

Dahir no. 1-14-96 of 20 May 2014 (20 Rajeb 1435) enacting the law no. 42-12 on the futures market of financial instruments.

PRAISE TO GOD ALONE!

(Great Seal of His Majesty Mohammed VI)

Let it be known hereby - May God elevate and strengthen the content!

That our Sherifian Majesty;

Having regard to the Constitution, notably its articles 42 and 50,

HAS DECIDED AS FOLLOWS:

It is promulgated and will be published in the Official Gazette, following this Dahir, the law no. 42-12 on the futures market of financial instruments, as adopted by the House of Representatives and the House of Counsellors.

Done at Fkih Ben Saleh, on 20 May 2014 (20 Rajeb 1435)

For countersignature:

The Prime Minister,

ABDEL-ILAH BENKIRAN.

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Law no. 42-12

on the futures market of financial instruments

TITLE ONE

GENERAL PROVISIONS

Article One

The futures market is a regulated market governed by the provisions of this law and texts adopted for its application, where the futures are publicly traded.

Article 2

For the application of this law, financial instruments means:

- shares, securities and other rights granting or being able to grant access, directly or indirectly, to capital and to voting rights, transferable by account registration or delivery;
- Debt securities each of which represents a claim on the legal entity issuing them, transferable by account registration or delivery, excluding commercial papers and zero coupon bonds;
- units or shares of undertakings for collective investment in transferable securities;
- units of collective investment funds in securitization and units of bodies investing in capital risk;
- the futures.

Article 3

For the purposes of this law, futures shall mean:

- futures on all bills, transferable securities, indices and currencies;
- futures on interest rate;
- exchange contracts;
- futures on commodities, either when they are subject to registration with a clearing house of financial instruments or periodic hedges calls as a result of trading, or when they offer the possibility that the underlying commodities are not delivered by means of a monetary settlement by the seller;
- purchase or sale option contracts of financial instruments.

The characteristics of each category of futures are set out in the general regulations of the managing company of futures market provided for in article 9 of this law.

Article 4

By way of derogation from articles 1092 to 1096 of the Dahir forming the Code of Obligations and Contracts, futures are valid insofar as their cause and purpose are lawful.

Nobody should be able to avail themselves of the provisions referred to in the preceding paragraph to avoid obligations deriving from futures transactions.

Article 5

For the application of this law, the following terms shall mean:

1. underlying asset: the asset on which futures are created;
2. Futures: contracts to buy or sell an underlying asset at a predetermined price and at agreed maturity;
3. optional contracts or "options": contracts under which the option seller gives the right and not the obligation to the option purchaser to sell or buy a currency, commodity, financial instrument or any other underlying asset at a pre-set price at a specified future date or agreed maturity during a period ending on the same date;
4. exchange contracts or "swaps": contracts that define parties' obligations for the exchange of cash flows determined at a later date and that permit cross-currency exchange of interest rates or currencies and by which two agents exchange items of their receivables or their debts in order to hedge against the risks of fluctuation of interest rate or exchange rate;
5. trading member: any legal person duly authorized to carry out trading activity of futures;
6. clearing member: any legal entity duly authorized to exercise the clearing activity of futures;
7. trading-clearing member: any legal entity duly authorized to exercise trading-clearing activity of futures;
8. liquidity provider: any trading member authorized by the futures market managing company to improve the liquidity of futures;

9. settlement of transactions: settlement of cash and possible delivery of underlying assets at contract maturity;
10. clearing margin: funds set up with the clearing house of contributions of compensating members to cover the liquidation risks associated with open positions in the futures market of financial instruments of a defaulting member;
11. clearing agreement: a written contract between a trading member and a clearing member setting out their respective rights and obligations regarding the clearing of futures transactions the terms of which are set out in the general regulations of the clearing house provided for by article 29 of this law;
12. margin deposit: amount required by the clearing house from a clearing member to cover the liquidation risks associated with the positions opened by this member on futures market of financial instruments;
13. initial margin: fraction of the contract value required by the futures managing company from the trading member on the day of trading to cover its open position;
14. delivery initial margin: deposit required by the clearing house of clearing members from the close of and maintained trading until the effective delivery of the underlying assets. This deposit is returned by the clearing house to the clearing members after the effective execution of delivery;
15. holding limitation: represents the maximum proportion of the number of contracts that a clearing member may hold in the market position;
16. exposure limit: represents the maximum proportion of risks that a clearing member can cover;
17. open position: all contracts bought or sold and not settled yet;
18. net position: overall position resulting from the difference between a set of purchased contracts and a set of sold ones;
19. market position: it is the sum of the open positions of the clearing members on a contract and a given maturity;
20. margin: The amount calculated by the clearing house to hedge the trading risks resulting from the daily revaluation of all open positions of a clearing member on futures;
21. quoted price: market price resulting from the supply and demand of contracts, published by the managing company of futures market.

Article 6

The intervention of Bank Al-Maghrib and the Securities Ethics Council in the futures market is defined in terms of the missions of these two authorities as set by the laws and regulations governing them.

Shall fall within the scope of intervention of Bank Al-Maghrib in futures market, the areas relating in particular to the security of clearing and payment systems.

Shall fall within the scope of intervention of the Securities Ethics Council in futures market the areas relating to the supervision and control of the operational aspects of trading members of the managing company and the clearing house.

Shall fall within the scope of joint intervention of Bank Al-Maghrib and the Securities Ethics Council the areas relating in particular to the examination of the members' authorization applications, the assessment of the general regulations of the managing company and the clearing house, the control of the operational aspects of clearing members, the setting and supervision of the prudential framework applicable to the members, the managing company and the clearing house.

Article 7

The joint intervention of Bank Al-Maghrib and the Securities Ethics Council provided for in the 4th paragraph of article 6 above shall be carried out within the framework of the "futures market coordination authority" set by this law.

The practical procedures for this joint intervention are set in a memorandum of understanding between the two-abovementioned authorities.

The futures market coordination authority is composed of Bank Al-Maghrib and the Securities Ethics Council. It is responsible for coordinating the actions of the aforementioned authorities in matters of joint control of the futures market. The members of this body may exchange information with each other about their supervision activities of futures market.

The futures market coordination authority may be approached by the minister of finance or the Governor of Bank Al-Maghrib regarding any matter of common interest.

The composition of "the futures market coordination authority" and the procedures of its operation are set by a decree.

TITLE II

FUTURES MARKET OF FINANCIAL INSTRUMENTS

Chapter one

Trading

First section: **Organization of the futures market of financial instruments**

Article 8

A public limited company, called "futures market managing company", is created under a concession for managing the futures market of financial instruments in accordance with specifications approved by the minister of finance.

These specifications set out, in particular, the obligations relating to the operation of the futures market of financial instruments, the registration and disclosure of transactions as well as the ethical rules to be respected by the staff, the

supervisory board or the board of directors of the futures market managing company.

The minimum capital amount of the futures market managing company is set by the minister of finance, after consulting the Securities Ethics Council.

The shareholders of the futures market managing company are set by order of the minister of finance.

Article 9

General regulations, comprising chapters each of them is specific to each type of futures, are drawn up by the futures market managing company. The said regulations are approved by the minister in charge of the finances' order, after consulting the coordinating body of the futures market provided for in article 7 of this law.

These general regulations set the rules governing the futures market of financial instruments, especially:

- rules relating to the design of futures;
- rules relating to the admission and cancellation of futures;
- rules relating to the trading of futures;
- the rules relating to the cancellation operations of a quoted price;
- procedures for executing transactions;
- rules and procedures relating to the operation of the futures market of financial instruments;
- rules relating to trading members, especially the rules relating to their membership in the managing company of futures market;
- rules relating to the control of trading members by the managing company of futures market;
- measures applicable to trading members in case of a breach of the rules governing the operation of the futures market;
- documents and information that the trading members are required to disclose to the futures market managing company;
- rules and procedures relating to the authorization of employees of the trading members.

The futures market managing company and the trading members are bound by the provisions of the general regulations provided for in the first paragraph of this article.

A model of membership agreement of the trading members to the managing company is attached to the general regulations of the managing company.

Article 10

The draft of articles association of the managing company as well as their amendments are approved by the minister of finance after consulting the Securities Ethics Council.

The appointment of members of the administrative, operational and management entities and, where appropriate, the supervisory board of the managing company is subject to the approval of the minister of finance who may dismiss those members from their terms of office, on the basis of receiving a reasoned report of the government commissioner or the Securities Ethics Council, and provide replacements whilst

awaiting the appointment of new members, after consulting or the Securities Ethics Council.

The directors of the futures market managing company are selected and appointed in accordance with the legislative and regulatory provisions in force relating to the appointment to the higher positions.

Article 11

In addition to its obligations relating to the management of the futures market of financial instruments, as defined in the specifications provided for in article 8 of this law, the managing company is responsible for the regular operation of the futures market of financial instruments. To this end, it ensures that the trading operations carried out by the trading members comply with the laws and regulations governing them.

The managing company ensures the development of the futures market of financial instruments. It designs the futures and admits them to trading, suspends and cancels them in accordance with the terms and conditions set out in its general regulations referred to in article 9 of this law. It also limits the positions of the trading members and/or the market position upon the clearing house request.

The managing company must inform Securities Ethics Council of any infringement it has identified while carrying out its mission.

Section 2. Admission and cancellation of futures

Article 12

The managing company designs futures based on the following criteria:

- the underlying asset liquidity;
- the operators needs in the market
- the development potential of the futures.

The managing company determines the characteristics of the futures, by referring to international practices in this area.

The managing company prepares a technical sheet containing the main characteristics of the envisaged futures.

It shall decide on its admission to trading, subject to the right of opposition of the Securities Ethics Council which shall, when necessary, decide within a period of 10 business days and by a reasoned decision based on the technical sheet referred to in the preceding paragraph.

The Securities Ethics Council may object, under the same conditions, to the substantial change in the characteristics of the futures admitted to trading.

The authorization of the underlying asset issuer is required prior to the admission of the futures. The refusal of authorization must be motivated by an assessment of the impact of the futures on the underlying assets and their liquidity. The issuer shall be required to reply within a maximum period of 30 days from the

date of submission of the application for admission by the managing company to the issuer. Non-receipt of the response from the issuer within such time limit shall be tantamount to accepting the admission of the futures.

When the underlying assets of futures are issued by the Treasury, the approval of the latter shall be required.

When the futures refers to the money market for local currency transactions or to the foreign exchange market for foreign currency transactions, the managing company shall request the approval of Bank Al-Maghrib.

Article 13

The managing company shall submit an information document on the futures the admission of which is envisaged to the Securities Ethics Council for approval. The managing company shall publish this document after it has been endorsed by the said Securities Ethics Council.

The content, form and methods of updating this information document are set by the Securities Ethics Council.

The Securities Ethics Council may request any additional documents and information required for the performance of that task.

Article 14

The managing company shall decide on the cancellation of futures, subject to the Securities Ethics Council's right of objection, in view of the following elements:

- the lack of liquidity of the futures;
- the cancellation or disappearance of the underlying asset.

This decision shall be notified to the issuer of the underlying asset. The cancellation procedures of futures are set in the general regulations of the managing company of the futures market provided for in article 9 of this law.

Article 15

The managing company may cancel a quoted price and consequentially all transactions made at this price. It may also cancel a single transaction following advice of the Securities Ethics Council.

The cancellations provided for in the preceding paragraph shall occur:

- either at the request of a trading member who has made an error in the transmission of an order in good faith. This cancellation can only occur with the approval of all trading members;
- or on the initiative of the managing company following a technical incident or an error in the listing parameters of one or more futures.

The cancellations procedures provided for above are set in the general regulations of the managing company provided for in article 9 of this law.

Any cancellation shall be published in the quoting bulletin by the managing company of the futures market.

Trading members who do not cause the cancellation of a transaction shall bear no responsibility vis-à-vis their clients with regard to the possible consequences of the said cancellation.

The members remain responsible where it appears that the cancellation does not respect the provisions of the 2nd paragraph of this article.

Section 3. Transactions

Article 16

Transactions on futures admitted to trading may only operate on the futures market and through authorized traders in accordance with the provisions of this law.

The modalities for the execution of the transactions are set in the general regulations of the managing company.

Article 17

Subject to the provisions of article 18 of this law, direct transfers of futures must be reported to the trading member concerned by the client and the transferee within a period of 60 days following the date of the transfer.

The trading member shall record such direct transfers in a special register including, in particular, the identity of the transferee and the person who transferred the futures concerned, as well as their quantity and the date of the transfer.

The trading member shall report, within a period of 5 business days following the date of the reporting referred to in the first paragraph above, the said direct transfers to the managing company which shall record them in a special register with specific mention of the direct transfer date, the futures concerned and their quantity.

Direct transfers occurring between direct ascendants and descendants of the first and second degree and between spouses shall give rise to the payment by the client or the transferee of the said transfer of a fee for the benefit of the managing company and a fee for the benefit of the trading member.

The fee payable on direct transfers, referred to above, shall not be higher than the maximum rate set by the minister of finance on a proposal from the Securities Ethics Council.

Article 18

In the event of a direct transfer by way of legacy or inheritance, the concerned trading member shall record such transfer in a special register comprising in particular the names of the deceased and of the beneficiary, the concerned futures, their quantity and the date of the transfer.

The trading member concerned shall report, within a period of 5 business days from the date of the registration referred to in the first paragraph, the said direct transfers to the managing

company which shall record them in a special register comprising in particular the direct transfer date, the futures concerned and their quantity.

Direct transfers by way of legacy or inheritance shall not give rise to the payment of any fee neither to the managing company nor to the trading member concerned.

Article 19

Customers' orders must include all necessary details for their proper execution in accordance with the provisions of the general regulations of the managing company of the futures market as foreseen in article 9 of this law and in particular the type of the order, the nature of the transaction (sale or purchase), the futures subject of the transaction, price, quantity and the date of the transaction.

Such orders must be transcribed by the trading members and must be subject to voice recording when received by telephone.

They must be time stamped upon their receipt by the trading members, who must transmit them to the managing company with all due diligence.

The hard copy documents or records of such orders must be retained for at least five years.

Article 20

Only trading members may collect orders from the futures market clients in accordance with the conditions set by the Securities Ethics Council.

Article 21

Trading members shall ensure, prior to executing orders, the financial capacity of the client, their full understanding of the risks associated with the futures market and their good knowledge of the futures management methods. They shall also ensure that their clients are informed thereof in accordance with the modalities laid down by the Securities Ethics Council.

Article 22

The trading members are *del credere* agents vis-à-vis the clearing members of the transactions they present to them for registration.

Section 4. Transaction registration and recording

Article 23

Transactions in futures admitted to trading shall be immediately registered with the managing company in the name of the trading member.

Article 24

These transactions shall be registered by the trading members, indicating in particular the type of the order, nature and date of the transaction, identity of the client, types of the contracts traded, their number and unit price.

Supporting documents must be kept in paper format for at least five years.

Section 5. Suspension

Article 25

The managing company of the futures market shall suspend one or several futures from listing for a specified period when the prices thereof exceed the maximum fluctuation limit specific to each future. This limit is determined in accordance with the clearing rules as laid down in the general regulations of the clearing house provided for in article 29 of this law. This limit is also specified in the information document of the future.

The managing company may suspend the trading of a future, particularly:

- in the event of listing suspension of the future's underlying asset;
- in the event that market conditions do not permit the valuation of the future's underlying asset;
- in the event that market conditions do not permit the setting of the future's price;
- upon request of Securities Ethics Council when market conditions do not permit the protection of investors;
- upon request of the clearing house under the conditions laid down in its general regulations provided for in article 29 of this law.

The procedures of the suspension and its lifting are set in the general regulations of the managing company of the futures market provided for in article 9 of this law.

Article 26

The managing company may take all measures necessary to ensure market safety and act in this respect with the trading members.

Where the managing company considers that the acts of a trading member are of such nature as to endanger the security or integrity of the market, it may temporarily suspend the said member's access to the market. The managing company shall notify the Securities Ethics Council of this decision and informs the professional association of members of the futures market of financial instruments provided for in article 103 below.

The Securities Ethics Council shall decide within the following two trading days on the suspension decision pronounced the managing company.

Chapter II

Clearing

Section one. **The articles of association and role of the clearing house**

Article 27

A public limited company shall be created and shall be assigned the clearing on the futures market of financial instruments, in accordance with a specification approved by the minister of finance. This company is hereafter referred to as the clearing house.

The articles of association of the clearing house shall set the names or corporate names of the shareholders and the proportion of voting rights and share capital held by each.

The articles of association of the clearing house as well as their amendments shall be approved by the minister of finance after obtaining the opinion of Bank Al-Maghrib which ensures their compliance with the provisions of this law and its implementing texts.

The appointment of the members of managing bodies is subject to the approval of the minister of finance who may remove them from office, upon report of the government commissioner or the coordinating body of the futures market provided for in article 7 of this law, and provide for their replacement while awaiting the appointment of new members.

The amount of the clearing house capital shall be set by order of the minister of finance on the proposal of the coordinating body of the futures market referred to in article 7 of this law. This amount may not be less than one hundred million dirhams.

Article 28

The clearing house is responsible for organizing the clearing of transactions recorded on the market and the eventual assets delivery and the cash settlement, and ensures the safety of the market.

As such, it shall insure:

- the membership of the clearing members;
- the recording of the transactions it is called upon to clear;
- monitoring the positions of the clearing members and the overall market positions of futures;
- the calculation of the funds that clearing members must pay to cover or guarantee their positions;
- the automatic liquidation of the positions of the defaulting clearing members or the transfer of the positions of a defaulting clearing member to another clearing member;
- the settlement and/or delivery organization, where appropriate, at maturity of the underlying asset.

The clearing house issues notices through which it sets the technical procedures for the clearing of futures. It also ensures

the dissemination of its notices, the clearing rules and any important information relating to its clearing activity.

The clearing house manages the clearing margin referred to in article 43 below and determines its mode of operation in its general regulations provided for in article 29 of this law.

Article 29

The general regulations of the clearing house are established by the clearing house and approved by order of the minister of finance following the agreement of the coordinating body of the futures market provided for in article 7 of this law.

This general regulations set the rules governing the clearing activity, particularly:

- rules on the membership of clearing members in the clearing house;
- rules and procedures on the authorizing of the clearing members' staff;
- rules on transactions recording;
- rules on the clearing of futures transactions;
- rules on risk monitoring;
- rules on the terms of application and enforcement of the margin as well as the procedures for the setting up, management and usage of the margin deposits;
- rules on the settlement / delivery procedures;
- measures to be taken in the event of default by the clearing members;
- measures applicable in cases of infringement of clearing rules;
- rules on the operation of the clearing margin;
- rules on the relationship between trading members and clearing members, particularly the clearing agreement;
- rules on the control of clearing members by the clearing house:
- documents and information that clearing members are required to communicate to the clearing house;
- rules relating to the exchange of information and the cooperation with the managing company of the futures market.

A standard form of the clearing agreement to be concluded between the clearing member and the trading member and a standard form of the clearing house membership agreement are annexed to the general regulations of the clearing house referred to in paragraph 1 of this article.

Article 30

In order to maintain its liquidity and solvency, as well as the balance of its financial situation, the clearing house is required to abide by prudential rules in terms of the maintenance of appropriate ratios between:

- all or part of the assets and all or part of the liabilities;
- equity and all or part of the risks incurred;
- equity and the total risks incurred with regard to one clearing member or a number of clearing members bound together by legal ties that make them one interest group.

These rules are set by decree of the minister of finance on the proposal of the coordinating body of the futures market provided for in article 7 of this law.

Article 31

The clearing house must report to Bank Al-Maghrib and the Securities Ethics Council any violation it detects while performing its duties.

Section 2 Coverage of risks relating to unwinding of positions

Article 32

All transactions submitted to the clearing house are registered in the name of the clearing member pursuant to the terms and conditions set in the general regulations of the clearing house provided for by article 29 of this law.

The supporting documents must be preserved for at least five years.

Article 33

The clearing house is counterparty to the clearing member and becomes owner of the rights and liabilities resulting from the transaction registered. A novation takes place upon registration.

The clearing house carries out central counterparty functions between the clearing member of the buyer and the clearing member of the seller.

Article 34

The clearing house ensures the proper completion of the transactions it registers.

It ensures the management of the payment/delivery and guarantees the possible delivery of underlying assets and/or the payment of the cash due in respect of the transactions of futures it registers.

Article 35

The clearing house ensures the coverage and monitoring of the risks of clearing members.

For this purpose, the clearing house requires from clearing members to make margin deposits, the initial margin and the delivery initial margin, intended for covering the open positions held by them in the context of the clearing activity.

The margins may be submitted, by the clearing house, to additional margin calls and calls for funds with clearing members until the day of the actual settlement.

The margin deposit must be regularized on the opening of the following trading day of the market.

Article 36

The clearing house calculates on a daily basis the value of positions of clearing members.

Article 37

The clearing house ensures the monitoring of the position of clearing members. It may limit their position and, where applicable, proceed with their liquidation pursuant to article 39 above.

Article 38

The clearing house may request the managing company to limit the intervention of clearing member on the market. The clearing house states the grounds for its decisions of which it immediately informs the Securities Ethics Council and Bank Al-Maghrib.

Article 39

When the holding limit or exposure limit of a clearing member in the futures market or the maximum limit of the position in the market is reached, the clearing house may refuse the registration of any transaction that will lead to an increase in the open position of a clearing member. It informs the managing company thereof beforehand.

It may also decide to increase the amount of the margin deposit of the positions held by the clearing member. It may order the clearing member to reduce their open position within a period it sets. If the open position is not reduced within the said time limit, the clearing house may proceed with an automatic liquidation of the positions of the clearing member exceeding the authorized open position.

The procedures for automatic liquidation of the clearing members' positions are provided for by the general regulations of the clearing house referred to in article 29 of this law.

Article 40

The clearing house is also responsible for controlling the clearing activity of clearing members. It may request clearing members to provide any information necessary for the execution of its tasks. The terms and conditions of this control are provided for by the general regulations of the clearing house referred to in article 29 of this law.

Article 41

The clearing house ensures that the clearing members comply with the prudential rules they are subject to by virtue of article 81 of this law.

In case a clearing member fails to abide by the prudential rules, the clearing house immediately informs Bank Al-Maghrib and the Securities Ethics Council thereof.

Article 42

Where the clearing house sees that the acts of a clearing member may jeopardize the security and integrity of the futures market, it may, provisionally, suspend the access of the said member to the market. The clearing house alerts Bank Al-Maghrib, the Securities Ethics Council, and the managing company and informs the professional association of the members of the futures market provided for in article 103 below thereof.

Bank Al-Maghrib or the Securities Ethics Council decides, depending on the type of act detected, within a period of two days on the suspension pronounced by the clearing house.

The procedures for the suspension of the clearing member and the resumption of their activity are set in the general regulations of the clearing house.

Article 43

A clearing margin is created in order to cover possible defaults of clearing members, non-covered by the margin deposits and the margin calls.

The clearing margin is made up of the contributions of the clearing members upon commencement of their activity.

The clearing margin is managed by the clearing house in accordance with the terms and conditions set in its general regulations.

In the event of default of a clearing member, the contribution of the said member shall be drawn from as a first step. Where this contribution remains insufficient, all contributions to the clearing margin by the other clearing members shall be drawn from. The calculation rules of the said contributions as well as the procedures for their payment and their update are set by the general regulations of the clearing house.

The following situations may be considered events of default:

- non-delivery or non-payment within the prescribed time limits of any amount or any asset owed to the clearing house in respect of the open positions registered in the name of the clearing member;
- failure to submit the margin deposits, margin calls and other covers called for by the clearing house or to contribute to the clearing margin within the prescribed time limits;
- court-supervised recovery or liquidation of the clearing member.

Article 44

During the performance of its duties in terms of the unwinding of positions, the clearing house is responsible for the organization of the delivery of assets in exchange for the cash received.

The delivery procedures are set in the general regulations of the clearing house.

However, if the market situation of a named underlying asset does not allow for the liquidation of an unsettled position, the clearing house may decide that the delivery of the underlying assets shall be resolved via a monetary compensation in favour of the clearing members.

The amount of monetary compensations may not exceed the percentage of the last quotation of the asset concerned. This percentage is set by the general regulations of the clearing house.

Article 45

When a future provides a delivery, a delivery initial margin by the clearing member is called for by the clearing house after the close of the trading and is maintained until the actual delivery of the underlying asset for cash.

The procedures for carrying out this deposit are set in the general regulations of the clearing house provided for by article 29 of this law.

Article 46

Clearing members are del credere agents vis-à-vis the clearing house with regard to the transactions they submit for registration.

Article 47

Regardless of their nature, the deposits made by the principals with the trading members and clearing members, or by these members with the clearing house as cover or margin for the positions held in futures market are transferred to the full ownership either of the member, or of the clearing house. This transfer is carried out upon their constitution on the one side in order to settle the debit balance detected upon the automatic liquidation of positions and, on the other hand, to settle any amount due either to the member or to the clearing house.

No creditor of a clearing member, or, as the case may be, of the clearing house itself, can have a right to these margins even on the grounds of Book V of law no. 15-95 Rabii I 1417 (1st August 1996) on the Commercial Code.

The provisions of the preceding paragraph also apply to any creditor of a trading member's principal.

Article 48

In case of an initiation of the recovery or liquidation procedure against a clearing member or in any other event of default of the same member, the clearing house may transfer the positions it registered for the account of the principals of this member to another member, along with the covers and margin deposits relating thereto.

Article 49

The clearing members cannot invoke professional secrecy with regard to the requests made by the clearing house

in order to ensure the supervision of the positions and the follow up of the information that concerns the identity, the positions and the solvency of the principals whose accounts they keep.

Chapter III

The control of the managing company and of the clearing house

Article 50

The managing company and the clearing house are not subject to the provisions of law no. 69-00 of 16 Ramadan 1424 (11 November 2003) on the State financial control of public companies and other organisations.

A government commissioner, appointed by the minister of finance, is placed with the managing company and the clearing house. They are responsible for ensuring that the latter comply with the provisions of their specifications and their articles of association referred to in articles 8, 10 and 27 of this law. The government commissioner is convened to the general meetings and to all sessions of the boards of directors or supervisory boards, as the case may be, of these bodies and the committees originating thereof. They receive the agendas, minutes, reports and applications to be submitted to the boards of directors and the supervisory boards. They assess the compliance of the decisions of the boards of directors and of the supervisory boards with the provisions of the specifications or the articles of association referred to respectively in articles 8, 10 and 27 of this law. They may suspend any decision that does not comply with the provisions of the specifications or the articles of association and request that further deliberation take place within 7 days.

In case a disagreement persists, the decision falls to the minister of finance.

Article 51

In order to ensure the proper functioning of the futures market and the proper functioning of the clearing house, as well as to secure the smooth settlement of the transactions, Bank Al-Maghrib and the Securities Ethics Council are responsible, each within the scope of its prerogatives or jointly in the context of the coordinating body of the futures market provided for under article 7 of this law, for controlling the compliance of the managing company and the clearing house with their obligations when performing their duties as provided for under this law and with the general regulations provided for by articles 9 and 29 above.

Article 52

The Securities Ethics Council controls the compliance of the managing company with its obligations in terms of the control of trading members, whereas Bank Al-Maghrib controls the compliance of the clearing house with its obligations in terms of risk monitoring, provided for by the provisions of this law and the general regulations provided for by articles 9 and 29 above.

The managing company of the futures market and the clearing house are required to send to Bank Al-Maghrib and to the Securities Ethics Council, at intervals they set, any documents and information necessary for the performance of their duties. The list, form and time limits for the transmission of the said documents and information are set by Bank Al-Maghrib and the Securities Ethics Council.

Article 53

The Securities Ethics Council, also, controls the compliance of the managing company of the futures market and the clearing house with the provisions of its circulars applicable to them pursuant to the legislative texts in force.

Bank Al-Maghrib, also, controls the compliance of the clearing house with the provisions of its circulars applicable to it.

Article 54

To investigate and detect any violations of the provisions of this law and its implementing texts relating to the functioning of the futures market and to the functioning of the clearing house, Bank Al-Maghrib and the Securities Ethics Council are authorized, each within the scope of its prerogatives or jointly in the context of the coordinating body of the futures market provided for under article 7 of this law, to carry out, by means of any sworn agent specially commissioned for this purpose, investigations with the managing company, the clearing house and the trading and/or clearing members.

The authorities referred to in the first paragraph of this article can have access to any report prepared by external advisors. If need be, these authorities may commission an audit to be carried out at their expense.

TITLE III

MEMBERS

Chapter one

Authorization

Article 55

The trading activity of futures is subject to an authorization to be delivered by the minister of finance after consultation with the coordinating body of the futures market provided for in article 7 of this law.

Only the following bodies can be authorized to perform the trading activity:

- the banks;
- brokerage companies;
- legal entities whose principal activity is the exercise of the trading activity of futures.

Article 56

The clearing activity of futures is subject to approval by the minister of finance after consulting the coordinating body of the futures market provided for in article 7 of this law.

Only the following may be authorized to perform the clearing activity:

- the banks;
- legal entities whose main activity is the clearing of futures.

Article 57

The trading and clearing activity of futures is subject to an authorization issued by the minister of finance after consulting the coordination bodies of the futures market provided for in article 7 of this law.

The trading-clearing activity may only be authorized to:

- the banks;
- legal entities whose main activity is the trading and clearing of futures.

Trading and clearing members are required to comply with all provisions that apply to trading and clearing members.

Article 58

The application for authorization must be sent to the coordinating body of the futures market provided for in article 7 of this law. The said body requests Bank Al-Maghreb and the Securities Ethics Council to examine the application for authorization in the light of their prerogatives as provided for in article 6 of this law and the provisions of the memorandum of understanding provided for in article 7 of this law and to inform it of their opinions on the application.

On this basis, the coordination body of the futures market provided for in article 7 will inform the minister of finance of their opinion on the application for authorisation.

Bank Al-Maghreb and the Securities Ethics Council, in the context of the coordination body for the futures market provided for in article 7 of this law, will inform the managing company and the clearing house of the submission of the application for authorisation by trading and/or clearing members.

The application for authorisation must be accompanied by a file containing the following elements:

- a copy of the draft articles of association;
- the nature of intended business activities;
- the amount and distribution of the share capital;
- the list of managers;
- the list of human and material resources as well as a description of the organization intended for the exercise of the trading and/or clearing activity.

The submission of the complete file accompanying the application for authorisation is evidenced by a duly signed and dated receipt which is immediately issued to the applicant.

Bank Al-Maghreb and the Securities Ethics Council, in the context of the coordination body for the futures market provided for in article 7 of this Law, may request any additional

information they consider useful for the examination of the application for authorisation.

Article 59

Establishments applying for application for authorisation must meet the following conditions:

- have their headquarters in Morocco;
- provide proof of a minimum capital;
- provide sufficient guarantees, in particular as regards their organisation, their technical and human resources and the experience and good reputation of their managers.

The minimum capital levels necessary for the exercise of the trading and/or clearing activity will be fixed by order of the minister of finance after consulting the futures market coordination body provided for in article 7 of this Law.

When elements of the organization are not available at the time of the application for authorisation, the authorisation may be granted subject to the missing elements being made available within a deadline set by the Securities Ethics Council, which may not exceed six (6) months.

Article 60

The granting or refusal of authorization shall be confirmed by a registered letter with acknowledgement of receipt, within two (2) months of the date of submission of the complete file accompanying the application for authorisation.

The refusal of authorization must be justified.

Article 61

Amendments relating to the control of a member or to the nature of the activities it carries out shall be subject to the grant of a new authorisation which shall be issued by the minister of finance after consulting the futures market coordination body provided for in article 7 of this law, which will notified by the applicant. The authorization shall be issued within the period provided for in article 60 of this law.

Changes relating to the location of the registered office or the actual place of activity of a member are conditional upon the prior authorization of the coordinating body of the futures market in term provided for by article 7 of this law, which assesses them in terms of their impact on the member's organization.

Article 62

Projects of mergers of two or more members and projects of takeovers of one or more members by another member shall be subject to a new authorization by the minister of finance, after consulting the coordinating body of the futures market provided for in Article 7 of this Law.

The authorization of the new entity resulting from the takeover or merger shall be granted under the same conditions for granting of a new authorization.

Article 63

Before starting their activities, trading members and/or authorized clearing members must accomplish the conditions provided for in the general regulations referred to in articles 9 and 29 of this Law, in order to obtain membership respectively in the managing company and/or in the clearing house.

Article 64

Authorized trading and/or clearing members must permanently comply with the legislative and regulatory provisions applicable to them.

The withdrawal of authorization is made by order of the minister of finance, either at the request of the member or on a proposal from the futures market coordination body provided for in article 7 of this law in the following cases:

- When the member has failed to make use of their authorization within six (6) months;
- When the member no longer fulfils the conditions on the basis of which the authorization was granted to them;
- When the member has ceased to carry on their activity for at least six (6) months;
- As a disciplinary sanction in accordance with the provisions of article 89 of this law.

Any trading and/or clearing member whose authorization is withdrawn shall enter into liquidation.

Article 65

During the liquidation period of a member, the latter shall remain subject to the control of the futures market coordinating body provided for in article 7 of this law and may only carry out the operations strictly necessary for their liquidation; they may only indicate that they are members by specifying that they are in liquidation.

In the decision adopted pursuant to the provisions of article 64 above, the minister of finance shall appoint, where appropriate, a liquidator for the member concerned.

The said decision shall set the conditions and time limits for liquidation as well as the date from which all the operations of the member concerned must cease.

Article 66

The authorization withdrawal shall be notified the same manner as that of granting it and shall result in the removal from the list of members provided for in article 67 of this law.

Article 67

The coordinating body of the futures market shall establish and update a list of authorized members. Upon its

initiative, the initial list and the amendments thereto shall be published in the "Official Gazette".

Article 68

The members subscribe, according to the authorization granted, to the managing company and/or to the clearing house according to the modalities set in the general regulations of the managing company and/or the general regulations of the clearing house.

Membership and retention as a trading and/or clearing member is subject to the members' commitment to comply with the laws, general regulations provided for in articles 9 and 29 of this law applicable to them and the rules set by the managing company and the clearing house.

Members shall pay, before starting their activity, the membership commissions to the managing company or the clearing house or both.

At the time of registration by the managing company or by the clearing house of transactions, the members pay the trading or clearing commissions due to the managing company or the clearing house.

The rate of these commissions may not exceed a maximum ceiling set by the minister of finance upon Bank Al-Maghreb proposal in case of clearing commissions or the Securities Ethics Council in case of trading commissions.

Article 69

The authorised staff of trading members who have contact with clients must comply with the rules and procedures governing the marketing of futures set by the Securities Ethics Council.

Article 70

Every trading and non-clearing member must enter into a clearing agreement with a clearing member in accordance with a standard form set by the clearing house and annexed to its general regulations.

Article 71

By way of derogation from the provisions of law no. 9-88 of 30 Jumada II 1413 (25 December 1992) on the accounting obligations of traders, trading members and clearing members are subject to accounting rules approved by the minister of finance upon the National Accounting Council proposal.

Article 72

Trading and clearing members shall inform their clients of the commissions applied to the transactions carried out on their behalf, in accordance with the procedures laid down by the Securities Ethics Council.

Chapter II

Control of Members

Article 73

Trading and clearing members operating in the futures market of financial instruments shall be subject to the individual control of Bank Al-Maghrib and the Securities Ethics Council, each in accordance with its prerogatives pursuant to the provisions of article 6 of this law and to the joint control of these two entities within the framework of the coordinating body of the futures market provided for by article 7 of this law.

For the purpose of investigating violations of the provisions of this law and the texts adopted for its application, Bank Al-Maghrib and the Securities Ethics Council, each according to its prerogatives or both jointly within the framework of the futures market coordinating body provided for by article 7 of this law, are authorized to have any sworn and specially commissioned agent carry out investigations with the members referred to in the first paragraph of this article.

For the performance of their supervisory duties, as the case may be, Bank Al-Maghrib and/or the Securities Ethics Council are authorized to request from the aforementioned members all documents and information they deem necessary.

As the case may be, Bank Al-Maghrib and/or the Securities Ethics Council also monitor compliance of the aforementioned members with the provisions of this law and the general regulations provided for in articles 9 and 29 of this law.

As the case may be, Bank Al-Maghrib or the Securities Ethics Council also monitor the compliance of the members referred to above with the provisions of the circulars provided for by article 4-2 of the Dahir law no. 1-93-212 of 4 Rabii II 1414 (21 September 1993) abovementioned applicable to them and the circulars of Bank Al-Maghrib applicable to them.

Article 74

Members are required to send to the coordinating body of the futures market the list of shareholders or unitholders holding, directly or indirectly, a participation equal to or greater than 5% of their capital.

Article 75

Any person who is a member of the administrative, management and executive bodies or of the supervisory board or who is a member of the staff of a trading member may only trade on the futures market of financial instruments for their own account through the said member.

Article 76

The transactions referred to in article 75 of this law may not be carried out under preferential conditions compared to those enjoyed by all customers.

These transactions must also be recorded in a register specially opened for this purpose.

Article 77

Trading members are only allowed to act on their own account after satisfying their clients' orders.

Article 78

When, in the course of executing client orders, the trading members intervene totally or partially through a transaction on their own behalf, they inform the clients concerned thereof.

Article 79

Trading members are not authorized to buy or sell futures to their clients for their own account when they themselves manage the accounts of the said clients, and they, consequently, have the initiative with regard to the operations carried out on these accounts.

Article 80

Members are required, while executing their duties, to respect the rules of integrity, diligence, promptness and the primacy of the clients' interests.

Article 81

In order to preserve their liquidity and solvency, members are required to comply with the prudential rules, which consist of maintaining appropriate proportions in particular;

- between own funds and the amount of the commitments;
- between own funds and the amount of risk incurred for each future.

These proportions shall be determined, depending on the nature of the activities carried out by the members, by the minister of finance, on a proposal from the managing company and/or the clearing house and after consulting the coordinating body of the futures market provided for in article 7 of this Law.

Article 82

Subject to the sanctions provided for in this law, no one may be a founder or member of the administrative, management and executive bodies or of the supervisory board of a trading or/and clearing member or, directly or through an intermediary, control, administer, direct, manage or represent in any capacity whatsoever, or have signing authority on behalf of such member:

- If they have been irrevocably convicted of a crime or of one of the offences provided for and punished by articles 334 to 391 and 505 to 574 of the criminal code:

- If they have been irrevocably convicted of violating the foreign exchange legislation;
- if they have been the subject, or if the enterprise they managed has been subject, either in Morocco or overseas, of a recovery or liquidation judgment and have not been rehabilitated;
- if they have been irrevocably convicted under the provisions of articles 92, 93, 96 to 99 of this law;
- if they have been condemned by a foreign court having acquired the force of *res judicata*, that implies according to Moroccan law a condemnation for one of the criminal acts or offences listed above.

TITLE IV SANCTIONS

Chapter one

Disciplinary sanctions

Article 83

When a member has failed to fulfil the professional standards, Bank Al-Maghrib or the Securities Ethics Council may, each according to its prerogatives or both jointly in the context of the coordinating body of the futures market, after having formally demanded explanations from the managers regarding these facts, send them a caution.

Article 84

When the situation of a member warrants, as the case may be, Bank Al-Maghrib or the Securities Ethics Council, each according to its prerogatives or both jointly in the context of the coordinating body of the futures market referred to in article 7 of this law, may issue an injunction to them to take any measures aiming to restore or strengthen their financial equilibrium or to adjust their management methods.

Article 85

If the caution or injunction provided for in articles 83 and 84 of this law remains ineffective, and if the situation is likely to prejudice the interest of the customers or the proper functioning of the market, as the case may be, Bank Al-Maghrib or the Securities Ethics Council may, each according to its prerogatives or both jointly within the context of the coordinating body of the futures market provided for in article 7 of this law, suspend one or more of the activities of the member concerned or appoint an interim director to whom all the powers necessary for the administration and management of the member concerned are transferred.

The appointment of an interim director cannot intervene or ceases to have effect from the moment the member is in a state of insolvency. In that case, only the provisions of law no. 15-95 of 15 Rabii I 1417 (1st August 1996) on the Commercial Code relating to recovery and compulsory liquidation shall apply.

However and by way of derogation from the provisions of law no. 15-95 of 15 Rabii I 1417 (1st August 1996) on the commercial code, the receiver is appointed by the court on a proposal from the minister of finance.

Article 86

The interim director referred to in article 85 of this law may only acquire or dispose of real estate and investment holdings of the member concerned with the prior authorization of the coordinating body of the futures market provided for by article 7 of this law.

They must submit a quarterly report on the management as well as on the evolution of the situation of the member concerned to the coordinating body of the futures market provided for by article 7 of this law.

they must also submit a report specifying the origin, the importance and the nature of the member's difficulties as well as the measures that may ensure their recovery or, failing this, their liquidation to the coordinating body of the futures market provided for by article 7 of this law, after a period not exceeding one year from the date of their appointment.

The coordinating body of the futures market provided for in article 7 of this law must inform the minister of finance of the content of these reports.

Article 87

Bank Al-Maghrib or the Securities Ethics Council, each according to its prerogatives or both jointly in the context of the coordinating body of the futures market provided for by article 7 of this law, may issue a caution, warning or reprimand to:

- the managing company or the clearing house when it does not provide for the Securities Ethics Council or/and to Bank Al-Maghrib with the documents in accordance with the provisions of articles 13 and 52 above;
- the managing company or the clearing house that does not inform the Securities Ethics Council or/and Bank Al-Maghrib of the offenses they have identified in the performance of their duties as provided for in articles 11 and 31 above;
- the managing company or the clearing house that does not report the suspension of a trading member or a clearing member to the Securities Ethics Council or/and Bank Al-Maghrib and the professional association of the members of the futures market as provided for in articles 26 and 42 above;
- the managing company that does not consult the issuer of an underlying asset prior to the admission of a future, as provided for in article 12 above;

- the managing company that does not submit the information document and the technical sheet of the future as provided for in article 12 and 13 above to the Securities Ethics Council in Securities;
- The managing company and the clearing house which fail to comply with the rules and procedures relating to the registration and to the recording of transactions, as provided for in articles 23, 25, 32 and 39 above;
- The managing company or the clearing house which fail to comply with the provisions provided for in the general regulations referred to in article 9 to 29 of the present law;
- The managing company or the clearing house which fail to transmit to Bank Al-Maghrib and/or Securities Ethics Council necessary documents and information for the fulfilment of their duties in accordance with the provisions of article 52 of the this law.

Where a cautionary note, a warning, or a reprimand is of no effect, the coordinating body of futures market provided for in article 7 of the present law may propose to the minister of finance, on the basis of a detailed report, the replacement of members of the management bodies or the management of the managing companies or the clearing house, or any amendment to the legislation or to rules in force necessary for the regular functioning of the futures market.

Article 88

- Bank Al-Maghrib or the Securities Ethics Council, each according to its prerogatives or both jointly in the context of the coordinating body of futures market provided for in article 7 of this law may issue a cautionary note, a warning or a reprimand to:
- clearing members who fail to pay their contribution to the clearing margin, pursuant to article 43 above;
- clearing members who fail to constitute the delivery initial margin provided for in article 35 above;
- members who fail to respect the rules of good conduct as provided for in articles 69 and 76 to 80 above;
- members who fail to respect the prudential rules as provided for in articles 81 above;
- members who fail to pay membership and trading and/or compensation fees as provided for in article 68 above
- trading members who fail to sign a netting agreement with a clearing member as referred to in article 70 above;
- trading members who fail to carry out the timestamping of clients' orders and voice recording of telephone orders or fail to transmit these order diligently, breaching the provisions of article 19 above;
- members who fail to respect the provisions relating to the registration and recording of transactions set forth in articles 23 and 24 above;
- members who fail to submit documents and information to the managing company or to the clearing house pursuant to the provisions of article 73 above;

- members who continue to exercise their activity without having a new authorization following the amendments provided for in article 61 of this law, or, change if their registered office or actual place of activity without prior agreement from the coordinating body of futures market provided for in article 7 above;
- members who fail to respect the terms and conditions of informing clients as provided for in article 72 above ;
- members who fail to comply with communication and publication obligations provided for in articles 58 and 73 above ;
- members who do not send to the coordinating body of futures market, provided for in article 7 above, the list of shareholders provided for in article 74 above;
- members who fail to respect the provisions of the general regulations of the managing company and the clearing house provided for in article 9 and 29 above.

Article 89

Where a cautionary note, a warning, or a reprimand provided for in article 87 of this law is of no effect, the coordinating body of futures market set forth in article 7 of this law may suspend one or more members board of directors, management or management bodies or members of the concerned supervisory board.

It may also propose to the Ministry of Finance:

- either to prohibit or restrict the exercise of certain operations by a member ;
- or, to appoint a provisional director;
- or, to withdraw the authorization from the concerned member.

Article 90

The penalties provided for in article 89 of this law shall be imposed only after that the member representative has been duly convened at least one week before his appearance before the coordinating body of futures market provide for in article 7 of this law, in order to be heard.

The representative of the member concerned may be assisted by an advisor of his choice. The said authority must have previously informed him of the breaches recorded and send him all elements of the case.

The said authority, upon request of the party concerned, shall also convene, for the hearing, the representative of the professional association of the members of the futures market of financial instruments provided for in article 103 of this law.

Chapter II

Penal sanctions

Article 91

The provisions of articles 42, 43, 44 and 46 of Law no. 43-12 on the Moroccan Capital Market Authority are applicable to the futures market of financial instruments, in accordance with the legislation in force.

Article 92

Any person who, acting on their behalf or on behalf of another person, unduly uses a corporate name, address, announcement and, in general, any expression implying that they are authorized as a trading or clearing member, or knowingly confuse the public mind regarding the regularity of the exercise of their activity, is punished with imprisonment from three months to one year and a fine of 5,000 to 100,000 dirhams, or one of these penalties only.

Article 93

Any person who, acting on their behalf or on behalf of another natural person or a legal entity that has not been duly authorized as a trading or clearing member, carries out on a regular basis the transactions referred to in articles 55, 56 and 57 above is punishable with imprisonment of six (6) months to three (3) years and a fine of 50,000 to 500,000 dirhams or one of these penalties only.

Article 94

In the cases provided for in articles 92 and 93 of this law, the court orders the closure of the institution of the person responsible for the offense committed. It also orders the publication of the judgment in the newspapers it designates at the expense of the convicted person.

Article 95

Is liable to a fine of up to 1% of the value of the transaction:

- any natural person who fails to declare within the prescribed period a direct transfer operation, other than those resulting from an inheritance or legacy transaction, in accordance with the provisions of articles 17 and 18 of this Law;
- any trading member who fails to declare within the prescribed period a direct transfer resulting from an inheritance or legacy transaction in accordance with articles 17 and 18 of this law.

The last quoted price of the concerned value serves as a reference for the calculation of this fine.

Article 96

Is liable to a fine of 5,000 to 100,000 dirhams, any natural or legal person who fails to declare within the specified period an upward crossing of one of the thresholds of participation in a listed company, by the completion of a

transaction on futures or that fails to declare to the Securities Ethics Council their intentions in accordance with the provisions of article 68 ter of the Dahir providing Law no. 1-93-211 of 4 Rabii II 1414 (21 September 1993) on the Stock Exchange as amended and completed. In addition, this person loses the voting right on the shares exceeding the fraction that should have been declared for any shareholders' meeting to be held after the offense. Their voting rights shall be restored in the event of a transfer following the finding of the offense.

Article 97

Is liable to a fine of 5,000 to 100,000 dirhams, any natural or legal person who fails to declare within the specified period a downward crossing of the thresholds of participation in a listed company, by the completion of a transaction on futures or that fails to declare to the Securities Ethics Council their intentions in accordance with the provisions of article 68 quater of the Dahir on Law no. 1-93-211 of 4 Rabii II 1414 (21 September 1993) mentioned above.

Article 98

Anyone who contravenes the prohibitions provided for by article 82 of this law is liable to imprisonment of six (6) months to three (3) years and a fine of 10,000 to 500,000 dirhams or one of these penalties only.

Article 99

Any person who, as part of the administrative, management and executive bodies or of the personnel of a member, breaches the provisions of article 75 above is liable to a fine of 10,000 to 500,000 dirhams.

Article 100

The authors of the offenses set forth in this chapter and their co-authors may be prosecuted on the basis of a prior complaint or a prior complaint by the coordinating body of the futures market provided for in article 7 of this law.

Article 101

Members of the administrative, management and executive bodies or of the supervisory board and the employees of the managing company, the clearing house and the members are bound by the obligation of professional secrecy concerning all information they are aware of in any capacity whatsoever, subject to the sanctions provided for in article 446 of the Penal Code.

TITLE V

MISCELLANEOUS PROVISIONS

Article 102

The tax system of transactions on the futures is set by the Finance Act.

Article 103

Any member of the futures market of financial instruments duly authorized is required to join a professional association referred to as «professional association of members of futures market of financial instruments» governed by the provisions of the Dahir of 3 Jumada I 1378 (15 November 1958) relating to right of association.

Article 104

The information document, referred to in article 13 of this law, submitted for approval of the Securities Ethics Council requires a payment of a commission by the managing company.

The commission rate is set according to the category of targeted futures. This rate may not exceed one per thousand of the amount of the operation.

Failure to pay the commission within the prescribed time limits gives rise to an increase to be imposed.

The increase rate shall not exceed 2 % per month or part of a month delay calculated based on the amount of payable commission.

The rate and terms of the commission payment as well as the increase rate shall be set by a decree of the minister of finance, on the proposal of the Securities Ethics Council

Article 105

No one may oppose the professional secrecy on Bank Al-Maghrib, Securities Ethics Council or the coordinating body of futures market provided for in article 7 of this law for exercising of their duties as provided for in this law.

Article 106

The managing company and the clearing house publish each year a report of their activities and on the futures market.

The managing company, the clearing house and the members are required to publish the accounting statements for which the list and methods of publication shall be set by the Securities Ethics Council.

Article 107

The provisions of article 4-1 of Dahir of law no.1-93-212 of Rabii II 1414 (21 September 1993) above are completed as follow

« Article 4-1. The CDVM ensures that persons or organizations making public offering respect the legal and regulatory provisions that are applicable to them.

« It shall also exercise the powers of control «devolved by the legislation in force, and shall verify that «the bodies or persons who are subject to its control «comply with the legal and regulatory provisions governing them and in particularly those relating to:

« -
« -
« -
« -
« -
« - legislations ;

«-To trading members, to trading members – «clearing members, to the managing company and «clearing house of the futures market «governed by the legislation relating to the futures «market.

(the following remains unchanged)

Article 108

The provisions of article 53 of the law no. 34-03 of 15 Muharram 1427 (14 February 2006) relating to the credit institution and related bodies are completed as follow:

« Article53. - Bank Al-Maghrib is responsible for monitoring credit institutions' compliance with the provisions of this law

« -
« -
« -
« -

The persons referred to in paragraph 3 above could not «be held civilly liable for «the performance of their duties.

Bank Al-Maghrib is also responsible for monitoring «the managing company of futures market, «the clearing house and members of «futures market of financial instruments in accordance with the legislation governing them. »

Article 109

This law shall be published in the Official Gazette

The text in Arabic has been published in the general edition of the «Official Gazette » no.6263 of 11 Sha'ban 1436 (9 June 2014).