prohibition of registration of any company to perform financial services activities with the competent authorities except after receiving the preliminary approval of the Commission, and prohibiting the practice of financial services activities except after receiving a license from the Board of Commissioners.
2. Definition of the conditions for granting a license to perform financial services activities and the mechanism for applying for a license.
3. Permitting licensees to perform their activities through branches inside or outside the Kingdom after receiving the approval of the Commission.
4. Definition of the conditions which the licensee shall meet and the Board's authority to restrict, suspend or revoke the license in the event of the loss of any of these conditions.
5. The mechanism for applying to the Commission for registration and definition of the conditions for registration which shall be met perpetually under threat of suspension or cancellation of registration.
6. Requiring the prior written approval of the Commission if any person wishes to own 10% or more of the licensee's capital.
7. The Commission's authority to appoint an auditor other than the one appointed by the licensee if it deems necessary.

B. Mutual Funds Draft Regulation. The main features of which are:

1. Declaration of the mutual fund's objective to invest its funds in securities in accordance with certain conditions, indicating the activities which the fund is prohibited from performing.
2. The mechanism for establishing and registering the fund by an investment manager licensed to practice investment management activities.
3. The types of fund: an open-end fund with a floating capital and a closed fund with fixed capital.
4. Definition of the tasks that the investment manager and the investment trustee undertake.
5. Definition of the conditions for amending the Articles of Association of the fund and its prospectus.



6. Definition of the rules to be followed for converting a closed fund to an open fund if its articles of association stipulate it.
7. Definition of the cases in which the investment trustee may be changed after receiving the approval of the Board.

C. Draft Regulation on the Investors in Securities Fund. The main provisions of which are:

1. Under this Regulation, a fund shall be established under the name the Investors in Securities Protection Fund . The fund shall be a legal person with financial independence entitled to own movable and immovable assets and to perform all legal acts.
2. Declaration of the objectives of the fund, which are to compensate clients of a financial broker`s for their losses that result from said broker disposing of securities and/or cash owed to them without authorization, in case of the bankruptcy or mandatory liquidation of the financial broker, and raising the awareness of investors in securities.
3. Define the financial resources of the fund and the functions and powers of the Fund`s Board of Directors.
4. Define the upper limit for compensating clients for their losses.

Third: Instructions

A. Instructions Regulating Trading by Financial Services Companies at the Foreign Stock Exchanges

The Instructions were promulgated on 9/10/2017 and came into force on 22/10/2017. The main provisions of these Instructions are the following:

1. Define the conditions for granting the license to perform the activities outlined in these Instructions in foreign stock exchanges.
2. Define what the licensee is prohibited from doing while trading in foreign stock exchanges, and clarifying his obligations.
3. Defining the activities of the investment manager, investment secretary and financial advisor.
4. Requiring the approval of the Commission if the licensee wishes to market or sell non-Jordanian securities within the Kingdom.

B. Corporate Governance Instructions for Listed Companies for the Year 2017

These Instructions were enacted on 22/5/2017 by the Board of Commissioners. Pursuant to these Instructions, the rules of governance shall be mandatory to all companies listed on the financial market. Their main stipulations include:

1. The scope of application of the instructions shall be on shareholding companies listed on the financial market .In the event of a conflict between these Instructions and legislations issued by the Central Bank or the Insurance Administration, in which case the Commission shall be notified to take the appropriate decision.
2. Rules for the formation of the board of directors of a company and the conditions that shall be met by its members.



3. Functions and responsibilities of the company's board of directors.
4. Specifying the standing committees formed by the board of directors of the company, namely the Audit Committee, the Nomination and Remuneration committee, the Risk Committee and the Corporate Governance Committee
5. Matters related to the meetings of the board of directors and general assembly of the company, and clarification of the rights of stakeholders, including the general rights of shareholders and rights within the powers of the general assembly.
6. Specifying disclosure and transparency requirements. The company shall put in place written work procedures in accordance with the disclosure policy adopted by the board of directors and in accordance with the requirements of the supervisory authorities and the legislation in force.
7. Regulating related parties transactions.
8. Obliging companies to prepare a governance report to be included in the annual report.

C. Instructions of Securities' Depository Receipts

The Instructions aimed at organizing the process of issuing depository receipts for securities of Jordanian companies and listing them on foreign markets, in addition to regulating the mechanism of issuing depository receipts for foreign companies and listing them on the ASE. The receipts are considered as an alternative mechanism for dual listing. Receipts are also a flexible instrument of financing that can be used to enhance the base of shareholders of foreign investors.

The most important features of these Instructions:

1. Defining the depository receipts as securities issued by the depository bank, representing securities issued by Jordanian or foreign issuer and traded in securities markets other than those in which the original securities are listed. The owners of these receipts are entitled to all rights decided for the owners of the original securities.
2. The depository bank, which intends to issue depository receipts inside the Kingdom, shall be required to submit to the JSC Board of Commissioners a registration application along with information about the issuance including enough details about the depository receipts, the mechanism of issuing them, the purpose of issuance, the parties participating in the issuance, and the mechanism of issuance and redemption, in addition to a copy of the issuance prospectus, a certified copy of the memorandum of association, the articles of association, the registration certificate of the foreign issuing entity, and the official decisions and approvals for the foreign issuing entity.

D- Instructions of Securities Lending and Borrowing and Short Selling

The Instructions aimed at enhancing investment in the market through regulating the practice of securities borrowing and lending, and the short selling activity of securities in accordance with the most up to date international practices



The most important features of these Instructions include the following:

1. The securities shall be lent and borrowed through a borrowing and lending agent licensed by the JSC and in accordance with a contract that shall be executed by the agent of the contract parties. The contract shall be registered in the records of the Securities Depository Center in the concerned accounts.
2. It is not permissible to lend and borrow securities from the accounts of minors or in their favor or by insiders through the issuer or the subsidiaries and affiliates.
3. Identifying the information that should be included in the agreement which should be signed by the agent of lending and borrowing.
4. Identifying the required cash collaterals against the borrowed securities and the cases in which the borrowing process terminates.
5. Organizing the activity of securities short selling so it shall be limited to selling the borrowed securities.

E. Amendments of the Instructions on Standards and Conditions Required to Auditors Qualified to Audit the Accounts of Entities Subject to the Supervision and Control of the Securities Commission and Registering them in the Register, for the Year 2014. The main provisions of the Instructions are:

1. Adoption of the International Standards on Auditing (ISA) issued by the International Federation of Accountants (IFAC) for the purpose of auditing the accounts of entities subject to the supervision and control of the Commission.
2. Permission for any auditor to apply to the Commission through the Jordan Association of Certified Public Accountants to enter his name in the register of auditors recommended by the Association and approved by the Commission, to audit the accounts of entities subject to the supervision and control of the Commission, and specify the requirements for this.
3. Definition of the conditions to be met by the auditing firm through which the auditor shall audit the entities subject to the Commission's supervision.
4. Determine the issues which the auditor should take into account.
5. Obligate audit teams to observe the Code of Ethics issued by the International Federation of Accountants and any rules of professional conduct approved by the Association.
6. Definition of the measures to be taken by the board if an auditor commits professional errors or violations of the law related to the practice of his profession or violates the provisions of Instructions.
7. Ban any party subject to the Commission's supervision, as of the date of these Instructions came into force, from appointing an auditor who is not registered in the register.
8. Definition of the cases in which the Commission may strike out an auditor from the register.



Fourth: The Securities Commission also issued internal administrative instructions to regulate its work. They include the following:

1. The Executive Instructions of the Financial Regulation for the Securities Commission issued pursuant to the provisions of Article (44) of the Financial Regulation of the Securities Commission No. (25) for the Year 2006 and Article (12/Q) of the Securities Law No. 76 of the year 2002.
2. Code of Conduct for JSC Employees.
3. Instructions for Marking Assets and Transferring Custody for the Year 2017.

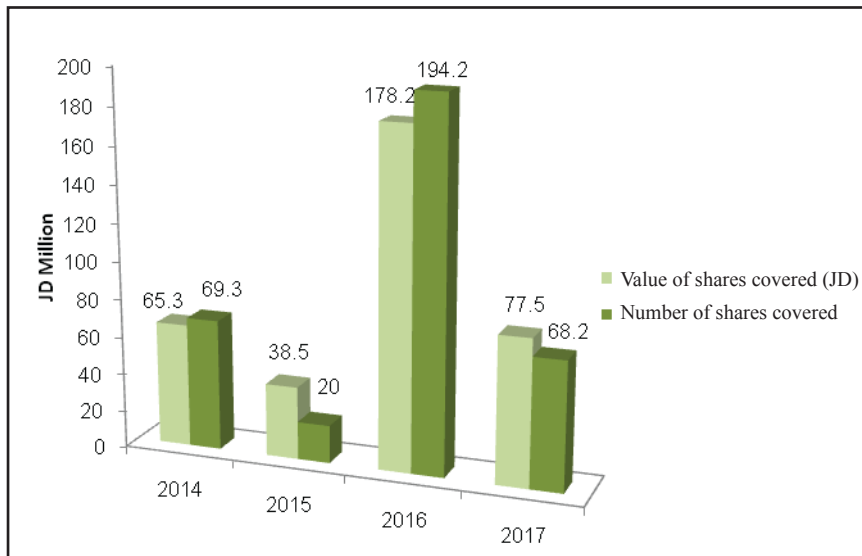
Issuance

The JSC is the official institution authorized to regulate the process of issuing new shares and bonds by public shareholding companies. The issuer of securities must register them with the JSC. This registration is the official documentation of these securities, which are then registered to their owners at the SDC and listed on the ASE for trading. When offering shares for public subscription, the issuer is required by the Securities Law and regulations issued pursuant thereto, to prepare and submit to the JSC a prospectus that contains all information and data that enable the investor to make an informed investment decision. The prospectus is the principal and reliable source of information for investors regarding the securities to be issued. It is also the first disclosure by the issuer. Upon submission of the prospectus to the JSC, the Board of Commissioners may consider it effective if it meets the provisions of the Securities Law and related regulations, the Board may reject the prospectus or deny its effectiveness if it finds that it contains false, inaccurate or misleading data.

During 2017, the JSC approved the issuance of 7 prospectuses distributed as follows: six shares prospectuses, and one Islamic Finance Sukuk prospectus. Three public shareholding companies issued new shares to raise their capital through non -public subscription by certain investors. Shares registered during this year reached 161,274,638 shares, of which 60,674,638 shares were covered at a value of JD 69,974,638 constituting 43.4% of registered shares (Table 1, Annex 1). Four companies covered 7,506,491 shares registered in previous years at a value of JD 7,506,491 (Table 2, Annex1). Shares covered this year reached 68,181,129 with a value of JD 77,481,129.



Diagram (2) Total primary issues for existing public shareholding companies that raised their capital, 2014-2017

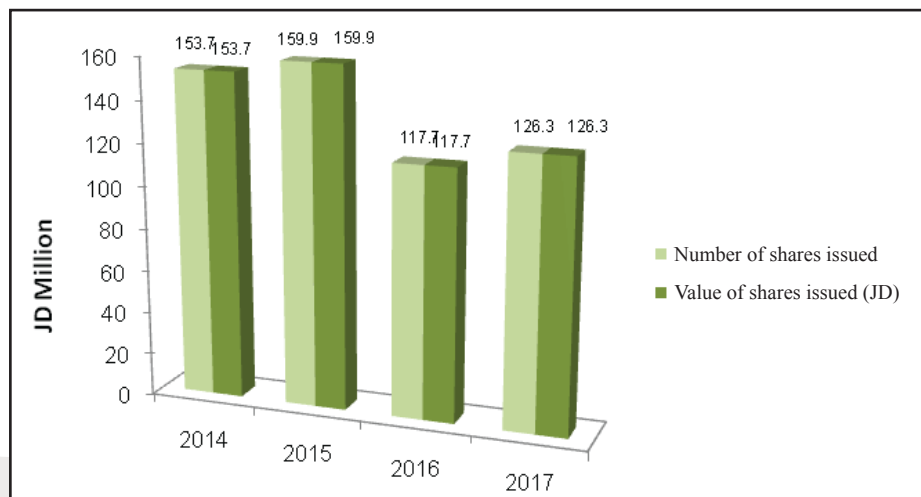


It is worth mentioning that the year 2017 witnessed the establishment of Amman Stock Exchange Company (newly- established) for the first time as a public share holding company owned completely by the Jordanian government at a value of JD 4,774,525 (Table 3, Annex1).

The year 2017 also witnessed the issuance of one Islamic Finance Sukuk. One prospectus became effective and the issuances were completely covered at a value of JD 75 million (Table 4, Annex1).

Eleven companies raised their capital by stock dividends through the capitalization of voluntary reserves and/ or retained earnings and/or issue premium or part thereof. The number of shares issued amounted to 126,297,957 shares at a value of JD 126,297,957 provided that stock dividends are distributed to the company's shareholders as of the end of the 15th day after registering the new shares with the JSC on a pro rata basis (Table 5, Annex1). Fourteen companies decreased their capitals during 2017 with a value of JD 81,776,190 (Table 6, Annex1).

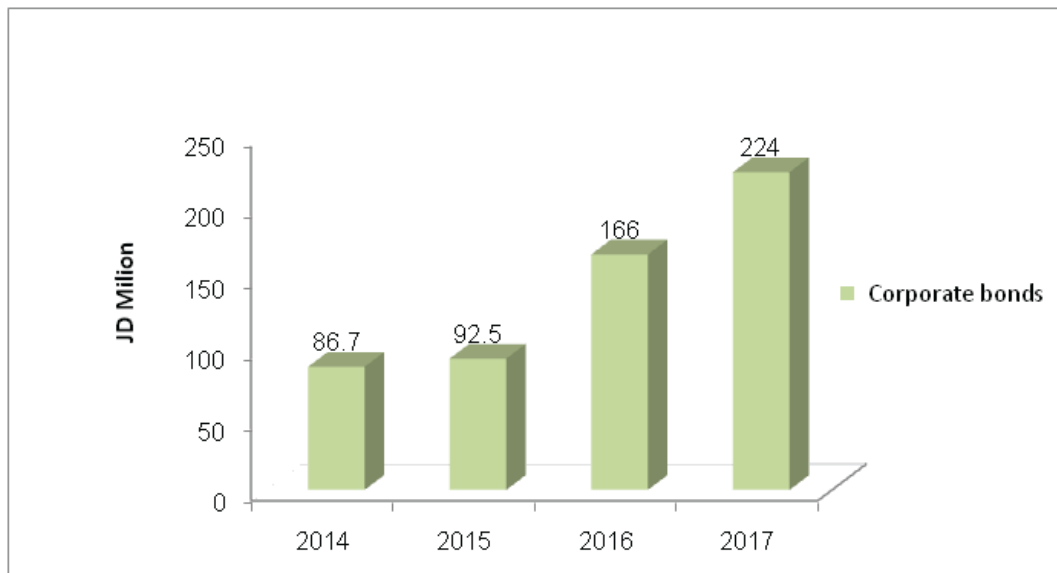
Diagram (3) Raised Capital through capitalization of retained earnings, issue premium, or reserves, 2014-2017





With regard to the issuance of bonds by public shareholding companies in 2017, four issues were registered at a value of JD 262 million of which JD 200 million were covered, (Table 7, Annex1), where JD 24 million of registered bonds in previous years were covered. (Table 8, Annex 1). Total corporate bonds covered in 2017 reached JD 224 million.

Diagram (4) Corporate bonds issued, 2014-2017



The value of bonds and treasury bills issued or guaranteed by the Government reached JD 3,830,971,000 in 2017 (Table 9, Annex 1), and JD 354.5 million in foreign currency (Table 10, Annex 1) . A single issue of the Government's Eurobonds was issued for the first time at a value of JD 708 million.



Diagram (5) Bonds Issued or guaranteed by the Government, 2014-2017



Disclosure

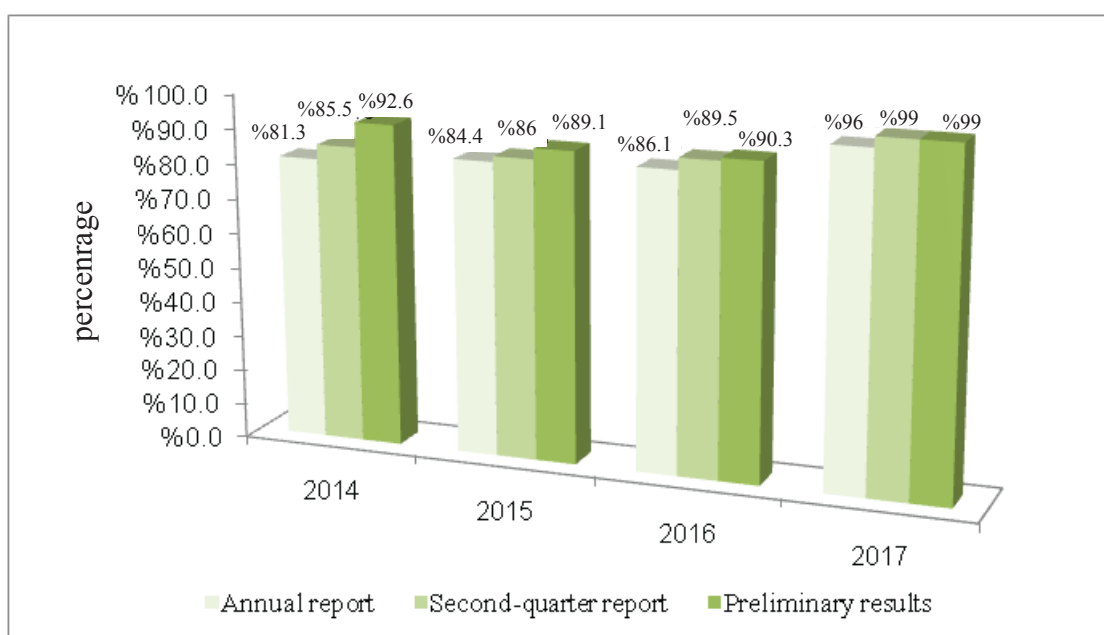
Accurate, preliminary and periodic disclosure, and providing information to investors and the public are fundamental pillars in financial markets, since this information helps achieve fair, transparent, and efficient market. There are a number of stages of disclosure process that issuers need to follow, which are the preliminary disclosure through the prospectus, ongoing disclosure through financial statements, disclosure of material information that affect the prices of securities, and disclosure of dealings by insiders and major investors. The Securities Law and Disclosure Instructions require companies to submit to the Commission their preliminary results not later than 45 days after the end of their fiscal year, their annual reports not later than 90 days after the end of their fiscal year, their quarterly reports within a period not exceeding 30 days from the end of the first quarter of their fiscal year and their semi-annual reports within a period not exceeding 30 days from the end of the first half of their fiscal year, It is worth mentioning that 99% of public shareholding companies submitted their preliminary results within the specified period in 2017, compared with 90.3% in 2016. Compliance with the requirement to provide the JSC with their annual reports within the specified period reached 96% in 2017, compared with 86.1% in 2016, while compliance with the requirement to submit their semiannual reports to the JSC on time reached 99% in 2017, compared with 89.5% in 2016.



Table (5) Compliance of public shareholding companies with the requirement to disclose their periodic reports on time,2014-2017

Periodic reports	2014	2015	2016	2017
Preliminary results	92.6%	89.1%	90.3%	99%
Annual report	81.3%	84.4%	86.1%	96%
Second quarter report (Semi-annual report)	85.5%	86%	89.5%	99%

Diagram (6): Compliance of public shareholding companies with the requirement to disclose their periodic reports on time, 2014-2017



Registration of auditors with JSC

During this year, 17 auditors were registered to be qualified to audit the accounts of entities subject to the JSC supervision in the special record. Four of them were registered in the register of auditors qualified to audit the accounts of entities subject to the JSC supervision except for the public shareholding companies. The registration of two auditors was also written off, and the approval of a transfer request for one of them was granted.



Table(6) Number of registered financial auditors during 2017

No.	Number of registered auditors	Type of registration
1.	4	Registered auditors qualified to audit the accounts of entities subject to the JSC supervision <u>except the public shareholding companies</u>
2.	13	Registered auditors qualified to audit the accounts of entities subject to the JSC supervision

Electronic disclosure using Extensible Business Reporting Language (XBRL)

With the view to strengthen the regulatory and supervisory role of the JSC and enhance the levels of disclosure and transparency in the market, to achieve fairness and integrity and prevent the conflict of interest, the JSC in cooperation with the ASE has placed a tender of the project of the electronic disclosure using Extensible Business Reporting Language (XBRL), which is an international advanced language for disclosure. The application of this system shall facilitate and speed up the process of disclosure of data and the financial and nonfinancial information of the issuing entities in Arabic and in English. The system includes the elements and components that will contribute to the enhancement of transparency through providing the financial data in a faster and more efficient manner to increase accuracy and effectiveness of the process of preparing, analyzing, and publishing the data and financial reports in time to the concerned parties in the market. This will contribute to the enhancement of information needed for informed investment decision and increase the protection and confidence of investors. The application of XBRL will enable the replacement and development of the mechanism of exchanging information and the current reports that are governed by paper work and manual transactions by a more effective system, to guarantee the easiness of exchanging information mechanism between the concerned parties in an electronic manner that will reduce the burden in terms of human efforts and material costs.

The Commission has gone a long way towards implementing the project during the year, starting with awarding the contract to IRIS Business Services LTD, an Indian company specialized in this field. Work started to develop this system with the Indian company through the formation of a steering committee and a technical committee comprising the Commission and the Stock Exchange, in addition to six task forces that worked to define the scope of work (SoW) of the project.



The SoW includes disclosure of periodic financial statements and annual reports as well as non-financial disclosures of material information. The project includes automation of the services provided by the technical departments of issuers and auditors. In addition, financial models and taxonomies of financial statements were created for all sectors of public shareholding companies in cooperation with the big four audit firms. Fifteen models and classifications were prepared, which were characterized by the comprehensiveness of financial items and their similarity to the reality of financial statements of Jordanian public shareholding companies. They also provided all the principal financial statements and financial clarifications in an electronic format that is capable of being analyzed and processed. These models are in line with the International Financial Reporting Standards (IRFS).

Corporate Governance

On 22/5/2017, the Commission issued Instructions on Corporate Governance for Listed Companies for the year 2017. These Instructions were intended to set the rules of governance, replacing the previous governance rules issued by the Commission in 2009, which did not obligate companies to apply most of their rules, but were intended as voluntary ones. The purpose was to introduce the obligations gradually, giving companies enough time to adapt to the principles of governance and to raise awareness and ultimately to reach full compliance.

The Commission updated its governance rules in the new Instructions to be in line with the OECD's new Corporate Governance Principles of 2015, and the reforms required in the World Bank Group's Doing Business Report under the Minority Investor Protection Index. This improved Jordan's rank from 165th in the Doing Business Report 2017 to 146th in the Doing Business 2018 within this index, an improvement of 19 positions from 2017. This will boost confidence in the investment climate in the financial market and in the national economy. In light of the issuance of the Corporate Governance Instructions for Listed Companies, a circular was sent to the companies notifying them of the issuance of the Instructions, which have become mandatory as of the date of their enactment. The circular outlined the scope of application of these Instructions and specified the provisions of the articles regarding which companies were given a period of grace to correct their situation.



Diagram7: Distribution of violations of the Disclosure and Auditing, and Accounting Standards Instructions in 2017

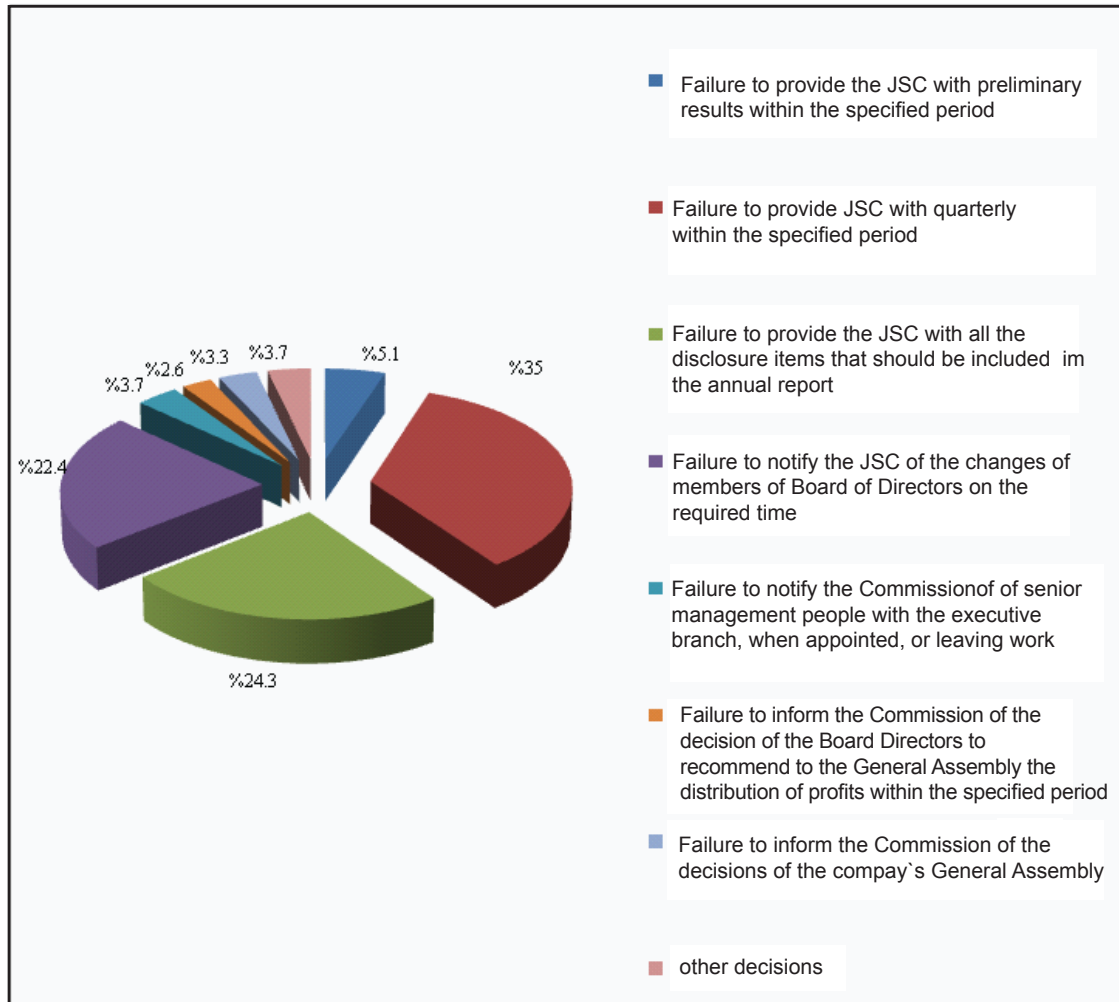
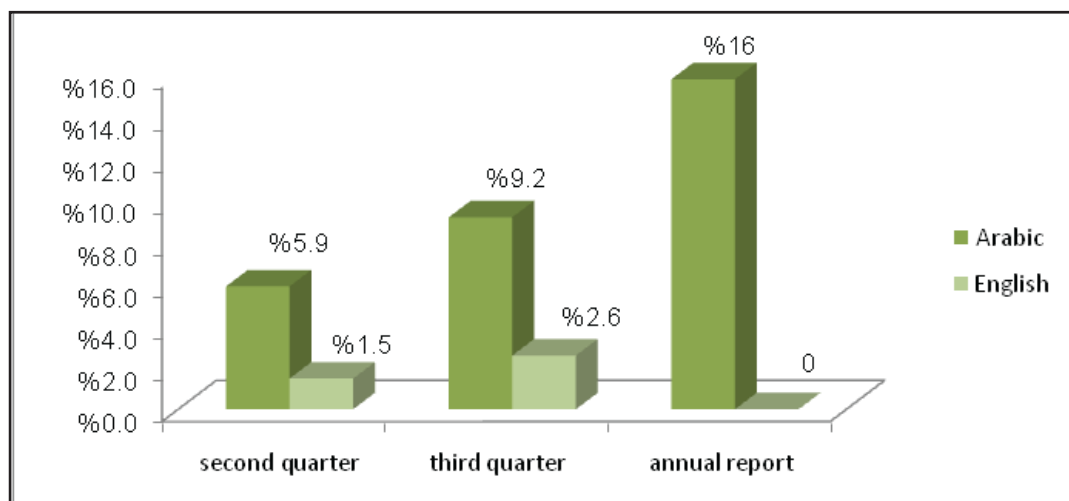


Diagram 8: Percentage of violations of companies in respect of Periodic financial reports for the year 2017





Licensing and Registration

Regulating financial services activities is one of the most important tasks of the JSC, to ensure sound trading in the national capital market and to protect the market and investors in securities. Licenses granted by the JSC include financial brokerage, investment trusteeship, investment management, financial advisory, custodianship, issuance management through best efforts and firm commitment, issuance trusteeship, and margin financing. The Instructions issued by the JSC defined conditions and requirements that should be met by companies to receive licenses from the Commission to perform any of the financial services activities. Regulating the activities of financial services is intended to encourage institutional investment and create competent and responsible financial professionals. The main developments related to licensing and registration during 2017, were as follows:

A. Three licenses were granted to three existing companies to perform financial services activities as follows:

Table7:

No.	Company	License granted	date
1.	Al Maward Financial Brokerage	-Issuance trusteeship	20/2/2017
2.	National Portfolio	-Margin Finance	19/4/2017
3.	Misc for Financial Brokerage	-Broker dealer	24/7/2017

B. Two licenses were granted for the first time to one company to perform financial services activities as follows:

Table (8)

No.	Company	License granted	Date
1.	Administration specialized Co for Investment & Financial Consultation	Issuance management through best effort by financial advisory	20/2/2017



C. Eight licenses granted to five financial services companies were revoked as follows (*):

Table (9)

No.	Company	License granted	License revoked	Date
1.	First Investment Group	Financial Broker Broker dealer - Investment management - Margin financing Investment trusteeship Financial consulting	Margin finance Financial consulting Investment trusteeship	14/11/2017
2.	Global Investment House-Jordan	Financial Broker Broker dealer Margin financing Investment trusteeship Investment management Financial consulting Issuance management through best efforts	Issuance management through best efforts	21/11/2017
3.	Al-Salam for Financial Investment	Financial Broker Broker dealer Margin finance	Margin finance	19/12/2017
4.	Al-Arbieh for Financial Investment	Financial Broker - Broker dealer Margin finance - Investment trusteeship - Financial consulting Issuance management through best efforts - Issuance trusteeship Investment management Custodian	Custodian Investment management	12/12/2017
5.	Al-Mawared Brokerage	Financial Broker Broker dealer - Margin finance Investment trusteeship Financial consulting Investment management Issuance management through best efforts Issuance trusteeship Custodian	custodian	12/12/2017

* licenses were revoked based on companies request



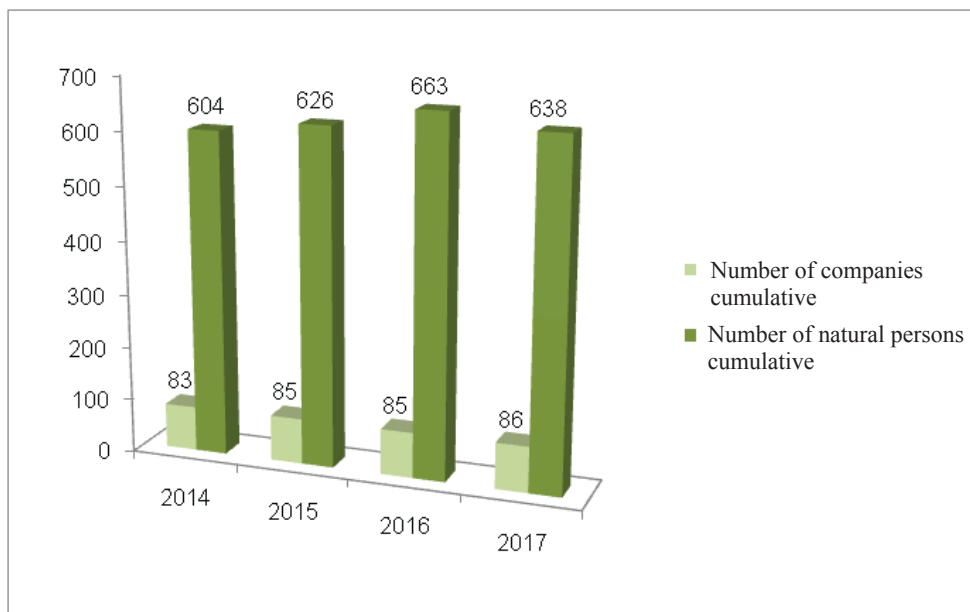
D. Registration for natural persons

The JSC granted 20 registrations to 29 natural persons to perform financial services activities as follows:

Table (10)

Type of registration	No.
Registered financial broker	8
Registered financial advisor	2
Registered investment trustee	1
Registered investment manger	3
Registered custodian	1
Registered issuance manager	8
Registered issuance trustee	6
Total	29

Diagram (8) Number of licenses and registrations renewed to perform financial services (cumulative), 2014-2017





Licensing and regulating the dealings of financial services companies in foreign stock exchanges

In light of the issuance of Regulating Dealings with Foreign Stock Exchanges Law No.1 of 2017, which restricts the practice of dealing with foreign stock exchanges or brokerage in them in favor of third parties to banks and financial services companies; and given that the Law tasked the Securities Commission and the Central Bank of Jordan with issuing the necessary instructions and decisions to implement the provisions of this Law which aims to protect investors, and to encourage and attract investments that may have a positive impact on the domestic financial market. Pursuant to the provisions of Article (5) of the Law; and in fulfillment of the Commission's mandate to regulate and protect the financial market and traders therein from any risks that they may face, the Board of Commissioners issued on 19/10/2017 the Instruction of Regulating the Dealings of Financial Services Companies in Foreign Stock Exchanges, which came into force as of 22/10/2017. Accordingly, 16 licenses were granted to 7 existing companies, to practice financial services activities in foreign stock exchanges.

Table (11) Financial services companies which were granted licenses to practice financial services activities in foreign stock exchanges

No.	Company	License granted	Board of Commissioners date of the decision
1.	The Arab Financial Invstmnt Co. AFIN	Financial broker for the account of others/dealer/ introducing broker/ investment management/ investment trusteeship/ financial advisory	14/11/2017
2.	ABC Investments	Financial broker for the account of others/ dealer/ introducing broker /	14/11/2017
3.	First Investment Group	Financial broker for the account of others/ introducing broker	14/11/2017
4.	Global Investment House /Jordan	Financial broker for the account of others	14/11/2017
5.	Ajiad for Securities	Financial broker for the account of others	4/12/2017
6.	Al Nadwa Financial Service & Invetments	Financial broker for the accountof others/ introducing broker	12/12/2017
7.	EFG Hermes	Introducing broker	12/12/2017



Surveillance

The JSC works through the Surveillance Department on providing a suitable environment to ensure fair and sound trading and provide an appropriate safe investment, Surveillance Department applied the following systems and procedures:

First: The Real-time Surveillance System, (ARAMIS)

The real-time surveillance system, (ARAMIS Surveillance System) was applied on 23/3/2009 coinciding with the launch of the current e-trading system by the ASE. The two systems are part of the development project of the performance of the national capital market institutions that is being implemented in cooperation with the European Union represented by the French company NYSE Euronext. The project consists of a real-time surveillance system and a new e-trading system with specifications compatible with the future objectives of the national capital market, in addition to linking the SDC database directly with the new e-trading system. The ARAMIS Surveillance System is considered as one of the globally recognized systems implemented in more than one financial market worldwide. It has potentials that allow the staff of the Surveillance Department to monitor trading whether before the start of the trading session, during the session, and up to its end. The system comprises a number of screens that contain information about trading contracts and the names of the brokers executing such contracts and keep track of any movement that might have an adverse impact on trading operations. It also provides a database of all companies, including members of the boards of directors of all public shareholding companies, key shareholders and their capital, as well as taking screenshots.

Second: The GL e-trading system

The Department also uses the new version of GL e-trading System that was launched by the ASE in 2009, with the advantage of longer trading periods than the previous version. A pre-close trading period was added, which was developed to prevent any influence on closing prices. The System was directly linked to the SDC database. A mechanism was adopted to extract reports from historic records in the database using the Business Object Software that allows the design of the report in accordance with the required information.

Third: Linkage with the SDC Systems

The Surveillance Department is also linked through the SDC's system to enable it to complete its work properly. The system provides the names of persons who trade in securities and the number of securities owned by traders in the market. The system is also linked directly with the Civil Status and Passports Department database which allows the Surveillance Department to recognize relatives of persons trading in the market. In addition, the system displays reports of the largest transactions, as well as other reports to help complete the process of surveillance such as tracking the trading of investors groups.

Fourth: The use of a special electronic system developed by the IT Department at the JSC, where all data related to the daily trading is downloaded into the system from the Securities Depository Center. The most prominent uses of this system include the following:

- Allowing post surveillance of trading in shares of companies listed on the ASE.



- Following-up the trading transactions of members of the boards of directors of public shareholding companies, general managers, financial managers, and the insiders in these companies and their relatives.
- Identifying insiders who violate the decisions of the Board of Commissioners relating to the suspension of their trades in the shares of their companies and their affiliate companies.
- The system contains names and data available at the Civil Status and Passports Department so as to know the relatives of the insiders and to classify them in groups to be entered by the Department staff to extract reports on the trading of these groups.
- The system has been equipped with a special screen that allows the staff to enter the violations notices issued by the Department, as well as the measures taken against the violators (Department Measures Register).
- The system has been provided with a screen to monitor the central risks, where it allows access to all receivables arising from the customers' accounts (cash and margin) with the brokerage firms and the market values of their portfolios.

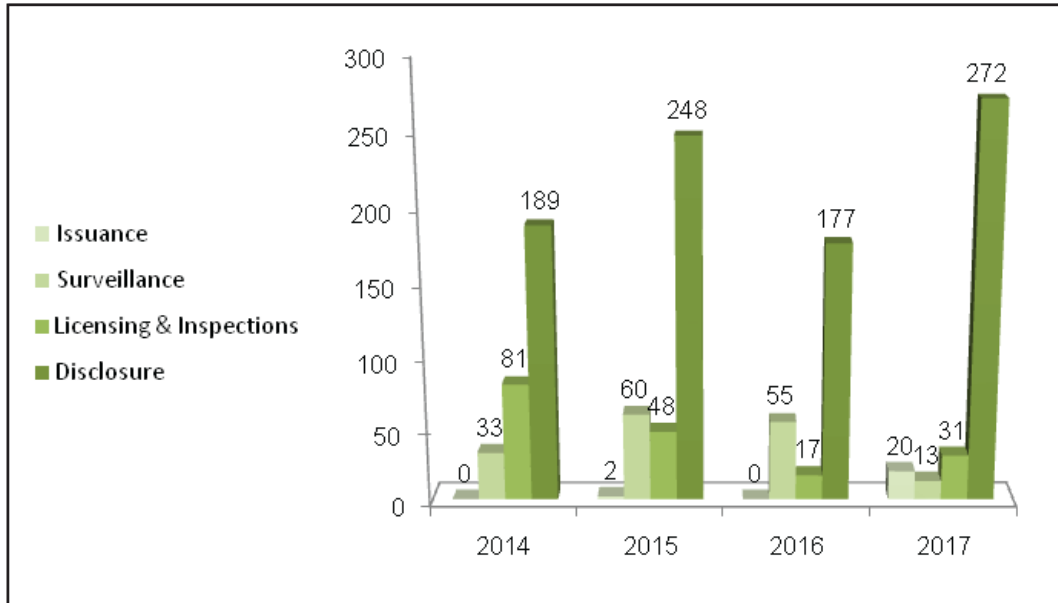
Also, the department performs the following tasks to achieve its goals:

- a. Ensuring that trading is undertaken in accordance with laws, regulations, and instructions in force.
- b. Monitoring news, articles and studies published in the media. The transactions of parties that publish these articles and studies are analyzed to ensure that there are no personal motives, and that the media are not being used for promotion or to realize private gains at the expense of the public. In addition, the Department monitors disclosures and news of listed companies and analyzes trading activities during the periods preceding and following these disclosures particularly trading by insiders, to ensure that they do not use inside information which they access by virtue of their position or job to achieve personal gains.
- c. Examining price fluctuations during trading session in comparison with fluctuations in previous sessions. In case of a noticeable increase or decrease in the price of a security, disclosures received from the issuing company are studied. In the absence of disclosures that justify this price variation, the Commission addresses the issuing company requesting any information or material events that may be behind this change. The company's response is then made public to ensure fairness among traders and to provide all available information and data to enable investors to make their investment decisions based on accurate information.
- d. Preparing studies on historical trades in companies' shares and traders especially those who are members of the boards of directors, and major shareholders, in addition to the companies' historical prices, the nature of their activities, and their main financial indicators.
- e. Preparing daily trading reports on volumes of trading, price variations, most actively traded companies and the largest price fluctuations. These figures are compared with those of the previous days. Reports also include details of large transactions and indices of Arab and foreign stock exchanges compared with ASE indices.



Diagram (10)

Violations issued by the Board of Commissioners distributed by the JSC Departments, 2014-2017



Supervision on the capital market institutions

According to the Securities Law, the ASE and SDC are subject to the supervision of the JSC. It monitors the work of these institutions through the Capital Market Institutions Monitoring Department.

A.The Amman Stock Exchange (ASE)

The Capital Market Institutions Monitoring Department ensures that the ASE monitors trading, supervises its members, and ensures that members of the ASE Board of Directors and executive administration exercise their authority in accordance with the Law and related regulations. The Board of Commissioners also studies the decisions of the ASE Board on regular basis.

ASE Performance in 2017:

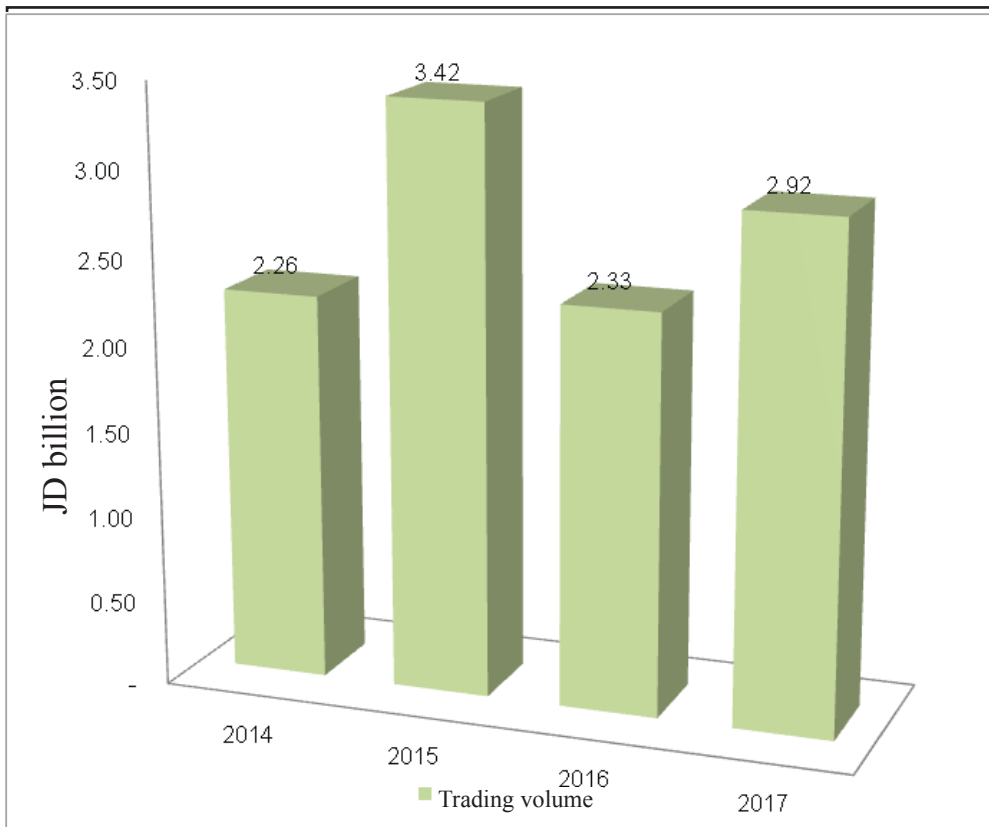
The ASE witnessed an increase during 2017 despite that it is still affected by the repercussions of the surrounding regional political unrest and the circumstances experienced by the national economy.

Trading volume at ASE in 2017 reached JD 2.92 billion, compared with JD 2.33 billion, a rise of 25 %.

Number of shares traded in 2017 reached 1.71 billion shares executed through 717.5 thousand contracts compared to 1.83 billion shares in 2016 executed through 786.2 thousand contracts, a decrease of 6.6 %



Diagram (11): Trading Volume, 2014-2017



The share weighted price index by market capitalization has witnessed a slight decline during the year 2017, compared to the performance during the previous year to close at 4009.4 points compared to 4069.7 in 2016, with a decline rate of 1.48 %.

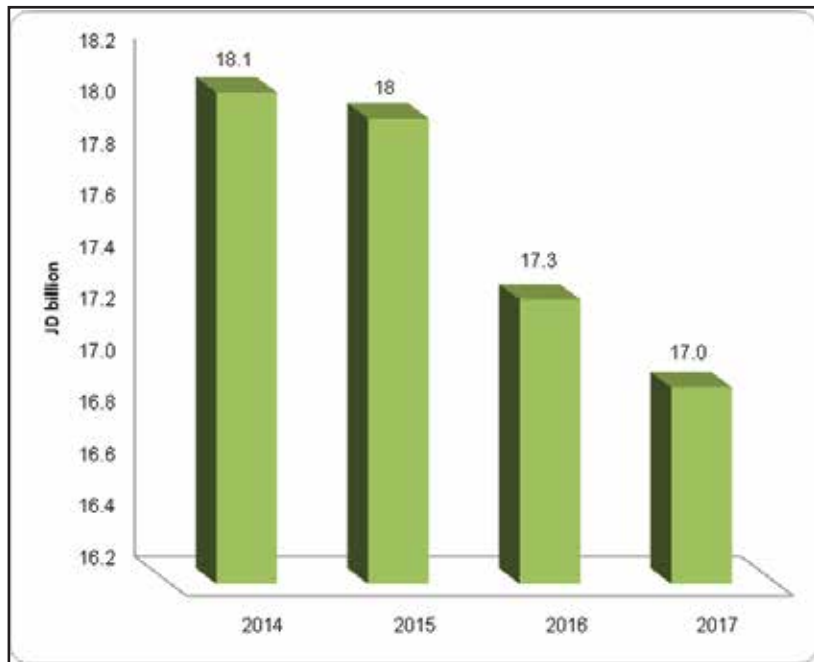
Diagram (12) : Weighted Price Index by Market Capitalization, 2000- 2017



Shares traded turnover, which reflects the number of shares traded to the total number of shares listed reached 25.7% in 2017, compared with 27.7% in 2016. Market capitalization of shares listed on the ASE reached JD 16.96 billion in 2017, compared to JD 17.34 billion in 2016, a drop of 2.2% constituting a percentage of 61.8 % of the GDP.

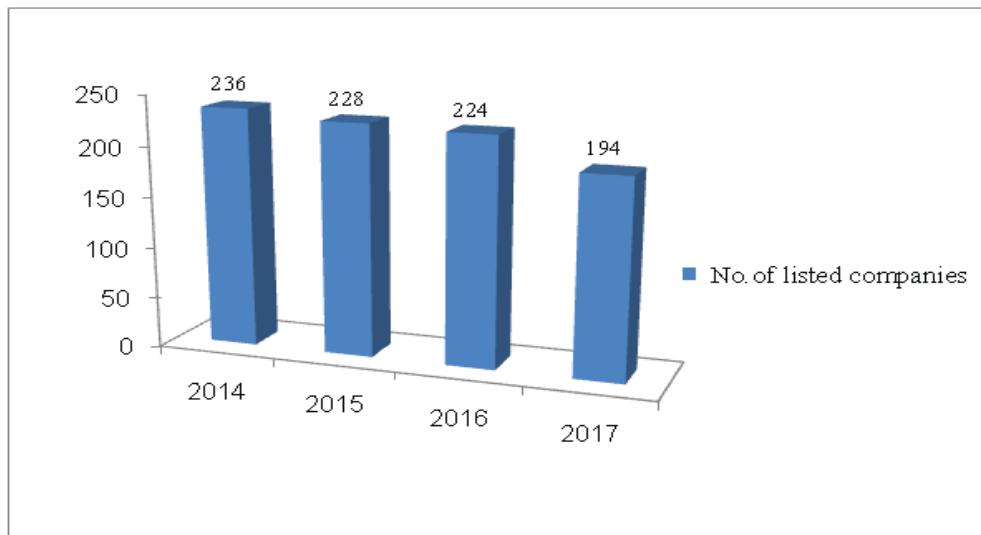


Diagram (13): Market Capitalization of the ASE, 2014-2017



Number of listed companies declined to 194 in 2017, compared with 224 in 2016.

Diagram (14): Number of listed companies on the ASE, 2014-2017



Ownership by non-Jordanians at the ASE decreased to 48.13 % in 2017, compared with 49.6% at the end of 2016. Net investments by non-Jordanians decreased by JD 334.3 million in 2017, compared with an increase of JD 237.1 million in 2016.



Unlisted Companies Market:

Shares traded at this market in 2017 reached 106.7 million shares with a value of JD 24.84 million executed through 43 companies whose shares has been traded.

B. Securities Depository Centre (SDC):

The Securities Depository Centre is entitled to register, deposit, safe keep, and transfer securities ownership. The Capital Market Institutions Monitoring Department supervises the SDC to ensure that it performs its activities in accordance with the Law and related regulations and to verify that SDC Board members and executive management are executing their duties and authority in accordance with rules and legislations in force. The JSC Board of Commissioners also reviews decisions of the SDC Board on regular basis.

The total shares issued by public shareholding companies registered with the SDC at the end of 2017 reached 7.6 billion shares with a market value of JD 17.40 billion. The number of shareholders depositing at the SDC reached 577,899 shareholders out of a total number of 674,832 shareholders of public shareholding companies, making a percentage of 85.6 % of the total number of shareholders.

In addition, the SDC publishes on its website the ownerships of members of the boards of public shareholding companies, as well as the daily trading of these members, in addition to the ownership of shareholders who own 1% or more in any public shareholding company. It also publishes financial ratios and corporate actions, in addition to e-services including accounts viewing, electronic public offering, and the members services which include e-mail services, members area, and web services for extracting trading statistical data.

JSC's Electronic Systems

To enhance the performance of the JSC and the national capital market institutions and in order to strengthen the work performance and the safe environment, 2017 has witnessed the implementation of a number of projects included in the JSC's plan, and the completion of several projects successfully, as listed below:

First: Project for Electronic Transactions and Workflow Tracking System

In order to facilitate ,expedite, and raise the efficiency of the flow of data and information and internal and external correspondence, and to reduce paper consumption through the transition to an electronic and paperless environment, the Commission completed activation and trial application of all systems that are part of the project for Electronic Transactions and Workflow Tracking System. This system runs in parallel with the normal work environment, and presently, improvements proposed by the Commission's departments, which became evident during the trial period are being implemented. The project consists of the following systems:



- **DIWAN and Electronic Correspondence System:**

This system aims at controlling and organizing transactions by automating, managing and tracking them and the documents they contain using an electronic register that works in accordance with clear and organized rules in order to facilitate the transactions of the Commission and ensure the fast delivery of transactions to the competent authority on the day of their receipt or issuance.

- **INTRA internal website:**

This system provides a range of services such as electronic application for leave of absence or a holiday, disclosure of details of the salary for the employee, inquiries about the balance of holiday leave, and communication and interaction between employees through dissemination of news about social events and activities.

- **Issuance Department Business Automation System:**

This system has defined all the processes that take place within the Issuance Department from the moment of starting the process till the end of it, which facilitates the process of implementation and follow-up.

- **Boards of Commissioners Management System:**

This system allows management of sessions of the Board of Commissioners, which includes scheduling meetings, agendas, the main decisions taken, and facilitating the process of registering and following-up on the implementation of decisions.

Second: The Commission Website

In order to develop the Commission's electronic services and provide interactive electronic services, the Commission launched a tender for the design and construction of a new website. The contract was awarded to a specialized company that operates on the national level, and work is underway to develop the new website, which is expected to be launched in the first quarter of 2018. It will be used to publish decisions of the Board of Commissioners, reports, press releases and legislations related to companies disclosures.

Third: Monitoring the Commission's technical infrastructure:

The Information Technology Department inspects the main servers that host the Commission's electronic systems on a daily basis to ensure the safety of their work environment and to avert any technical malfunction that would disrupt the services provided. In addition, backup copies of data are checked, and the volume and operation of backup copies are noted to be able to fall back on them if the need arises. The Department also ensures the safety of the Commission's computer network to ensure the effectiveness of the safety systems used to protect the Commission from hacking.

Forth: Providing the technical support for the electronic systems and for the employees of the JSC:

This is done through providing the technical support for the implementation of the electronic systems applied at the JSC which include the Surveillance System, Licensing System, the Electronic Inspection System, the Risk Centralized System, the System of Measures Taken by the JSC, and the Capital Adequacy System, in addition to the technical support offered to the JSC staff through addressing technical problems related to computers, printers, scanners, e-mail, internet services, and the electronic devices



Fifth:

Future Projects:

- A tender project for a wireless network.
- A tender project to buy and develop servers.
- A tender project to develop and update the computer network and the devices needed for the network protection.
- A tender project to purchase desktop computers.
- A tender project to purchase a new system of withdrawing backup copies.

Local, Arab, and international communication

During 2017, the Commission continued to communicate with all relevant sectors of the local, Arab and international community concerned with the capital markets. Its main activities included the following:

- During the period 5-8/2/2017, the Commission received experts from the International Monetary Fund (IMF) on a field visit to the Commission to complete implementation of the technical assistance program required in the field of combating money laundering and financing terrorism. This visit was in follow-up to previous visits.
- On 2/3/2017, the Commission received a student delegation from Thunderbird School of Global Management in USA, as part of their visit to a number of companies and financial institutions in Jordan to learn about the work of the Commission and their desire to open new horizons for their partnership outside the United States.
- On 6/5/2017, the Commission held a ceremony to honor public shareholding companies with an outstanding performance in 2016. The event was organized in cooperation with the Companies Control Department and the Jordan Investors in Securities Association. This initiative aimed to highlight the companies that made profits in 2016, and companies that worked to correct their financial situation and whose shares resumed trading on the ASE.
- On 12/12/2017, the Commission received a student delegation from the Department of Finance and Banking at Al-Balqa' Applied University (BAU) to acquaint them with achievements and legislative developments of capital market institutions.

The Commission also continued its efforts to deepen interaction and cooperation with regulatory bodies and Arab and international institutions and organizations in order to serve its regulatory objectives in enhancing investor protection and upgrading the national capital market in accordance with international best practices and standards. In this context, the Commission signed a memorandum of understanding (MoU) with the Financial Services Board of South Africa to create a practical framework for cooperation and the exchange of information and experience, to help enhance investor protection and develop legislative and regulatory frameworks and standards in the capital markets of the two countries. The Commission also signed an MoU with the International Finance Corporation (IFC) with the aim of cooperating in the issuance of green bonds.



In addition, the Commission held a number of specialized training courses, seminars and workshops which were as follows:

- A training course was held on 3/1/2017 entitled "Implementation of International Auditing Standards on Auditors' Report on Listed Companies" for the Companies Control Department and the national capital market institutions under the supervision of the Commission's financial advisor Dr. Rafiq Dweik.
- XBRL Training workshop was held on 26/2/2017 on XBRL's electronic disclosure system for national capital market institutions and representatives of audit firms, provided by IRIS, the developer of this system.
- A workshop entitled "Issuance and Listing of Depositary Receipts" was held on 30/5/2017, to raise awareness of the possibility of benefiting from the issuance and listing of the depositary receipts of Jordanian public shareholding companies in foreign stock exchanges. The workshop was organized in cooperation with Al Mawarid Financial Brokerage Company and in partnership with the London Stock Exchange LSE, Deutsche Bank, and the ASE. It was attended by the Director of Commercial Affairs at the Financial Services Institute of the British Government's International Trade Department Salim Qawadri, a number of experts from the LSE, senior managers and employees of the capital market institutions, as well as a number of major investors, brokerage firms, and financial services companies and the media.
- A training program was held on 30/7/2017 for training and qualifying issuance managers and trustees in financial services companies. The program was in preparation for the accreditation of issuance managers and trustees by the Commission after successfully completing the training course and passing the exam scheduled according to the prescribed rules.
- An advanced training program was held in the period 31/10-2/11/2017 under the title "Islamic Finance Qualification (IFQ)" organized by the Union of Arab Securities Commissions with the participation of a group of employees in Islamic finance at supervisory bodies, capital markets, banks, brokerage companies and different financial institutions Interested in Islamic finance instruments. The program aimed to provide participants with the legal knowledge and professional skills needed in the international financial and banking sector, with focus on issues related to Sukuk.
- A specialized training program was held on the criteria of the King Abdullah II Award for Excellence in Government Performance and Transparency for the Eighth Session (2016-2017) in the period 19-20 / 11/2017 for employees of the Commission in cooperation with the King Abdullah II Center for Excellence.

The Commission enhanced its presence on the Arab and international arena through participating in different activities and meetings, and strengthening cooperation with capital market institutions abroad to be acquainted with the latest practices and standards in the field of capital markets and benefit from their experiences. The following table shows the Commissions' participation on the Arab and International level:



Table No.(12) The following table shows the Commission's participation on the Arab and International level:

No.	Event	Place	Period
1.	A conference held by the World Bank and the International Monetary Fund for officials in financial ministries, central banks, Investment funds and financial markets supervision authorities in Arab countries	Abu Dhabi/ United Arab Emirates	25-26/1/2017
2.	The Annual Meeting of Africa and Middle East Committee(AMERC)	Abu Dhabi/United Arab Emirates	14-15/2/2017
3.	The 11th Annual Meeting of the Union of Arab Securities Authorities	Tunisia	12/3/2017
4.	The Annual Meeting for Growth and Emerging Markets Committee (GEM)	Colombo/ Sri Lanka	20-21/9/2017

Roadmap for development of the National Capital Market

In Cooperation with the European Bank for Reconstruction and Development (EBRD), the JSC has reached an action plan and a roadmap towards enabling market development. The Capital Market Development Strategy and Roadmap focuses on assisting the JSC in upgrading its legal and technical frameworks, enhancing fixed income instruments market, training capital market institutions staffs, enhancing corporate governance compliance mechanisms, demutualization of the ASE, and implanting best practices and standards in the market. The Roadmap includes comprehensive recommendations that cover all aspects of the capital market and related national institutions. The plan states appropriate description for each recommendation and clarifies the effect of the recommendation on the short and the medium terms, Pursuant to a decision by the Prime Minister, a higher national committee was formed headed by the Chairman of the Commission and comprising officials from the agencies concerned with the implementation of the Road Map, which are mainly the Securities Commission, the Central Bank of Jordan, the ASE, the SDC, the Companies Control Department, the Income Tax Department and the Financial Services Companies Association. Prior to the approval of the plan in its final form, and in line with its participatory approach, the Commission published the draft plan, inviting opinions, observations and suggestions from all partners, stakeholders in the national capital market, and the public. The purpose of this was to enrich the plan and achieve the Commission's strategic objectives of improving the market, enhancing its competitiveness and confidence in it and in the investment climate in the securities sector, and protect it from potential risks by developing the technical and regulatory frameworks of the market according to the up to date international standards and practices, working to develop procedures that attract domestic and foreign investment, exempting institutional investment from taxes, and building the capacity of the Securities Commission by enhancing its authority, enabling it to recruit and retain staff of high competence.

It is worth mentioning that prior to the preparation of the Roadmap, the JSC had requested the assistance of the EBRD to conduct a detailed diagnostic report identifying the status in the national capital market and present its recommendations to enhance the efficiency and integrity of the market.



Financial Statements

Jordan Securities Commission
Legal entity with financial and administrative independence
Amman-The Hashemite Kingdom of Jordan

Financial Statements and
Independent Auditor's Report
for the year ended December 31, 2017

Jordan Securities Commission
Legal entity with financial and administrative independence
Amman-The Hashemite Kingdom of Jordan

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Independent Auditor's Report

To Messrs. Jordan Securities Commission
Legal entity with financial and administrative independence
Amman-The Hashemite Kingdom of Jordan

Opinion

We have audited the financial statements of **Jordan Securities Commission (Legal entity with financial and administrative independence)**, which comprise the statement of financial position as at December 31, 2017, and the statements of revenues and expenses, changes in equity and cash flows for the year then ended, and notes to the financial statements comprising significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects of the financial position of the Commission as at December 31, 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Center in accordance with the International Ethics Standards Board for Accountant's Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

Reference to note (7) of the financial statement included in the property and equipment item, a land and building with a cost of JD 3,167,240, which represent the Jordan Securities Commission share of 47% ownership of the common building that accommodate Jordan Securities Commission, Amman Stock Exchange and Securities Depository Center. The building and the land are registered under Jordan Securities Commission name.

Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Commission ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Center or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.



Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Talal Abu-Ghazaleh & Co. International

**Mohammad Al-Azraq
(License No. 1000)
Amman on March 25, 2018**



Jordan Securities Commission
Legal entity with financial and administrative independence
Amman-The Hashemite Kingdom of Jordan

Statement of financial position as at December 31, 2017

	Notes	2017	2016
		JD	JD
ASSETS			
Current Assets			
Cash and cash equivalents	3	2,709,074	4,597,336
Accrued uncollected revenues	4	56,914	82,989
Other debit balances	5	126,539	141,445
Financial assets at amortized cost - current portion	6	22,284	22,284
Ministry of Finance receivable		1,946,417	-
Total Current Assets		4,861,228	4,844,054
Non-Current Assets			
Financial assets at amortized cost	6	145,914	166,823
Property and equipment	7	1,793,000	1,662,646
Total Non-Current Assets		1,938,914	1,829,469
TOTAL ASSETS		6,800,142	6,673,523
LIABILITIES AND EQUITY			
Current Liabilities			
Other credit balances	8	800,142	600,568
Total Current Liabilities		800,142	600,568
Equity			
Reserve for property and equipment (capital)		6,000,000	6,000,000
Retained surplus		-	72,955
Total Equity		6,000,000	6,072,955
TOTAL LIABILITIES AND EQUITY		6,800,142	6,673,523



Jordan Securities Commission
Legal entity with financial and administrative independence
Amman-The Hashemite Kingdom of Jordan

Statement of revenues and expenses for the year ended December 31, 2017

	Notes	2017	2016
		JD	JD
REVENUES			
Trading commissions		2,951,713	2,344,588
Securities registration fees		438,042	580,852
Securities listing fees		430,120	443,955
Companies licensing fees		216,375	208,300
Financial penalties		118,286	239,131
Other revenues, net	9	7,033	22,831
Total revenues		4,161,569	3,839,657
EXPENSES			
Administrative expenses	10	(3,107,986)	(3,166,702)
Surplus		1,053,583	672,955

Jordan Securities Commission
Legal entity with financial and administrative independence
Amman-The Hashemite Kingdom of Jordan

Statement of changes in equity for the year ended December 31, 2017

	Reserve for property and equipment (capital)	Retained surplus	Total
	JD	JD	JD
Balance as at January 1, 2016	6,000,000	657,810	6,657,810
Surplus	-	672,955	672,955
Transferred to Ministry of Finance	-	(1,257,810)	(1,257,810)
Balance as at December 31, 2016	6,000,000	72,955	6,072,955
Surplus	-	1,053,583	1,053,583
Transferred to Ministry of Finance	-	(1,126,538)	(1,126,538)
Balance as at December 31, 2017	6,000,000	-	6,000,000



Jordan Securities Commission
Legal entity with financial and administrative independence
Amman-The Hashemite Kingdom of Jordan

Statement of cash flows for the year ended December 31, 2017

	2017	2016
	JD	JD
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus	1,053,583	672,955
Adjustments for:		
Depreciation	151,015	155,505
Doubtful accrued revenues and employees loans	3,942	1,476
Recovery of provisions	-	(18,706)
Bank interest	-	(796)
Loss on sale of property and equipment	610	1,675
Changes in operating assets and liabilities:		
Accrued uncollected revenues	23,609	215,958
Other debit balances	14,906	(42,513)
Ministry of Finance receivable	(1,946,417)	-
Other credit balances	(49,152)	14,138
Net cash from operating activities	(747,904)	999,692
CASH FLOWS FROM INVESTING ACTIVITIES		
Bank interest received	-	796
Financial assets at amortized cost	19,433	48,853
Purchase of property and equipment	(33,754)	(25,525)
Proceed from sale of property and equipment	501	800
Net cash from investing activities	(13,820)	24,924
CASH FLOWS FROM FINANCING ACTIVITIES		
Transferred to Ministry of Finance	(1,126,538)	(1,257,810)
Net cash from financing activities	(1,126,538)	(1,257,810)
Net change in cash and cash equivalents	(1,888,262)	(233,194)
Cash and cash equivalents - beginning of year	4,597,336	4,830,530
Cash and cash equivalents - end of year	2,709,074	4,597,336
Non-cash transactions		
Value of projects under progress recorded according to tender and future liabilities provision	248,726	148,943



Jordan Securities Commission
Legal entity with financial and administrative independence
Amman-The Hashemite Kingdom of Jordan

Notes to the financial statements

1. Legal status and activities

- The Commission (JSC) was established on May 15th, 1997 as a legal entity with financial and administrative independence according to the Securities Temporary Law number (23) for the year 1997, which was superseded by with the Securities Temporary Law number (76) for the year 2002, which then supersede by Securities Commission Law number (18) for the year 2017.
- JSC's main objectives are:
 - Protecting investors of securities.
 - Organizing and developing the capital market to ensure justice, efficiency, and transparency.
 - Protecting the capital market from risks that it could be exposed to.
- Financial statements were approved by the JSC's Board of Commissioners in its meeting held on March 25, 2018.

2. Basis for preparation of financial statements and significant accounting policies

– **Financial statements preparation framework**

The financial statements have been prepared in accordance with International Financial Reporting Standards

– **Measurement bases used in preparing the financial statements**

The financial statements have been prepared on the historical cost basis except for measurement of certain items measured at bases other than historical cost.

– **Functional and presentation currency**

The financial statements have been presented in Jordanian Dinar (JD) which is the functional currency of the entity.

– **Using of estimates**

- When preparing of financial statements, management uses judgments, assessments and assumptions that affect applying the accounting policies and carrying amounts of assets, liabilities, revenue and expenses. Actual result may differ from these estimates.
- Change in estimates shall be recognized in the period of the change, and future periods if the change affects them.
- For example, estimates may be required for doubtful and bad debts, useful lives of depreciable assets, provisions, and any legal cases against the entity.

– **Financial instruments**

Financial instrument is any contract that results a financial asset of one entity and financial liability or equity instrument of another entity.

– **Financial assets**

- A financial asset is any asset that is:
 - (a) Cash; or
 - (b) An equity instrument of another entity; or
 - (c) A contractual right to receive cash or another financial asset from another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the entity; or
 - (d) A contract that will or may be settled in the entity's own equity instruments.
- Financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset



- All recognized financial assets are subsequently measured either at amortized cost or fair value, on the basis of both:
 - (a) The entity's business model for managing the financial assets.
 - (b) The contractual cash flow characteristics of the financial assets.
- A financial asset is measured at amortized cost if both of the following conditions are met:
 - (a) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
 - (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- All other financial assets are subsequently measured at fair value.
- A gain or loss on a financial asset that is measured of fair value and is not part of a hedging relationship is recognized in profit or loss unless the financial asset is an investment in an equity instrument and the entity has elected to present gains and losses on that investment in other comprehensive income.

Cash and cash equivalents

- Cash comprises cash on hand, current accounts and demand deposits with banks.
- Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade receivables

- Trade receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.
- Trade receivables are stated at invoices amount net of allowance for doubtful receivables which represents the collective impairment of receivables

Loans receivable

- Loans receivable are non derivative financial assets with fixed or determinable payment that are not quoted in an active market.
- Loans receivable are stated at granted amounts less any allowance for doubtful loans which represents the collective impairment of loans.
- A simple credit interest is calculated on the housing loans granted to the employees with a yearly rate of 5%, and simple debit interest is also calculated on the settled housing loans granted principles' installments with a yearly rate of 5%. The difference between the credit and debit interest is part of the granted loan.

Impairment of financial assets

- Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each year.
- The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets. The amount of the impairment loss shall be recognized as loss.

Financial liabilities

- A financial liability is any liability that is:
 - (a) A contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity; or
 - (b) A contract that will or may be settled in the entity's own equity instruments.
- Financial liabilities are initially recognized at fair value plus transaction costs, directly attributable to the acquisition or issue of those liabilities, except for the financial liabilities classified as at fair value through profit or loss, which are initially measured at fair value.
- After initial recognition, the entity measures all financial liabilities at amortized cost using the effective interest method, except for financial liabilities at fair value through profit or loss which are measured at fair value and other determined financial liabilities which are not measured under amortized cost method.
- Financial liabilities at fair value through profit or loss are stated at fair value, with any resulting gain or loss from change in fair value is recognized through profit or loss.



– **Trade payables and accruals**

Trade payables and accruals are liabilities to pay for goods or services that have been received or supplied and have been either invoiced or formally agreed with the suppliers or not.

– **Related parties**

- Transactions with related parties represent transfer of resources, services, or obligations between related parties.
- Terms and conditions relating to related party transactions are approved by management.

– **Property and equipment**

- Property and equipment are initially recognized at their cost being their purchase price plus any other costs directly attributable to bringing the assets to the location, and conditions necessary for them to be capable of the operating in the manner intended by management.
- After initial recognition, the property and equipment are carried in the statement of financial position, at their cost less any accumulated depreciation and any accumulated impairment. Land is not depreciated.
- The depreciation charge for each period as an expense. Depreciation is calculated on a straight line basis, which reflects the pattern in which the assets' future economic benefits are expected to be consumed over the estimated useful life of the assets using the following rates:

Category	Rates
	%
Building	4
Office equipment	10
Computer softwares and hardwares	33.33
Vehicles	10
Furniture	10

- The estimated useful lives are reviewed at each year-end, with the effect of any changes in estimate accounted for on a prospective basis.
- The carrying values of property and equipment are reviewed for impairment when events or changes in the circumstances indicate the carrying value may not be recoverable. If any such indication of impairment exists, impairments losses are calculated in accordance with impairment of assets policy.
- On the subsequent derecognition (sale or retirement) of the property, and equipment, the resulting gain or loss, being the difference between the net disposal proceed, if any, and the carrying amount, is included in profit or loss.

– **Impairment of assets**

- At each statement of financial position date, management reviews the carrying amounts of its assets to determine whether there is any indication that those assets have been impaired.
- If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any, being the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of asset's fair value less costs to sell and the value in use. The asset's fair value is the amount for which that asset could be exchanged between knowledgeable, willing parties in arm's length transaction. The value in use is the present value of the future cash flows expected to be derived from the asset.
- An impairment loss is recognized immediately as a loss.
- Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but the increased carrying amount due to reversal should not be more than what the depreciated historical cost would have been if the impairment had not been recognized in prior years. A reversal of an impairment loss is recognized immediately as income.



– Provisions

- Provisions are present obligations (legal or constructive) resulted from past events, the settlement of the obligations is probable and the amount of those obligations can be estimated reliably. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the statement of financial position date.
- Provisions reviewed and adjusted at each statement of financial position date. If outflows, to settle the provisions, are no longer probable, reverse of the provision is recorded as income.
- End of service indemnity provision is calculated as one month for each year of service for employees with less than 5 years- service; month and a half for each year of service for employees with more than 5 and less than 10 years – service; and two months for each year of service for employees with more than 10 years - service.
- Issued in the official gazette in 2011 an amendment to the civil service system number (30) of 2007, as amended, and accordingly the employees of the Jordan Securities Commission were to comply with the provisions of this system as of January 1, 2012. System provides on the disbursement of end of service indemnity to the Commission's employees who were entitled to under the legislation for their departments before the effect of these rules, and the bonus was calculated in accordance with the legislation of their own until the date of December 31, 2011 and according to the instructions issued by the civil service board for this purpose. Thus the work was stopped on end of service as of January 1, 2012.

– Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Trading Commission

JSC deducts from its members commission on the trade volume with a rate of 0.0005 on the market value of trade from both of the buyer and the seller.

Security listing fees

JSC deducts security listing fees with a rate of 0.0002 on the face value of the financial securities that are issued in Jordan, and the corporate bonds that are issued from Jordanian public holding companies with a maximum fee of JD 2,000 for any of them. Also, JSC deducts a fixed fee with the amount of JD 250 for issuing bonds from the government or any other official corporation or municipalities.

Security registration fees

JSC deducts security registration fees as follows:

- 0.003 from the face value of the financial securities that are issued inside Jordan, except for corporate bond, with a maximum fee of JD 50,000.
- 0.0002 from the face value of the corporate bonds that are issued from the Jordanian public companies, with a maximum fee of JD 3,000.
- JSC does not charge a fee towards registering corporate bonds that are issued from the government or any other official corporation or municipalities.

Interest revenue

Interest revenue is accrued on the time basis and by going back to the principal amount, and the active interest rate used

3. **Cash and cash equivalents**

	2017	2016
	JD	JD
Jordan Central Bank/unified treasury account	2,695,118	4,595,125
Current account at bank	13,956	2,211
Total	2,709,074	4,597,336



4. Accrued uncollected revenues

	2017	2016
	JD	JD
Accrued uncollected revenue	254,094	277,703
Less: accrued uncollected doubtful revenue allowance (*)	(197,180)	(194,714)
Net	56,914	82,989

(*) Movement of the allowance for doubtful accrued uncollected revenues during the year was as follows:

	2017	2016
	JD	JD
Balance - beginning of year	194,714	213,420
Provided during the year	2,466	-
Recovery of allowance	-	(18,706)
Balance - end of year	197,180	194,714

5. Other debit balances

	2017	2016
	JD	JD
Amman Stock Exchange receivable	51,639	50,893
Securities Depository Center receivable	28,733	40,693
Prepaid expenses	27,001	27,879
Employees receivable	9,930	11,723
Refundable deposits	4,586	4,586
Others	3,098	1,599
Work advance	1,552	1,072
Cheques on hand	-	3,000
Total	126,539	141,445

6. Financial assets at amortized cost

	2017			2016
	Current	Non - current	Total	Total
	JD	JD	JD	JD
Employees housing loans granted	23,760	207,589	231,349	250,782
Less: Doubtful employees housing loans allowance (*)	(1,476)	(61,675)	(63,151)	(61,675)
Net	22,284	145,914	168,198	189,107

(*) Movement of the allowance for doubtful loans during the year was as follows:

	2017	2016
	JD	JD
Balance - beginning of year	61,675	60,199
Provided during the year	1,476	1,476
Balance - end of year	63,151	61,675



7. Property and equipment

2017							
Cost							
Balance - beginning of year	287,483	2,879,757	125,348	1,305,896	363,161	193,099	161,293
Additions	-	-	908	2,591	-	-	278,978
Disposals	-	-	(11,113)	-	(144,461)	-	-
Transfers	-	-	6,516	-	-	-	(6,516)
Balance - end of year	287,483	2,879,757	121,659	1,308,487	218,700	193,099	433,755
Accumulated depreciation							
Balance - beginning of year	-	1,766,541	88,178	1,272,230	345,726	180,716	-
Depreciation (*)	-	115,190	7,476	18,291	6,832	3,226	-
Disposals	-	-	(10,006)	-	(144,460)	-	-
Balance - end of year	-	1,881,731	85,648	1,290,521	208,098	183,942	-
Net	287,483	998,026	36,011	17,966	10,602	9,157	433,755
2016							
Cost							
Balance - beginning of year	287,483	2,879,757	129,062	1,373,941	363,161	189,840	24,700
Additions	-	-	9,966	12,300	-	3,259	148,943
Disposals	-	-	(13,680)	(92,695)	-	-	-
Transfers	-	-	-	12,350	-	-	(12,350)
Balance - end of year	287,483	2,879,757	125,348	1,305,896	363,161	193,099	161,293
Accumulated depreciation							
Balance - beginning of year	-	1,651,036	90,687	1,349,878	334,002	176,183	-
Depreciation (*)	-	115,505	8,718	15,025	11,724	4,533	-
Disposals	-	-	(11,227)	(92,673)	-	-	-
Balance - end of year	-	1,766,541	88,178	1,272,230	345,726	180,716	-
Net	287,483	1,113,216	37,170	33,666	17,435	12,383	161,293

(*) The building and land included above represent the JSC's share of 47% ownership of the building that is common between JSC, Amman Stock Exchange, and Securities Deposit Center. The building and the land are registered under JSC's name.



8. Other credit balances

	2017	2016
	JD	JD
Tender and future liabilities provision (*)	403,503	161,293
Unearned revenues	207,250	203,525
Deposits	99,583	101,122
Medical Care Fund for commissioners, employees and employees of JSC (**)	64,003	103,096
Accrued expenses	13,287	18,791
End of service indemnity provision	11,674	11,674
Postage payable / Ministry of Finance	842	1,067
Total	800,142	600,568

(*) Movement of tender and future liabilities provision during the year was as follows:

	2017	2016
	JD	JD
Balance - beginning of year	161,293	24,700
Used during the year	(6,516)	(12,350)
Provided during the year	248,726	148,943
Balance - end of year	403,503	161,293

(**) This amount represents the value of the funds transferred to the Commission from the Medical Care Fund after it was decided to close the Fund permanently based on Board of Directors decision 2016/235 and transfer all fund's accounts to the Commission in order for the Commission to pay the medical dues to the employees.

9. Other revenues, net

	2017	2016
	JD	JD
Housing loans interests	4,146	3,855
Other	3,497	1,149
Loss from sale of property and equipment	(610)	(1,675)
Recovery of provisions	-	18,706
Interest revenues	-	796
Total	7,033	22,831



10. Administrative expenses

	2017	2016
	JD	JD
Salaries, wages and related benefits	2,201,134	2,191,012
Company's contribution to social security	252,141	243,242
Water and electricity	171,953	176,510
Deprecation	151,015	155,505
Maintenance	114,561	116,808
Security	28,220	23,725
Subscriptions	26,102	25,956
Cleaning	21,513	18,077
JSC contribution in employee's saving fund	21,479	20,135
Communication	17,164	19,139
Professional fees	16,279	67,048
Fuel	14,535	13,697
Stationery and printings	12,266	7,036
Miscellaneous	12,203	10,106
Training	8,991	15,396
Travel on official business	8,859	25,521
Hospitality	8,836	10,374
Insurance	7,832	8,615
Staff uniform	5,177	5,430
Doubtful accrued revenues expense and employees loans receivable	3,942	1,476
Non - staff bonus	2,669	10,480
Advertisement	1,115	1,414
Total	3,107,986	3,166,702

11. Legal cases by or on JSC

As mentioned in Department of Legal Affairs letter, there is a legal case raised by JSC on other party amounting to JD 38,969 and cases raised against JSC by others amounting to JD 41,257,505, and one case with undetermined amount as of the balance sheet date.

12. Risk management

a) Capital risk (Equity)

Reserves and retained surplus are managed property to ensure continuing as a going concern while maximizing the return through the optimization of the debt and equity balance.



b) Currency risk:

- Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.
- The risk arises on certain transactions denominated in foreign currencies, which imposes sort of risk due to fluctuations in exchange rates during the year.
- Certain procedures to manage the exchange rate risk exposure are maintained.
- The commission is not exposed to currency rate risk.

c) Interest rate risk:

- Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.
- The risk arises on exposure to a fluctuation in market interest rates resulting from borrowings and depositing in banks.
- The risk is managed by maintaining an appropriate mix between fixed and floating interest rates balances during the financial year.
- The Commission is not exposed to interest rate risk.

d) Other price risk:

- Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.
- The risk arises from investing in equity investments.
- The Commission is not exposed to other price risk.

e) Credit risk:

- Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.
- Regularly, the credit ratings of debtors and the volume of transactions with those debtors during the year are monitored.
- Ongoing credit evaluation is performed on the financial condition of debtors.
- The carrying amount of financial assets recorded in the financial statements represents the maximum exposure to credit risk without taking into account the value of any collateral obtained.

f) Liquidity risk:

- Liquidity risk is the risk of encountering difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.
- Liquidity risk is managed through monitoring cash flows and matching with maturity dates of the financial assets and liabilities.



- The following table shows the maturity dates of financial assets and liabilities as of December 31:

Description	Less than a year		A year and more	
	2017	2016	2017	2016
	JD	JD	JD	JD
Financial Assets				
Current accounts at banks	2,709,074	4,597,336	-	-
Accrued uncollected revenues	56,914	82,989	-	-
Other debit balances	99,538	113,566	-	-
Financial assets at amortized cost	22,284	22,284	145,914	166,823
Ministry of Finance receivable	1,946,417	-		
Total	4,834,227	4,816,175	145,914	166,823
Financial Liabilities				
Other credit balances	177,715	224,076	-	-
Total	177,715	224,076	-	-

13. Standards and Interpretations issued but not yet effective

Up to the date of these financial statements, the following Standards and Interpretations were issued by the International Accounting Standards Board but not yet effective:

Standard or Interpretation No.	Description	Effective date
IFRS (9) - New	Financial Instruments.	Jan 1, 2018 or after
IFRS (15) - New	Revenue from contracts with customers.	Jan. 1, 2018 or after
IFRS (16) - New	Leases – all leases are being recognized in the statement of financial position, without distinctions between operating and finance leases.	Jan 1, 2019 or after
IFRS (17) - New	Insurance contracts.	Jan 1, 2021 or after
IFRIC No. (22)	Foreign currency transactions.	Jan 1, 2018 or after
IFRIC No. (23)	Uncertainty over income tax treatments.	Jan 1, 2019 or after

Management anticipates that the adoption of these Standards and Interpretations in current or future periods may not have material impact on the financial statements.



Annexes

Annex (1) Issuances

Annex(2) Tables contain the names of parties that violated the provisions of Securities Law No. 18 for the year 2017 and related regulations and decisions issued pursuant thereto, and measures taken against violators



Annex No. (1) Issuance

Table (1)
Primary issues of public shareholding companies for the year 2017

No .	Company	Method of increasing capital	No. of shares registered	Issuing price (JD)	Value of shares registered (JD)	No. of shares covered	Value of shares covered (JD)
1.	Noor Capital Markets for Diversified Investments	Public offer	1,000,000	0.300	300,000	1,000,000	300,000
2	Arabian Aviation Investment	Non-public offer	3,000,000	2.000	6,000,000	3,000,000	6,000,000
3.	Rum Invest	Public offer	1,000,000	1.000	1,000,000	1,000,000	1,000,000
4.	Bank Al-Etihad	Public offer	35,000,000	1.250	43,750,000	35,000,000	43,750,000
5.	Consultant & Investment Company	Public offer	3,674,638	1.000	3,674,638	3,674,638	3,674,638
6.	Rum Group for Transportation and Tourism Investment	Public offer	7,000,000	0.750	5,250,000	7,000,000	5,250,000
7.	Al Faris National Company	Non-public offer	10,000,000	1.000	10,000,000	10,000,000	10,000,000
8.	Royal Jordanian	Non-public offer	100,000,000	0.390	39,000,000	0	0
9.	General Mining	Public offer	600,000	1.000	600,000	0	0
	Total		161,274,638		109,574,638	60,674,638	69,974,638



Table (2)
Registered shares in previous years and covered in 2017

No.	Company	Method of increasing capital	Issuing price (JD)	No. of shares covered	Value of shares covered (JD)
1.	Arab Union International Insurance	Public offer	1.00	2,000,000	2,000,000
2.	Century Investment Group	Public offer	1.00	211,008	211,008
3.	El-Zay Ready Wear Manufacturing Co.	Public offer	1.00	1,978,783	1,978,783
4.	Integrated Multi-Company Transport	Non-public offer	1.00	3,316,700	3,316,700
	Total			7,506,491	7,506,491

Table (3)
Newly established companies in 2017

No	Company	Way of establishment	No. of shares registered	Issuing Price (JD)	Value of shares registered (JD)	No. of shares covered (share)	Value of shares covered (JD)
1.	Amman Stock Exchange	Turning from a public institution	4,774,525	1.000	4,774,525	4,774,525	4,774,525
	Total		161,274,638		4,774,525	4,774,525	4,774,525

Table(4)
Registered Islamic Sukuk and covered in 2017

	Company	Type of Sukuk registered	No. of Sukuk registered	Total Value of Sukuk	Value of Sukuk covered
1.	National Electric Power Company / second issuance	Binding Promise to Purchase. Murabaha	75,000	75,000,000	75,000,000
	Total		75,000	75,000,000	75,000,000



Table (5)
Companies that raised their capital through capitalization of reserves
and retained earnings in 2017

No.	Company	Capitalization method	No. of shares issued	Value of shares issued (JD)
1.	Premier Business and Projects Co.	Retained earnings	169,992	169,992
2.	The Islamic Insurance	Retained earnings	3,000,000	3,000,000
3.	Housing Bank	Optional reserve and issuance premium	63,000,000	63,000,000
4.	Jordanian Electric Power	Retained earnings	6,082,965	6,082,965
5.	Jordan Ahli Bank	Optional reserve	8,750,000	8,750,000
6.	Jordan Islamic Bank	Retained earnings	30,000,000	30,000,000
7.	Siniora Food Industries	Retained earnings	4,000,000	4,000,000
8.	Jordanian Management	Retained earnings	200,000	200,000
9.	Injaz for Development and Multi Projects Co.	Issuance premium	2,470,000	2,470,000
10.	Jordan Commercial Bank	Retained earnings	7,125,000	7,125,000
11.	Al-Zarka Educational and Investment	Retained earnings	1,500,000	1,500,000
Total			126,297,957	126,297,957



Table (6)
Companies that decreased their capital in 2017

No.	Company	Reason of decreasing capital	No. of shares decreased
1.	Jordan Emirates Insurance Company	Amortization	2,000,000
2.	Future Arab Investment Company	Amortization	2,443,949
3.	The Holy Land Insurance Company	Amortization	5,000,000
4.	The Real Estate and Investment Portfolio	Excess to its needs	4,000,000
5.	Model Restaurants	Amortization	20,000,000
6.	Al-Salhiah Investment and Real Estate Development	Amortization	8,543,438
7.	National Portfolio	Amortization	4,000,000
8.	Al-Manara Insurance	Amortization	2,000,000
9.	Darat Jordan Holdings	Amortization	3,750,000
10.	General Mining Co.	Amortization	1,000,000
11.	Shira Real Estate Development	Amortization	3,328,382
12.	Ubour Logistics Services	Amortization	1,842,844
13.	United Integrated for Multiple Industries and Public Investments	Amortization	18,867,577
14.	Darkom Investment Co.	Amortization	5,000,000
			81,776,190



Table (7)
Bonds registered in 2017

No.	Company	Registration date	No. of bonds registered (bonds)	Value of bonds registered (JD)	Value of bonds covered (JD)
1.	Jordan Mortgage Refinance *	19/1/2017	79,000	79,000,000	79,000,000
2.	Jordan Mortgage Refinance **	5/4/2017	71,000	71,000,000	71,000,000
3.	Jordan Mortgage Refinance ***	4/6/2017	87,000	87,000,000	25,000,000
4.	Jordan Ahli Bank	1/10/2017	250	25,000,000	25,000,000
	Total		237,250	262,000,000	200,000,000

* clarification of table (7-a)

** clarification of table (7-b)

***clarification of table (7-c)

Table (7-a)
Bonds of Jordan Mortgage Refinance registered in 19/1/2017

No.	Company	Issuing date	Maturity date	Interest Rate	No. of bonds covered	Value of bonds covered (JD)
1.	Jordan Mortgage Refinance	29/1/2017	29/1/2020	3.850%	10,000	10,000,000
2.	Jordan Mortgage Refinance	26/2/2017	26/2/2018	3.100%	2,000	2,000,000
3.	Jordan Mortgage Refinance	5/3/2017	5/3/2020	4.450%	8,000	8,000,000
4.	Jordan Mortgage Refinance	28/3/2017	28/3/2019	3.950%	10,000	10,000,000
5.	Jordan Mortgage Refinance	30/3/2017	30/3/2020	4.750%	20,000	20,000,000
6.	Jordan Mortgage Refinance	30/3/2017	30/3/2020	4.750%	10,000	10,000,000
7.	Jordan Mortgage Refinance	13/4/2017	13/4/2018	3.800%	5,000	5,000,000



8.	Jordan Mortgage Refinance	17/4/2017	17/4/2020	4.850%	5,000	5,000,000
9.	Jordan Mortgage Refinance	3/5/2017	3/5/2019	4.100%	9,000	9,000,000
Total					79,000	79,000,000

Table (7-b)
Bonds of Jordan Mortgage Refinance registered in 5/4/2017

No.	Company	Issuing date	Maturity date	Interest rate	No. of bonds covered	Value of bonds covered (JD)
1.	Jordan Mortgage Refinance	3/5/2017	3/5/2019	4.100%	1,000	1,000,000
2.	Jordan Mortgage Refinance	18/5/2017	18/5/2019	5.250%	5,000	5,000,000
3.	Jordan Mortgage Refinance	28/5/2017	28/5/2020	4.750%	5,000	5,000,000
4.	Jordan Mortgage Refinance	29/5/2017	29/5/2019	4.250%	50,000	50,000,000
5.	Jordan Mortgage Refinance	20/7/2017	20/7/2018	3.900%	5,000,000	5,000
6.	Jordan Mortgage Refinance	2/8/2017	2/8/2020	5.15%	5,000	5,000,000
Total					71,000	71,000,000



Table (7-c)
Bonds of Jordan Mortgage Refinance registered in 4/6/2017

No.	Company	Issuing date	Maturity date	Interest Rate	No. of bonds covered	Value of bonds covered
1.	Jordan Mortgage Refinance	2/8/2017	2/8/2020	5.150%	5,000	5,000,000
2.	Jordan Mortgage Refinance	9/8/2017	2/8/2020	3.750%	5,000	5,000,000
3.	Jordan Mortgage Refinance	30/8/2017	9/8/2018	5.000%	10,000	10,000,000
4.	Jordan Mortgage Refinance	24/9/2017	24/9/2019	4.250%	5,000	5,000,000
Total					25,000	25,000,000

Table(8)
Bonds registered in previous years and covered in 2017

No.	Company	Registering date	Issuing date	Maturity date	Interest rate	No. of bonds covered (bond)	Value of bonds covered (JD)
1.	Jordan Mortgage Refinance	18/9/2016	26/1/2017	26/1/2020	2.750%	10,000	10,000,000
2.	Jordan Mortgage Refinance	18/9/2016	1/2/2017	1/2/2018	2.800%	4,000	4,000,000
3.	Arab International Hotels Company	18/12/2016	29/1/2017	29/1/2022	5.500%	10,000	10,000,000
Total						24,000	24,000,000



Table (9)
Securities registered with the JSC in 2017, issued or guaranteed by
the Government through the Central Bank of Jordan

No.	Issuer	Registration date	Issuance date	Maturity date	Interest rate	Nominal value (JD)
1.	Treasury Bonds	24/1/2017	11/1/2017	11/1/2020	4.541%	50,000,000
2.	Treasury Bonds	2/2/2017	16/1/2017	16/1/2024	5.588%	50,000,000
3.	Treasury Bonds	2/2/2017	23/1/2017	23/1/2027	6.499%	100,000,000
4.	Treasury Bills	2/2/2017	18/1/2017	18/4/2017	2.026%	25,000,000
5.	Treasury Bills	2/2/2017	18/1/2017	18/7/2017	2.290%	25,000,000
6.	Treasury Bonds/accessible to be reopened	9/2/2017	26/1/2017	26/1/2020	3.470%	50,000,000
7.	Treasury Bonds	9/2/2017	30/1/2017	30/1/2022	4.539%	50,000,000
8.	Treasury Bonds	20/2/2017	7/2/2017	7/2/2020	3.484%	100,000,000
9.	Treasury Bonds/accessible to be reopened	20/2/2017	12/2/2017	12/2/2022	4.529%	75,000,000
10.	Treasury Bills	1/3/2017	20/2/2017	20/5/2017	2.028%	25,000,000
11.	Treasury Bills	1/3/2017	20/2/2017	20/8/2017	2.295%	25,000,000
12.	Treasury Bonds	2/3/2017	29/1/2017	29/1/2022	4.250%	10,971,000
13.	Treasury Bonds	16/3/2017	15/2/2017	15/2/2022	4.533%	75,000,000
14.	Treasury Bonds	9/3/2017	17/2/2017	27/2/2024	5.978%	50,000,000
15.	Treasury Bonds	16/3/2017	2/3/2017	2/3/2019	3.551%	100,000,000
16.	Treasury Bonds	20/3/2017	8/3/2017	8/3/2022	4.939%	100,000,000
17.	National Electric Power Company Bonds	5/4/2017	22/3/2017	22/3/2022	5.449%	75,000,000
18.	Water Authority Bonds	12/4/2017	29/3/2017	29/3/2027	7.240%	75,000,000
19.		12/4/2017	29/3/2017	29/6/2017	2.758%	25,000,000
20.	Treasury Bills	12/4/2017	29/3/2017	29/9/2017	3.020%	25,000,000
21.	Treasury Bills/accessible to be reopened	19/4/2017	26/1/2017	26/1/2020	3.470%	100,000,000



22.	Treasury Bills/accessible to be reopened	1/5/2017	11/4/2017	11/4/2022	5.190%	100,000,000
23.	National Electric Power Bonds	11/5/2017	16/4/2017	16/4/2022	5.557%	75,000,000
24.	Treasury Bills	16/5/2017	25/4/2017	25/7/2017	2.766%	25,000,000
25.	Treasury Bills	16/5/2017	24/5/2017	25/10/2017	3.018%	25,000,000
26.	Treasury Bonds	13/6/2017	24/5/2017	24/5/2024	6.197%	50,000,000
27.	Treasury Bills	13/6/2017	22/5/2017	22/8/2017	2.793%	25,000,000
28.	Treasury Bills	13/6/2017	22/5/2017	22/11/2017	3.042%	25,000,000
29.	Treasury Bills	4/7/2017	20/6/2017	20/9/2017	3.033%	25,000,000
30.	Treasury Bills	4/7/2017	20/6/2017	20/12/2017	3.272%	25,000,000
31.	Treasury Bonds	4/7/2017	6/6/2017	6/6/2019	3.849%	100,000,000
32.	Treasury Bonds	4/7/2017	11/6/2017	11/6/2022	5.338%	75,000,000
33.	National Electric Power Bonds	4/7/2017	26/4/2017	26/4/2022	5.650%	75,000,000
34.	Treasury Bonds	4/7/2017	15/6/2017	15/6/2032	7.999%	100,000,000
35.	Treasury Bonds/accessible to be reopened	27/7/2017	5/7/2017	5/7/2020	4.418%	100,000,000
36.	Treasury Bills	6/8/2017	24/7/2017	24/10/2017	3.025%	25,000,000
37.	Treasury Bills	6/8/2017	24/7/2017	24/1/2018	3.281%	25,000,000
38.	Treasury Bonds/accessible to be reopened	6/8/2017	11/7/2017	11/7/2024	6.349%	50,000,000
39.	Treasury Bonds	6/8/2017	18/7/2017	18/7/2024	6.298%	50,000,000
40.	Treasury Bonds/accessible to be reopened	6/8/2017	12/2/2017	12/2/2022	4.529%	100,000,000
41.	Treasury Bills	23/8/2017	14/8/2017	14/11/2017	3.017%	25,000,000
42.	Treasury Bills	23/8/2017	14/8/2017	14/2/2018	3.276%	25,000,000
43.	Treasury Bonds/accessible to be reopened	6/8/2017	12/2/2017	12/2/2022	4.529%	100,000,000



44.	Treasury Bonds	23/8/2017	7/8/2017	7/8/2032	7.999%	100,000,000
45.	Treasury Bonds/accessible to be reopened	23/8/2017	9/8/2017	9/8/2027	6.970%	100,000,000
46.	Treasury Bonds/accessible to be reopened	27/8/2017	16/8/2017	16/8/2024	6.291%	100,000,000
47.	Treasury Bonds/accessible to be reopened	14/9/2017	9/8/2017	9/8/2027	6.970%	100,000,000
48.	Treasury Bonds	14/9/2017	22/8/2017	22/8/2020	4.391%	150,000,000
49.	Treasury Bills	14/9/2017	24/8/2017	24/11/2017	3.046%	100,000,000
50.	Water Authority Bonds	14/9/2017	28/8/2017	28/8/2024	6.411%	75,000,000
51.	Treasury Bonds	26/9/2017	7/9/2017	7/9/2020	4.393%	75,000,000
52.	Treasury Bonds/accessible to be reopened	26/9/2017	12/9/2017	12/9/2022	5.397%	75,000,000
53.	Water Authority Bonds	9/10/2017	7/9/2017	7/9/2022	5.479%	50,000,000
54.	Treasury Bonds/accessible to be reopened	9/10/2017	20/9/2017	20/9/2027	6.924%	100,000,000
55.	Treasury Bills	9/10/2017	24/9/2017	24/12/2017	3.015%	25,000,000
56.	Treasury Bills	9/10/2017	24/9/2017	24/3/2018	3.257%	25,000,000
57.	Treasury Bills	4/12/2017	29/10/2017	29/1/2018	2.994%	10,000,000
58.	Treasury Bills	4/12/2017	29/10/2017	29/4/2018	3.224%	10,000,000
59.	Treasury Bills	4/12/2017	9/11/2017	1/3/2018	2.897%	25,000,000
60.	Treasury Bills	4/12/2017	9/11/2017	29/5/2018	3.15%	25,000,000
61.	Treasury Bills	4/12/2017	19/11/2017	19/12/2017	2.841%	100,000,000
62.	Treasury Bills	4/12/2017	22/11/2017	22/12/2017	2.854%	100,000,000
63.	Water Authority Bonds	19/12/2017	5/12/2017	5/12/2022	5.556%	50,000,000
Total						3,830,971,000



Table (10)
Securities registered with the JSC in 2017 issued or guaranteed by the Government in foreign currencies

No.	Issuer	Registration date	Issuance date	Maturity date	Interest date	Nominal value (US Dollar)	Nominal value (JD)
1.	Treasury Bonds	3/4/2017	13/3/2017	13/3/2022	4.000%	500,000,000	354,500,000
	Total					500,000,000	354,500,000

Annex No. (2) Number and type of violations and measures taken against violators for the year 2017

Table (1)
The financial services company that violated the Margin Financing Instructions in respect of the client's percentage initial margin

No.	Violating Company	Measures Taken
1.	Delta Financial Investments	<ul style="list-style-type: none"> - A Fine - Recorded in JSC Records

Table (2)
The financial services company that violated the Margin Financing Instructions in respect of client's initial margin amount

No.	Violating Company	Measures Taken
1.	Delta Financial Investments	-Recorded in JSC Records



Table (3)

The financial services company that failed to comply with Instructions of Margin Financing with regard to maintenance margin amount

No.	Violating Company	Measures Taken
1.	Elite Financial Services	-A Fine -Recorded in JSC Records
2.	Delta Financial Investments ¹	- A Fine -Recorded in JSC Records
3.	Al Amal Financial Inv.	-A Fine -Recorded in JSC Records
4.	AlMawared for Brokerage	-A Fine -Recorded in JSC Records
5.	Al Multaqaa Brokerage and Financial Services	-A Fine -Recorded in JSC Records

¹ violation was repeated more than once.

Table (4)

Financial services company that violated the Margin Financing Instructions in respect of the overall financing percentage for any security to the net ownership rights

No.	Violating Company	Measures Taken
1.	Mubadala Financial Services	-Warning -Recorded in JSC Records

Table (5)

Financial services companies that violated the Law and instructions of separating the brokers' funds from their clients accounts

No.	Violating Company	Measures Taken
1.	Al Salam for Financial Investment	-A Fine -Recorded in JSC Records

Table (6)

Financial services companies that violated the Instructions on the trading of companies board of directors, managers committee, their employees, and related persons

No.	Violating Company	Measures Taken
1.	Delta Financial Investments	-Warning -Recorded in JSC Records
2.	Al Yasmeeen for Securities and Investment	-Warning -Recorded in JSC Records



Table (7)

Financial services companies that failed to activate the role of the compliance officer registered with the JSC

No.	Violating Company	Measures Taken
1.	Mubadala Financial Services	-Warning -Recorded in JSC Records
2.	Delta Financial Investments	-Warning -Recorded in JSC Records

Table (8)

Financial services companies that violated the Licensing Instructions with regard to the failure in certain areas in their internal control systems

No.	Violating Company	Measures Taken
1.	Delta Financial Investments	-Warning -Recorded in JSC Records
2.	Al Salam for Financial Investment	-Warning -Recorded in JSC Records

Table (9)

Financial services companies that violated the Law with regard to keeping the accounting records in accordance to the certified accounting standards

No.	Violating Company	Measures Taken
1.	Al Salam for Financial Investment	-A Fine -Recorded in JSC Records

Table (10)

Financial Brokerage companies that failed to comply with the Trading Directives

No.	Violating Company	Measures Taken
1.	Al Yasmeeen for Securities and Investment	- Warning -Recorded in JSC Records

Table (11)

The financial services companies that violated the provisions of the Code of Conduct of the ASE

No.	Violating Company	Measures Taken
1.	Al Salam for Financial Investment	-A Fine -Recorded in JSC Records



Table (12)

The financial services company that violated the Instructions of Licensing and Registration with regard to the endorsement of clients dealing in securities agreements.

No.	Violating Company	Measures Taken
1.	Al Salam for Financial Investment	- Warning -Recorded in JSC Records

Table (13)

The financial services companies that violated the Instructions of Financial Services Licensing and Registration with regard to the decrease of net owner equity to the paid-in capital

No.	Violating Company	Measures Taken
1.	Al Wameed for Financial Services and Investment	Notice of Hearing Statements
2.	Istithmar for Financial Services	Rectify the violation
3.	The Financial Investment Company for Shares and Bonds	Notice of Hearing Statements
4.	Shuaa for Securities Trading and Investment	Rectify the violation
5.	Jordanian Saudi Emirates Financial Investment	Rectify the violation Ordered to comply with Cash Basis Instructions
6.	Al Multaqaa Brokerage and Financial Services	Rectify the violation

Table (14)

Financial services companies that violated the Law and Instructions of Separating the Brokers' Funds from their Client's Accounts

No.	Violating Company	Measures Taken
1.	The Financial Investment Company for Shares and Bonds	- A Fine -The company was ordered to comply with the Law, instructions and decisions of the JSC
2.	Delta Financial Investments	- A Fine - Recorded in JSC Records
3.	Arab Swiss Financial Investment	- Warning - Recorded in JSC Records



Table (15)

Financial services companies that violated the Financial Solvency Instructions in respect of the increase of accounts receivable to equity

No.	Violating Company	Measures Taken
1.	Al Yasmeen for Securities and Investment	Notice of hearing statements
2.	EFG /Hermes Jordan	Notice of hearing statements

Table (16)

The financial services company that violated Financial Solvency Instructions in respect of the increase of the accounts payable to equity

No.	Violating Company	Measures Taken
1.	Al Multaqaa Brokerage and Financial Services	Notice of hearing statements

Table (17)

Financial services companies that violated Financial Solvency Instructions in respect of the high ratio of liabilities to equity

No.	Violating Company	Measures Taken
1.	Al Multaqaa Brokerage and Financial Services	Notice of hearing statements
2.	Hermes Jordan	Notice of hearing statements

Table (18)

Financial services companies that violated the Financial Solvency Instructions in respect of the low liquidity ratio

No.	Violating Company	Measures Taken
1.	The Financial Investment Company for Shares and Bonds	- Warning - Recorded in JSC Records
2.	Al Multaqaa Brokerage and Financial Services	Notice of Hearing Statements



Table (19)
Issuing companies that failed to submit to the JSC their preliminary results within the specific period

No.	Violating Company	Measures Taken
1.	Awtad for Diversified Investments	-A Fine -Recorded in JSC Records
2.	Jordan Press and Publishing	-A Fine -Recorded in JSC Records
3.	Al Ahlia Enterprises	-A Fine -Recorded in JSC Records
4.	United Arab Investors	-A Fine -Recorded in JSC Records
5.	Al-Barakat Investment Group	-A Fine -Recorded in JSC Records
6.	Arab Real Estate Development	-A Fine -Recorded in JSC Records
7.	The Investors & Eastern Arab for Industrial & Real Estate Investments	-A Fine -Recorded in JSC Records
8.	Beit Al Mal Saving & Investment for Housing	-A Fine -Recorded in JSC Records
9.	Amwal Invest	-A Fine -Recorded in JSC Records
10.	Al_Jamil for General Investments	-A Fine -Recorded in JSC Records
11.	Amana for Agricultural and Industrial Investment	-A Fine -Recorded in JSC Records
12.	ArdAnomow for Real Estate Development & Investment	-A Fine -Recorded in JSC Records
13.	International Silica Industries Co.	-A Fine -Recorded in JSC Records
14.	United Group Holdings	-A Fine -Recorded in JSC Records



Table (20)
Issuing companies that failed to submit to the JSC their annual reports within the specified period

No.	Violating Company	Measures Taken
1.	Arab Jordan Investment Bank	-Warning -Recorded in JSC Records
2.	Jordan French Insurance	-A Fine -Recorded in JSC Records
3.	Jordan Insurance	-Warning -The company was ordered to comply with the Law, instructions and decisions of the JSC.
4.	Zarqa Educational & Investment	-A Fine -The company was ordered to comply with the Law, instructions and decisions of the JSC
5.	Alia- The Royal Jordanian Airlines	- Warning -Recorded in JSC Records
6.	Bindar Trading & Investment	-A Fine -Recorded in JSC Records
7.	Comprehensive Land Development & Investment	-Warning -Recorded in JSC Records
8.	Emmar Investments & Real Estate Development	-Warning -Recorded in JSC Records
9.	Jordanian Management & Consulting	-A Fine -Recorded in JSC Records
10.	Deera Investment & Real Estate Development	-A Fine -Recorded in JSC Records
11.	International Cards	-A Fine -Recorded in JSC Records
12.	Jordan Phosphate Mines	-A Fine -Recorded in JSC Records
13.	General Investments Co.	-A Fine -Recorded in JSC Records
14.	Arab Union International Insurance	-A Fine -Recorded in JSC Records
15.	United Financial Investments Co	-A Fine -Recorded in JSC Records
16.	Jordan Projects for Tourism Development	-A Fine -Recorded in JSC Records
17.	Arab Assurers	-A Fine -Recorded in JSC Records
18.	Model Restaurants	-A Fine -Recorded in JSC Records

19.	Aman for Securities	-A Fine -Recorded in JSC Records
20.	Winter Valley Tourism Investment Co	-A Fine -Recorded in JSC Records
21.	International Silica Industries Co.	-A Fine -Recorded in JSC Records
22.	Jordan Press and Publishing	-A Fine -Recorded in JSC Records
23.	United Arab Investors	-A Fine -Recorded in JSC Records
24.	Al-Barakat Investment Group Company Plc .	-A Fine -Recorded in JSC Records
25.	Arab Real Estate Development Company	-A Fine -Recorded in JSC Records
26.	Beit Al Mal Saving & Investment for Housing	-A Fine -Recorded in JSC Records
27.	Amwal Invest	-A Fine -Recorded in JSC Records
28.	Awtad for Diversified Investments	-A Fine -Recorded in JSC Records
29.	Al_Jamil for General Investments	-A Fine -Recorded in JSC Records
30.	Jordan Magnesia	-A Fine -Recorded in JSC Records
31.	Afia International Jordan	-A Fine -Recorded in JSC Records
32.	Inwan Investment	-A Fine -Recorded in JSC Records
33.	Comprehensive Multiple Transport	-A Fine -Recorded in JSC Records
34.	The Investors & Eastern Arab for Industrial & Real Estate Investments	-A Fine -Recorded in JSC Records
35.	Al-Qaria Food & Vegetable Oil Industries	-A Fine -Recorded in JSC Records
36.	Darwish Al Khalili& Sons	-A Fine -Recorded in JSC Records
37.	Al Ahlia Enterprises	-A Fine -Recorded in JSC Records
38.	United Group Holdings	-A Fine -Recorded in JSC Records
39.	Jordan Paper & Cardboard Factories	-A Fine -Recorded in JSC Records
40.	Middle East Specialized Cables Company (MISC-Jordan)	-A Fine -Recorded in JSC Records
41.	Middle East Complex for Eng. Electronics & Heavy Industries plc.	- A Fine -Recorded in JSC Records
42.	Jordan Clothing Company	- A Fine - Recorded in JSC Records
43.	Al-Arabiya for Investment Projects	- A Fine - Recorded in JSC Records



Table (21)

Issuing companies that failed to submit to the JSC their second quarterly reports within the specified period

No.	Violating Company	Measures taken
1.	Arab Company for Aluminum Industry (Aral)	- A Fine - Recorded in JSC Records
2.	Beit Al Mal Saving& Investment for Housing	- Warning - Recorded in JSC Records
3.	Middle East Specialized Cables Co. MESC Jordan	- Warning - Recorded in JSC Records
4.	Middle East Complex for Eng. Electronics& Heavy industries plc.	- Warning - Recorded in JSC Records
5.	United Arab Investors	- Warning - Recorded in JSC Records
6.	Jordan Projects for Tourism Development	-The Company`s appeal was accepted
7.	Comprehensive Leasing Company Plc.	-The Company`s appeal was accepted
8.	Amwaj Properties	-The Company`s appeal was accepted
9.	Jordan Paper and Cardboard Factories CompanyPLC.	-The Company`s appeal was accepted
10.	Jordan Magnizia Co.	-The Company`s appeal was accepted
11.	Jordan Clothing Company	-The Company`s appeal was accepted
12.	Afia Oil Company	- Warning - Recorded in JSC Records
13.	Al Jameel for Investment	- Warning - Recorded in JSC Records
14.	United Integrated for Multiple Industries & Public Investments	- Warning - Recorded in JSC Records
15.	Aman for Securities	- Warning



		- Recorded in JSC Records
16.	United Group Holdings	- Warning -Recorded in JSC Records
17.	Investors & Eastern Arab for Industrial & Real estate Investments	- Warning -Recorded in JSC Records
18.	Arab Real Estate Development Company	- Warning -Recorded in JSC Records
19.	Inwan Investment	- Warning -Recorded in JSC Records
20.	Jordan Press & Publishing Co/Addustour	- Warning -Recorded in JSC Records
21.	Al Ahlia Enterprises	- Warning -Recorded in JSC Records
22.	Al-Barakat Investment Group	- Warning -Recorded in JSC Records

Table (22)
Issuing companies that failed to submit to the JSC their second quarterly reports in English within the specified period

No.	Violating Company	Measures taken
1.	Jordan Press Foundation	Ordered to comply with the Law, instructions, and decisions of the JSC
2.	Jordan Express Tourist Transport	Ordered to comply with the Law, instructions, and decisions of the JSC
3.	Transport & Investment Barter	Ordered to comply with the Law, instructions, and decisions of the JSC
4.	El-Zay Ready Wear Manufacturing Co.	Ordered to comply with the Law, instructions, and decisions of the JSC



Table (23)
Issuing companies that failed to submit to the JSC their third quarter reports within the specified period

No.	Violating Company	Measures taken
1.	Al-Qaria Food and Vegetable Oil Industries	Ordered to comply with the Law, instructions, and decisions of the JSC
2.	Middle East Complex for Eng. Electronics & Heavy Industries PLC.	Ordered to comply with the Law, instructions, and decisions of the JSC
3.	United Integrated for Multiple Industries & Public Investments	Ordered to comply with the Law, instructions, and decisions of the JSC
4.	Middle East Specialized Cables Co. MESC Jordan	Ordered to comply with the Law, instructions, and decisions of the JSC
5.	Amana Agricultural and Industrial Co.	Ordered to comply with the Law, instructions, and decisions of the JSC
6.	Jordan Magnizia Co.	Ordered to comply with the Law, instructions, and decisions of the JSC
7.	Afia Oil Company	Ordered to comply with the Law, instructions, and decisions of the JSC
8.	Jordan Clothing Company - CJC	Ordered to comply with the Law, instructions, and decisions of the JSC
9.	Aman for Securities	Ordered to comply with the Law, instructions, and decisions of the JSC
10.	Jordan Paper and Cardboard Factories Company.PLC	Ordered to comply with the Law, instructions, and decisions of the JSC
11.	Islamic International Arab Bank	Ordered to comply with the Law, instructions, and decisions of the JSC
12.	Jordan Press & Publishing Co. Addustour	Ordered to comply with the Law, instructions, and decisions of the JSC
13.	Al Ahlia Enterprises	Ordered to comply with



		the Law, instructions, and decisions of the JSC
14.	Al-Barakat Investment Group	Ordered to comply with the Law, instructions, and decisions of the JSC
15.	Arab Real Estate Development Company	Ordered to comply with the Law, instructions, and decisions of the JSC
16.	Central Electricity Generating Co.	Ordered to comply with the Law, instructions, and decisions of the JSC
17.	The Investors and Eastern Arab for Industrial and Real Estate Investments	Ordered to comply with the Law, instructions, and decisions of the JSC
18.	Beit Al Mal Saving& Investment for Housing	Ordered to comply with the Law, instructions, and decisions of the JSC
19.	Investment House for Financial Services	Ordered to comply with the Law, instructions, and decisions of the JSC
20.	Al Jameel for Investment	Ordered to comply with the Law, instructions, and decisions of the JSC
21.	United Group Holdings	Ordered to comply with the Law, instructions, and decisions of the JSC
22.	Amwaj Properties	Ordered to comply with the Law, instructions, and decisions of the JSC
23.	United Arab Investors	Ordered to comply with the Law, instructions, and decisions of the JSC
24.	Al-Israa for Islamic Finance & Investment	- A Fine -Recorded in JSC Records
25.	Jordan Projects for Tourism Development	- A Fine -Recorded in JSC Records



Table (24)
Issuing companies that failed to submit to the JSC their third quarterly reports in English within the specified period

No.	Violating Company	Measures taken
1.	Al-Israa for Islamic Finance & Investment	-Warning -Recorded in JSC Records
2.	National Petroleum Co. NPC	- Warning -Recorded in JSC Records
3.	AL Belad Medical Services	- A Fine -Recorded in JSC Records
4.	Al-Eqbal Investment	- Warning -Recorded in JSC Records
5.	Jordan Press Foundation	- A Fine -Recorded in JSC Records
6.	Jordan Express Tourist Transport	- A Fine -Recorded in JSC Records
7.	El-Zay Ready Wear Manufacturing Co.	- A Fine -Recorded in JSC Records

Table (25)
Issuing companies that violated Disclosure Instructions by failing to include certain items in their annual reports

No.	Violating Company	Measures taken
1.	Al Nisr Al Arabi Insurance Co.	-Warning -Recorded in JSC Records
2.	Jordan International Investment Company Ltd.	- Warning -Recorded in JSC Records
3.	Jordanian Duty Free Shops Co.	- A Fine -Recorded in JSC Records
4.	Salam International Transport & Trading Co.	- Warning -Recorded in JSC Records
5.	Arab Phoenix Holdings	- A Fine - Recorded in JSC Records



6.	Sura Development and Investment	- A Fine - Recorded in JSC Records
7.	Palaces for Real Estates & Development Co.	- A Fine - Recorded in JSC Records
8.	Comprehensive Multiple Project Company	- A Fine - Recorded in JSC Records
9.	Cairo Amman Bank	- A Fine - Recorded in JSC Records
10.	Bank Al Etihad	- A Fine - Recorded in JSC Records
11.	Jordan Commercial Bank	- A Fine - Recorded in JSC Records
12.	Capital Bank	- A Fine - Recorded in JSC Records
13.	Jordan Insurance Company	- A Fine - Recorded in JSC Records
14.	United Insurance Company	- A Fine - Recorded in JSC Records
15.	Arabian Aviation Investment Company Plc.	- A Fine - Recorded in JSC Records
16.	Arab Union International Insurance	- A Fine - Recorded in JSC Records
17.	The Islamic Insurance	- A Fine - Recorded in JSC Records
18.	Arab Orient Insurance	- A Fine - Recorded in JSC Records
19.	Arab Jordanian Insurance Group	- A Fine - Recorded in JSC Records
20.	Arab International Hotels Company PLC.	- A Fine - Recorded in JSC Records
21.	Union Land Development Co.	- A Fine - Recorded in JSC Records



22.	Irbid Electricity	- A Fine - Recorded in JSC'S Records
23.	Jordan International Trading Center CO. LTD	- A Fine - Recorded in JSC Records
24.	Zarka Education & Investment	- A Fine - Recorded in JSC Records
25.	Specialized Investment Compounds Co. PLC	- A Fine - Recorded in JSC Records
26.	Al-Tajamouat for Catering & Housing Co.	- A Fine - Recorded in JSC Records
27.	Specialized Trading & Investments Co.	- A Fine - Recorded in JSC Records
28.	Transport and Investment Barter Co.	- A Fine - Recorded in JSC Records
29.	United Cable Industries Company	- A Fine - Recorded in JSC Records
30.	United Iron & Steel Manufacturing Co. PLC	- A Fine - Recorded in JSC Records
31.	Arab East for Real Estate Investments Co.	- A Fine - Recorded in JSC Records
32.	Emmar Investments & Real Estate Development Company	- A Fine - Recorded in JSC Records
33.	Bilad Capital	- A Fine - Recorded in JSC Records
34.	Philadelphia Pharmaceutical	- A Fine - Recorded in JSC Records
35.	International Cards	- A Fine - Recorded in JSC Records
36.	Al-Tahdith for Real Estate Investments Company	- A Fine - Recorded in JSC Records



37.	Jordan Masaken for Land and Industrial Development (Masaken Capital)	- Warning - Recorded in JSC Records
38.	Shira' Real Estate Development & Investment	- A Fine - Recorded in JSC Records
39.	Ammoun International Multilateral Investment	- A Fine - Recorded in JSC Records
40.	AlEntkaeya for Investment & Real Estate Development	- A Fine - Recorded in JSC Records
41.	Afaq Energy Co.	- A Fine - Recorded in JSC Records
42.	Dar Al Dawa	- A Fine - Recorded in JSC Records
43.	The Jordan Worsted Mills	- A Fine - Recorded in JSC Records
44.	Jordan Phosphate Mines	- A Fine - Recorded in JSC'S Records
45.	Akary for Industries	- A Fine - Recorded in JSC Records
46.	The Industrial Commercial & Agricultural	- A Fine - Recorded in JSC Records
47.	Jordan Pipes Manufacturing Company	- A Fine - Recorded in JSC Records
48.	Jordan Wood Industries Co. Ltd.	- A Fine - Recorded in JSC Records
49.	National Chlorine Industries	- A fine - Recorded in JSC Records
50.	Al-Eqbal Investment	- A Fine - Recorded in JSC Records
51.	The Jordanian Pharmaceutical Manufacturing Co.	- A Fine - Recorded in JSC Records
52.	National Poultry Company	- A Fine - Recorded in JSC'S Records



53.	The Arab Assurers Co.	- Warning - Recorded in JSC records
54.	Nutridar	- A Fine - Recorded in JSC Records
55.	Trust International Transport Co.	- Warning - Recorded in JSC Records
56.	Al Ekbal Printing and Packaging Co.	- A Fine - Recorded in JSC'S Records
57.	Ready Mix Concrete & Construction Supplies	- A Fine - Recorded in JSC Records
58.	Al-Ro'ayah for Investment	-Warning - Recorded in JSC Records
59.	Integrated Multi-Company Transport	- Warning - Recorded in JSC Records
60.	Travertine	- A Fine - Recorded in JSC Records
61.	Model Restaurants	-Warning - Recorded in JSC Records
62.	United Integrated Textile Group Company	-Warning - Recorded in JSC Records
63.	Al-Salhiah Investment and Real Estate Development	-Warning - Recorded in JSC Records
64.	Electric Power Distribution	-Warning - Recorded in JSC Records
65.	United Group for Land Transport	-Warning - Recorded in JSC records
66.	Amwaj Properties	-Warning - Recorded in JSC Records
67.	Al-Qaria Food and Vegetable Oil Industries	-Warning - Recorded in JSC Records



Table (26)
Issuing companies that failed to notify the JSC about any changes in their boards of directors within the legal period

No.	Violating company	Measures taken
1.	Middle East Pharmaceutical and Chemical Ind. and Med. Appliances Co.	- A Fine - Recorded in JSC Records
2.	Awtad for Diversified Investments	- Warning - Recorded in JSC Records
3.	Jordan Himmeh Mineral Company	- Warning - Recorded in JSC Records
4.	Union Tobacco & Cigarette Industries Company	- A Fine - Recorded in JSC Records
5.	Arab Center for Pharmaceuticals & Chemicals Industries Co.	- A Fine - Recorded in JSC Records
6.	Jordanian Real Estate Co. for Development	- A Fine - Recorded in JSC Records
7.	Darkom Investment Co.	- Warning - Recorded in JSC Records
8.	Middle East Pharmaceutical & Chemical Ind. & Med. Appliances Co.	- Warning - Recorded in JSC Records
9.	Jordan Poultry Processing & Marketing Co. Ltd.	- A Fine - Recorded in JSC Records
10.	Middle East Pharmaceutical & Chemical Ind. & Med. Appliances Co.	- A Fine - Recorded in JSC Records
11.	Jordan Petroleum Refinery Co. LTD	- A Fine - Recorded in JSC Records
12.	Comprehensive Land Development & Investment PLC	- A Fine - Recorded in JSC Records
13.	Bank of Jordan	- A Fine - Recorded in JSC Records
14.	Trust International Transport Co.	- Warning - Recorded in JSC Records
15.	Jordan Press & Publishing Co. Addustour	- Warning - Recorded in JSC Records
16.	Arab Jordanian Insurance Group	- A Fine - Recorded in JSC Records
17.	Jordanian Duty Free shops	-A Fine -Recorded in JSC Records
18.	Al-Tajamouat for Touristic projects	-A Fine -Recorded in JSC Records



19.	Capital Bank of Jordan	-A Fine -Recorded in JSC Records
20.	Jordan Phosphate Mines	- The company's appeal was accepted
21	Al-Faris National Company for Investment & Export	-A Fine -Recorded in JSC Records
22.	Saba'ek Investment	-A Fine -Recorded in JSC Records
23.	Shira' Real Estate Development & Investment	-A Fine -Recorded in JSC Records
24.	Arab Electrical Industries	-A Fine -Recorded in JSC Records
25.	National Cable & Wire Manufacturing	-A Fine -Recorded in JSC Records
26.	Jordan International Insurance	-A Fine -Recorded in JSC Records
27	Al-Ekbal Printing & Packaging	-A Fine -Recorded in JSC Records
28.	Arab International Hotels	- The company's reply was appeal accepted
29.	Arabian Aviation Investments	-A Fine -Recorded in JSC Records
30.	Sherko Brokerage	-A Fine -Recorded in JSC Records



31.	Al-Daman for Investment	-A Fine -Recorded in JSC Records
32.	Jordan Telecom	-A Fine -Recorded in JSC Records
33.	Jordan Cement Factories	- The company's appeal was accepted
34.	Arab Center for Pharmaceuticals & Chemicals Industries	-A Fine -Recorded in JSC Records
35.	Transport & Investment Barter Co.	-A Fine -Recorded in JSC Records
36.	Jordan Projects for Tourism Development	-A Fine -Recorded in JSC Records
37.	Emmar Investments & Real Estate Development	-Warning -Recorded in JSC Records
38.	Al-Tajoumat for Catering& Housing	-A Fine -Recorded in JSC Records
39.	Al-Eqbal Investments	- The company's appeal was accepted
40.	Noor Capital Markets for Diversified Investments	-A Fine -Recorded in JSC Records
41.	National Petroleum	-Warning -Recorded in JSC Records



42.	Jordan Steel	-A Fine -Recorded in JSC Records
43.	Jordan Projects for Tourism Development	-A Fine -Recorded in JSC Records
44.	Arab Life & Accident Insurance	-A Fine -Recorded in JSC Records
45.	International Silica Industries	-A Fine -Recorded in JSC Records
46.	Amwaj Properties	-A Fine -Recorded in JSC Records
47.	National Poultry	-A Fine -Recorded in JSC Records
48.	Jordanian Real Estate for Development	-A Fine -Recorded in JSC Records
49.	Jordan Clothing	-Warning -Recorded in JSC Records
50.	Etihad Bank	- The company's appeal was accepted
51.	Al-Manara Insurance	- The company's appeal was accepted
52.	Etihad Schools	-A Fine -Recorded in JSC Records
53.	The Arab International for Education	-A Fine -Recorded in JSC Records
54.	IbnAlHaytham Hospital	-A Fine -Recorded in JSC Records
55.	First Finance	-A Fine -Recorded in JSC Records



56.	The Arab International Food Factories & Investment	-A Fine -Recorded in JSC Records
57.	Jordanian Expatriates Investments Holding	-A Fine -Recorded in JSC Records
58.	Jordan Paper& Cardboard Factories	-A Fine -Recorded in JSC Records
59.	Emmar Investments& Real Estate Development	-A Fine -Recorded in JSC Records
60.	The Arab Assures Insurance	- Warning -Recorded in JSC Records
61.	United Financial Investments	-A Fine -Recorded in JSC'S Records
62.	Arab Jordan Investment Bank	-A Fine -Recorded in JSC'S Records
63.	Al-Sharq Investment Projects	-A Fine -Recorded in JSC'S Records
64.	Jordan Press Foundation	-A Fine -Recorded in JSC'S Records
65.	Union Land Development	-A Fine -Recorded in JSC'S Records
66.	AlSharq Investments Projects	-A Fine -Recorded in JSC'S Records
67.	Zarqa Educational & Investment	-A Fine -Recorded in JSC'S Records
68.	Zarqa Educational	- The company's appeal was accepted
69.	Central Electricity Generating	- The company's reply is accepted



70.	Model Restaurants	- The company's appeal was accepted
71.	The Arab International for Education	- The company's appeal was accepted
72.	Arab Banking Corporation (Jordan)	- The company's appeal was accepted

Table (27)

Companies that failed to notify the JSC within the specific period of their upper management appointment or when leaving their jobs

No.	Violating company	Measures taken
1.	Deera Investment & Real Estate Development	-A Fine -Recorded in JSC Records
2.	Jordan Commercial Bank	-A Fine -Recorded in JSC Records
3.	The Jordanian Pharmaceutical Manufacturing	-A Fine -Recorded in JSC Records
4.	The National Insurance	-A Fine -Recorded in JSC Records
5.	Jordan Cement Factories	-Warning - Recorded in JSC Records
6.	The Jordan Pipes Manufacturing	-Notice of Hearing Statements
7.	Winter Valley Tourism Investment	-A Fine -Recorded in JSC Records
8.	The Arab International for Education & Investment	-A Fine -Recorded in JSC Records
9.	Jordan Loan Guarantee Corporation	-A Fine -Recorded in JSC Records
10.	Jordan Press Foundation	-A Fine -Recorded in JSC Records
11.	Jordan Projects for Tourism Development	-A Fine -Recorded in JSC Records



Table (28)

Companies that failed to notify the JSC within the specific period of the decision of the Board of directors to recommend to the General Assembly to distribut dividends

No.	Violating Company	Measures taken
1.	The National Insurance	-A Fine -Recorded in JSC Records
2.	Jordan National Insurance	-A Fine -Recorded in JSC Records
3.	Societe General De Banque'	- The company's appeal was accepted
4.	First Insurance	- The company's reply is accepted
5.	Al-Israa' For Education & Investment	-A Fine -Recorded in JSC'S Records
6.	Jordan Chemical Industries	-A Fine -Recorded in JSC'S Records
7.	Dar Al-Dawa	-A Fine -Recorded in JSC'S Records
8.	Euro Arab Insurance Group	-A Fine -Recorded in JSC'S Records
9.	Jerusalem Insurance	-A Fine -Recorded in JSC'S Records

Table (29)

Companies that failed to disclose lawsuits, unexpected financial losses, and non-recurrent financial operations

No.	Violating Company	Measures taken
1.	Babelon Investments	- The company's appeal was accepted
2.	National Aluminum Industrial	- The company's appeal was accepted
3.	United Iron& Steel	- Warning
4.	Manufacturing	- Recorded in JSC Records



Table (30)

The company that failed to notify the JSC of any material information

No.	Violating Company	Measures taken
1.	International Cards	- Notice of hearing statements

Table (31)

Companies that failed to inform the JSC of the decisions of its board of directors that may affect the prices of securities

No.	Violating Company	Measures taken
1.	Jordan Masaaken for Land & Industrial Development Projects	-A Fine -Recorded in JSC Records

Table (32)

Companies that failed to notify JSC of decisions taken by their General Assemblies

No.	Violating Company	Measures taken
1.	Al –Tajaoumat for Catering & Housing	- A Fine - Recorded in JSC Records
2.	Central Electricity Generating	-Warning - Recorded in JSC Records
3.	Jordan Magnesia	-Warning - Recorded in JSC Records
4.	Al – Jamil for General Investments	-Warning - Recorded in JSC Records
5.	Afia International (Jordan)	-Warning - Recorded in JSC Records
6.	Electricity Distribution	-Warning - Recorded in JSC Records - The company's reply is accepted
7.	Amawaj Properties	-Warning - Recorded in JSC Records
8.	United Integrated for Industries & Public Investments	-Warning - Recorded in JSC Records
9.	Al –Qaria International for Oil Industries	-Warning - Recorded in JSC Records



Table (33)

Companies that failed to commit to inform the JSC of the Extraordinary General Assemblies meetings

NO.	Violating Company	Measures taken
1.	Jordan Wood Industries (Jwico)	- Warning - Recorded in JSC Records
2.	Noor Capital Markets	- A Fine - Recorded in JSC Records
3.	Arab Union International Insurance	- A Fine - Recorded in JSC Records
4.	Arab Potash	- A Fine - Recorded in JSC'S Records
5.	AlEntakeeh for Investment & Real Estate Investment	- A Fine - Recorded in JSC Records

Table (34)

The company that failed to comply with the Auditor's Instructions

No.	Violating Company	Measures taken
1.	Al Jameel for General Investments	- Warning - Recorded in JSC Records

Table(35)

The audit firms that failed to comply with the Instructions of the Auditors Registration

No.	Violating Company	Measures taken
1.	PRO. Auditors Company/ Certified Accountants and Consultants	- Warning - Recorded in JSC Records

Table (36)

The audit firm that failed to prepare financial statements in accordance with International Accounting Standards

No.	Violating Company	Measures taken
1.	Ghosheh & Partners	- Warning - Recorded in JSC Records



Table (37)

Financial services companies that acted in a manner to give a misleading impression regarding the securities prices, or volume of trading

No.	Violating Company	Measures taken
1.	Al-Amal for financial Investments	- A Fine - Recorded in JSCRecords
2.	Al-Fares for Financial Investments	- A Fine - Recorded in JSC Records
3.	Global Investment House-Jordan	- A Fine - Recorded in JSCRecords
4.	Sabaek for Financial Investments	- A Fine - Recorded in JSCRecords

Table (38)

Parties that committed a violation by influencing securities transactions

No.	Violating Company	Measures taken
1.	MajedTawfeeq Khalil Qreeq	- Warning - Recorded in JSC'S Records
2.	Rum for Transportation	- Warning - Recorded in JSC'S Records
3.	Al-Ahlieh for Real Estate	- Warning - Recorded in JSC'S Records
4.	Riyad Zuheir Mohammad Al-Khushman	- Warning - Recorded in JSC'S Records
5.	Basel Muhammod Jabber Al-Deek	- Warning - Recorded in JSC'S Records
6.	WaelAhed Ibraheem Al-Sheikh Ibraheem	- Warning - Recorded in JSC'S Records
7.	QasemSaleh Ali Al-	- Warning - Recorded in JSC'S Records



	Nawshi	
8.	Suheil Abed Al MuetiIsmaeelKhalefieh	- Warning - Recorded in JSC'S Records
9.	ShireenMahmood Khalil Abu-Rub	- Warning - Recorded in JSC'S Records - Notice of hearing statements

Table (39)

The financial services company that violated the Law by influencing securities transactions and acted in a manner to give a misleading impression regarding the securities prices, or volume of trading in any security

No.	Violating Company	Measures taken
1.	Development Securities	- Notice of hearing statements

Table (40)

The person that violated the Law by influencing securities transactions and violating the public tender offer

No.	Violating Company	Measures taken
1.	RiyadZuheir Mohammad Al-khushman	- Warning - Recorded in JSC Records

Table (41)

Affiliated companies that violated the Instructions of Treasury Stocks by not disposing shares held by the mother company

No.	Violating Company	Measures taken
1.	Arab East for Development & Investments	- A Fine - Recorded in JSC Records
2.	Union Tobacco & Cigarette Industries	- A Fine - Recorded in JSC Records
3.	Sakhaa for Multiple Investments	- A Fine - Recorded in JSC Records
4.	Sakhaa for Multiple Investments	- A Fine - Recorded in JSC Records



5.	Arab East Investment for Real Estate	- A Fine - Recorded in JSC Records
6.	Real Estate and Investment	- A Fine - Recorded in JSC Records
7.	Trust and Dubai for Investment	- A Fine - Recorded in JSC Records
8.	Al-Faouri Trading Co.	- A Fine - Recorded in JSC Records
9.	Amman for Investment & Securities	- Rectify the violation
10.	Aman for Securities	- Rectify the violation
11.	Arabian Concrete Supplies Co.	- Rectify the violation
12.	Amman General Company for Industry & Marketing	- Rectify the violation
13.	The Investors & Eastern Arab for Industrial & Real Estate Investments	- Rectify the violation
14.	Morkes International	- Rectify the violation
15.	Al-munthar International Trading & Investment	- Rectify the violation
16.	Union Land Development	- Rectify the violation
17.	Union Land Development	- Rectify the violation
18.	Yarmouk River for Real Estate Investment	- Rectify the violation
19.	Al-Hakemieh for Trading & Investment	- Rectify the violation
20.	Western Trading & Marketing	- Rectify the violation