

Decree no. 2-02-556 of 22 Dhu al-Hijjah 1423 (24 February 2003) setting the forms and conditions under which public limited companies may repurchase their own shares in the stock market in order to regularize the market.

(Amended and completed by the Decree no. 2-10-44 of 17 Rajab 1431 (30th June 2010))

The Prime minister,

Having regard to the law no. 17-95 on public limited companies, enacted by the Dahir no. 1-96-124 of 14 Rabii II 1417 (30 August 1996) particularly article 281 thereof;

On the proposal of the minister of finance and privatization;

After consultation with the Securities Ethics Council;

After review by the council of ministers on 20 Dhu al-Qidah 1423 (23rd January 2003),

Hereby decrees:

Article One: Public limited companies whose securities are listed on the stock exchange and who are planning to repurchase their own shares on the stock market in order to regularize the market must do so in the forms and under the conditions provided for by this decree.

Article 1 bis: The operations of the public limited companies that repurchase their shares on the stock market in order to regularize the market must be limited to the unique objective of regularizing the prices of securities and must comply with the rules allowing the proper functioning of the stock market.

The above-mentioned public limited companies must respect in particular the procedures of intervening in the stock market set by a circular of the Securities Ethics Council, set in implementation of the provisions of the article 4-2 of the Dahir providing law no. 1-93-212 of 4 Rabii II 1414 (21 September 1993) relating to the Securities Ethics Council and to information required from the legal entities carrying out public offerings, as amended and completed.

Article 1 ter: Public limited companies whose shares are listed on the stock exchange must entrust the execution of their repurchase programs to brokerage firms.

Each company may not appoint more than one brokerage firm for the execution of its repurchase program.

Article 2: Public limited companies, whose shares are listed on the stock exchange, who are willing to repurchase their own shares to regulate the market must draw up an information notice that must be approved by the Securities Ethics Council (CDVM). The mandatory information to be included in the said information notice is set by the CDVM.

The said notice must include the information necessary for the shareholders to determine the repurchase program to be proposed at the ordinary general meeting. This notice shall include in particular all information useful in terms of the financial situation of the company, its prospects and the impact of the transaction proposed on the financing and development of the company.

In the context of the assessment of the notice submitted to it for approval, the CDVM may, within the deadlines and under the forms it sets, require that any public limited company willing to purchase its own shares in order to regularize the market, provides any complementary information or justifications it deems necessary.

Article 3: The information notice duly approved to by the CDVM is published on the initiative of the public limited company concerned in at least one of the legal announcements newspapers appearing on the list referred to in article 39 of the aforementioned Dahir enacting law no.1-93-212 of 4 Rabii II 1414 (21 September 1993).

Article 4: The public limited companies that repurchase their own shares in the stock market in order to regularize the market are required to inform the Securities Ethics Council (CDVM) monthly, within the deadline and under the forms it sets, of the number of shares repurchased and the prices of the acquisitions both for the past month and for the period since the start of the repurchase program.

The said companies inform the CDVM, under the same conditions, of the transfers and cancellations of shares carried out following the execution of the repurchase operations. The CDVM makes this information public.

Article 5: Any public limited company referred to in article 1 above must keep a record of transactions in order to control the execution of the repurchase program authorized by the ordinary general meeting.

This register indicates, according to the chronological order of the transactions carried out, the following information:

- The date of the transaction;
- The price of the transaction;
- The nature of the transaction
- The number of shares involved in the transaction;
- The total cost including the amount of fees;
- The name of the brokerage firm and, if necessary, the bank institution having transmitted the order;
- If necessary, the name or denomination of the person having acted on behalf of the company;
- The fraction of the share capital represented by the shares involved in the transaction.

Article 6: The managing company of the stock exchange is required to inform the CDVM immediately of any act of a public limited company, during the execution of its repurchase program, that may hinder the proper functioning of the stock market.

Article 7: The minister of finance and privatization is responsible for the execution of this decree, which shall be published in the Official Gazette. 22 Dhu al-Hijjah 1423 (24 February 2003).

DRISS JETTOU

For countersignature:

The Minister of Finance
and Privatization,

FATHALLAH OLUALALOU

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