

Dispute-Settlement Regulation

Commercial transactions are rapid affairs requiring flexible procedures. Since its foundations, the PSE has worked to employ an integrated problem-solving system that facilitates the settlement of all types of disputes that may arise between parties, relevant to transactions in the capital market.

The Dispute-Settlement Regulation has two committees. The first is a committee for violation-control and the second, an arbitration committee. They settle the following disputes:

1) Disputes occurring as a result of trading by Securities Exchange Members, (brokerage firms) such as:

- Two member companies of the Exchange.
- Two staff members from different member firms at the Exchange.
- A member brokerage firm and a staff member who works for another brokerage firm.

2) Disputes arising from a settlement of trading securities involving:

- The Exchange and the Settlement Bank,
- The Exchange and a member company,
- A member company and the Settlement Bank
- A member company and another member company.

3) Disputes arising as a result of investment in securities including:

- A client and a member company or a person who works in a member company,
- A client and a listed company,

4) Civil disputes occurring as a result of inaccurate or misleading information or documents in the process of listing membership applications or any other conditions.

The Dispute-Settlement Regulation allows the PSE the right to monitor and call listed companies and their employees for investigation if needed. The Regulation obliges companies and their employees to abide by the rules of PSE. Accordingly, the PSE has adequate regulations to maintain the stability of the securities sector through providing equal opportunities to all investors.