



الأمانة العامة للجان الفصل في منازعات الأوراق المالية
General Secretariat of Committees for Resolution of Securities Disputes

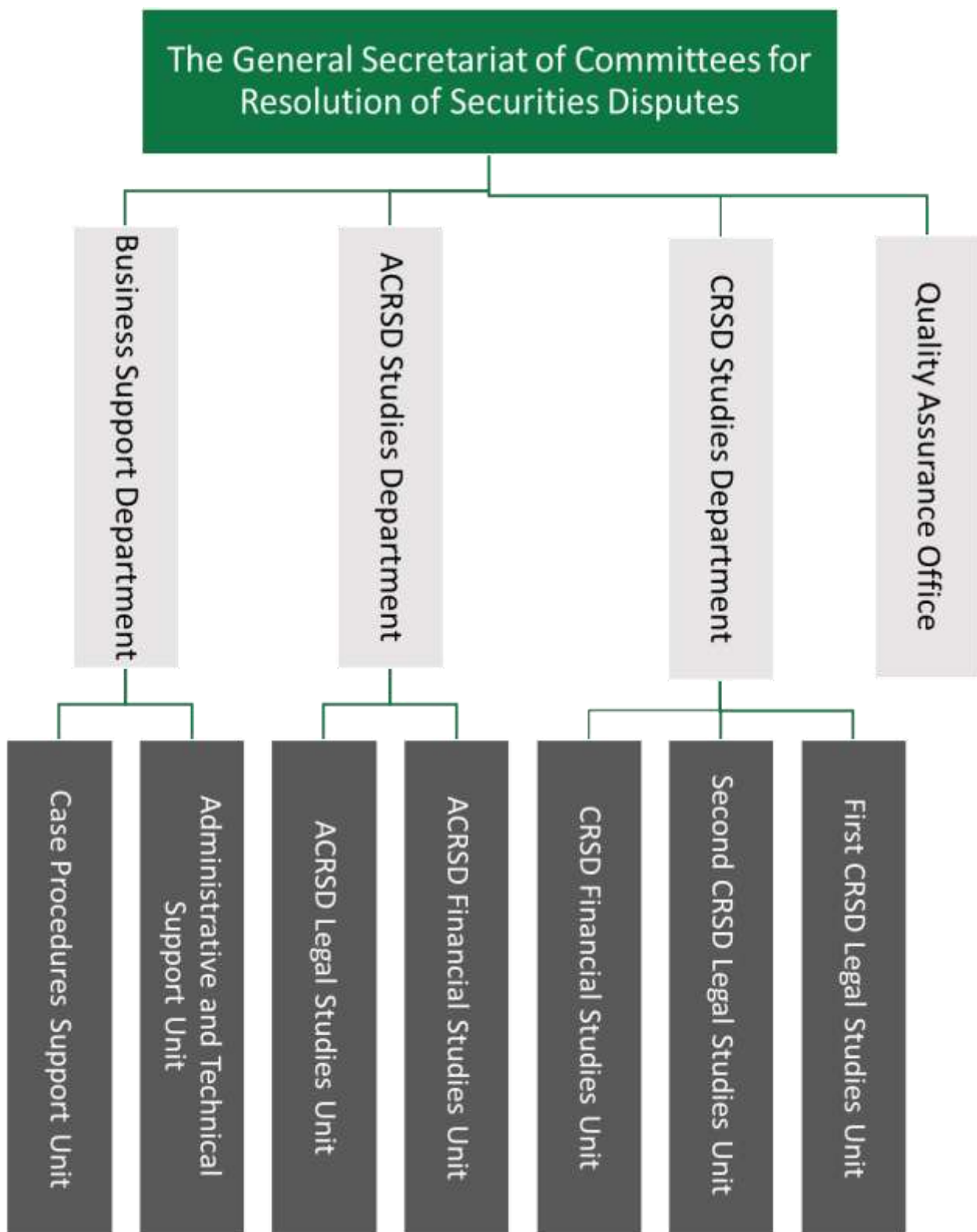
Annual Report

2022

**General Secretariat of
Committees for Resolution of
Securities Disputes**



The Organizational Structure of the General Secretariat of Committees for Resolution of Securities Disputes



Our Mission



Achieving the highest level of efficiency in litigation procedures within the committees to ensure swift justice, enhance participant confidence, and promote stability in the financial market.

Our Vision



Thoroughly and accurately reviewing cases with efficiency, providing specialized legal and financial consultations to the Resolution and Appeals Committees, in accordance with the highest standards of professionalism in financial markets.

Our Strategic Goals



- Enhance the regulatory and supervisory environment of the financial market and assist the Resolution Committees in achieving justice and expediting decision-making, aiming for an average litigation period of 8.5 months in securities disputes by the end of 2023.
- Achieve the highest levels of accuracy and quality in analyzing financial market-related cases through the preparation of top-notch legal studies and financial analyses.
- Improve the efficiency and effectiveness of employees in performing tasks and internal procedures, ensuring the highest levels of accuracy and professionalism in executing the duties of the General Secretariat.
- Support the efficiency of the Resolution Committees and the General Secretariat in securities disputes by fully transitioning to electronic systems, streamlining procedures, and enhancing the quality of services provided to the Resolution Committees.

The General Secretariat of Committees for Resolution of Securities Disputes is pleased to present its 2022 annual report, reflecting key achievements, data and activities accomplished during the year. This report demonstrates the continuation of its strategic role as mandated within the Saudi Capital Market Authority's strategies, and as well as the provision of support and assistance to the Committees for Resolution of Securities Disputes.

The development witnessed by the Committees for Resolution of Securities Disputes and its General Secretariat across legal, financial, administrative, and technical aspects in 2022 contributed to achieving a primary strategic goal which was reducing the average litigation period; being from the date a filing the case until the final decision by the Appeal Committee. In 2022, the average litigation period is (7.64) months, compared to the target value of (8.75) months, reflecting a decrease of (8.28%) from the average litigation period of 2021.

The General Secretariat's notable achievements in 2022 included significant developments in its electronic system for the General Secretariat of Committees for the Resolution of Securities Disputes. This included the integration with the Ministry of Interior and the launch of the notification service via "Absher" service, as well as connectivity with the Ministry of Commerce and the Ministry of Justice. The system was also linked to the "Raya" service to send multi-purpose text messages to case parties. Additionally, a new icon for fast-track cases was introduced, procedural improvements for case processing were

implemented, and summarizing decisions process was enhanced.

These advancements significantly contributed to noticeable progress in automating the General Secretariat's operations, increasing the efficiency of case procedures, improving quality standards, expediting adopted procedures, and completing a large volume of operations. By the end of 2022, the notification period for the statement of claim improved to an average of (1.6) days, compared to (3.4) days by the end of the previous year. Furthermore, (100%) of notifications were delivered within the specified timeframe, achieving the targeted goal.

In its efforts to expedite the procedures for reviewing and adjudicating cases, the General Secretariat prepared a detailed study to harmonize the principles of financial compensation in civil cases between the Committee for Resolution of Securities Disputes (CRSD) and Appeal Committee for Resolution of Securities Disputes (CRSD). These principles were approved by the CRSD and ACRSD and implemented during the third quarter of the current year. Additionally, the General Secretariat continued to update the judicial principles issued by the CRSD and ACRSD on the General Secretariat's official website.

The General Secretariat exerted maximum effort during the current year to manage the increased workload of incoming cases, appeals, and petitions. The ACRSD received (380) appeals during 2022, while CRSD handled (561) new cases.

In line with its responsibilities, the General Secretariat organized the procedural tasks related

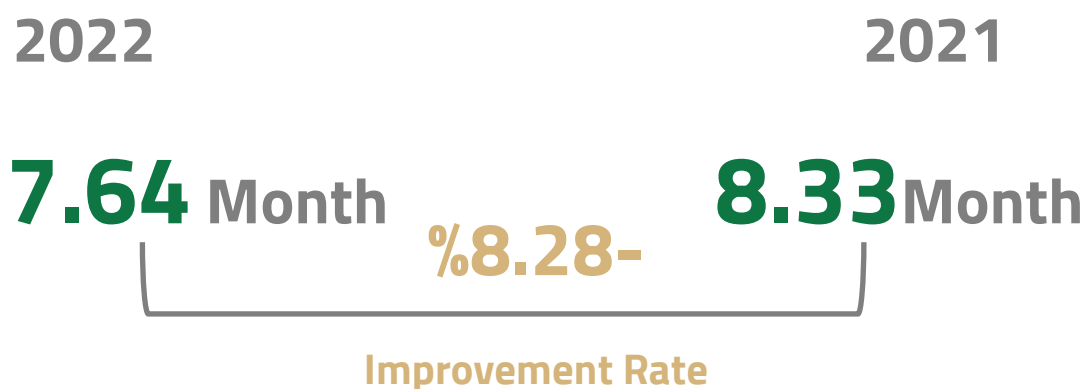


Executive Summary

to case management for the two circuits of CRSD, including their meetings and case hearings, during 2022. The total number of meetings held in 2022 reached (472), marking a (47.50%) increase compared to the previous year. Similarly, the ACRSD held (350) meetings, reflecting a (14.38%) increase from the previous year. Additionally, the electronic system of the General Secretariat processed (23,552) transactions across the CRSD and ACRSD in 2022, compared to (21,504) transactions in the previous year. These transactions included newly registered cases, memoranda exchanged between parties, notifications to litigants, decisions issued by the committees, and appeal memoranda.

The General Secretariat also sought to enhance employee development during 2022 by organizing a number of internal and specialized workshops on the financial market, trading mechanisms, and emerging misconduct behaviors by violators. Additionally, in coordination with Tadawul Group, the General Secretariat held a specialized workshop on the Post-Trade Technology Program (PTTP), presented by members of the Governance and Compliance Department at the Group, that focused on clarifying trade settlement procedures and the responsibilities of market institutions and members regarding these processes.

1. Average Litigation Period in Securities Disputes



2. Compensations in Civil Cases

The numerous initiatives undertaken by the General Secretariat during 2022 contributed to enhancing the efficiency and effectiveness of the performance of the Committees for the Resolution of Securities Disputes. This was reflected in the issuance of a significant number of decisions during the year, as the Resolution and Appeal Committees issued a total of (947) decisions in 2022 compared to (833) decisions in 2021, representing an increase of (14%) over the previous year. This also resulted in a remarkable and unprecedented rise in the value of compensations issued during 2022, with an increase of (378%) compared to the previous year.

Category	2020	2021	2022
Against Practicing Securities Business without License	29,565,194	17,624,579	53,190,846.87
Against Violating Article (49) and Market Conduct Regulations	17,442	274,396,207	323,472,285.01
Against Market Institution	36,706,167	17,863,239	37,498,341.93
Against a Listed Company	24,644,330	13,241,854	52,969,178.48
Other	2,454,558	40,214,110	59,650,917.00
Class Action	370,919	3,371,554	1,225,113,291.08
Total:	93,758,611	366,711,547	1,751,894,860.37
Compensated Individuals	445	553	1294



Development of the Electronic System

During 2022, the General Secretariat of the Committees for Resolution of Securities Disputes worked on developing its electronic system and introducing numerous enhancements; included improving notification and alert services by integrating with relevant government entities and improving case procedures. The key improvements to the electronic system included the following:

1. Linking the General Secretariat's electronic system with the Ministry of Interior's services through "Absher" service, enabling notifications of the statement of claim to individuals. As a result, the Committees no longer issues default judgments against Saudi nationals and residents. This integration contributed to improving the performance of the notification index for the statement of claim, reducing the average notification time to (1.6) days by the end of 2022.
2. Utilizing access to electronic services through the Unified National Access platform "NAFATH", ensuring the authentication of all accounts for both Saudi nationals and residents.
3. Integrating the electronic system with the Ministry of Justice's services to verify powers of attorney and legal practice licenses when filing cases.
4. Integrating the electronic system with the Ministry of Commerce's services to verify the commercial registration number of companies and institutions outside the exchange (non-listed and unlicensed entities).
5. Integrating the electronic system with "RAYA" service to send multi-purpose text messages to parties.
6. Adding an icon for fast-track cases, allowing the committee member to select the case track, either fast-track or standard. This selection is reflected in the case record and updated in the tasks assigned to the legal and financial specialists.
7. Enhancing notifications for the Appeal Committee to allow the exchange of appeal memoranda between parties based on the committee's directives.
8. Enhancing the procedures for summarizing final decisions through the system by placing them in a designated repository at the end of each month. These summarized decisions are then sent to the Authority's Legal Affairs and Enforcement Deputy for review prior to publication.



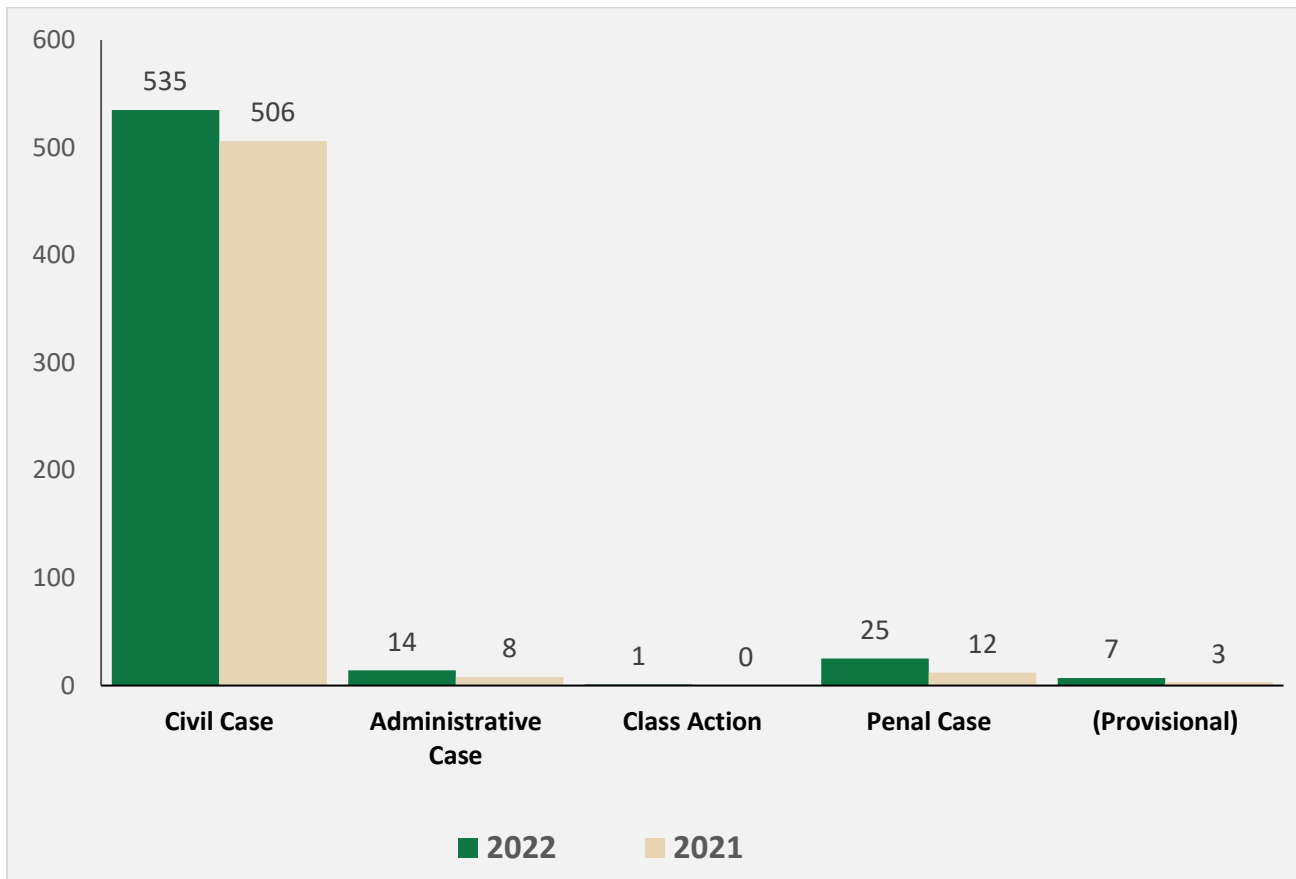
The Committee for Resolution of Securities Disputes



First: Issued Decisions by the Committee for Resolution of Securities Disputes (CRSD)

1. Issued Decisions

Issued Decisions in 2022 Compared with 2021			
Case Type	Number of Cases		% of Change
	2021	2022	
Civil Case	506	535	%5.73
Administrative Case	8	14	%75.00
Class Action	0	1	-
Penal Case	12	25	%108.33
(Provisional)	3	7	%133.33
Total	529	582	%10.02

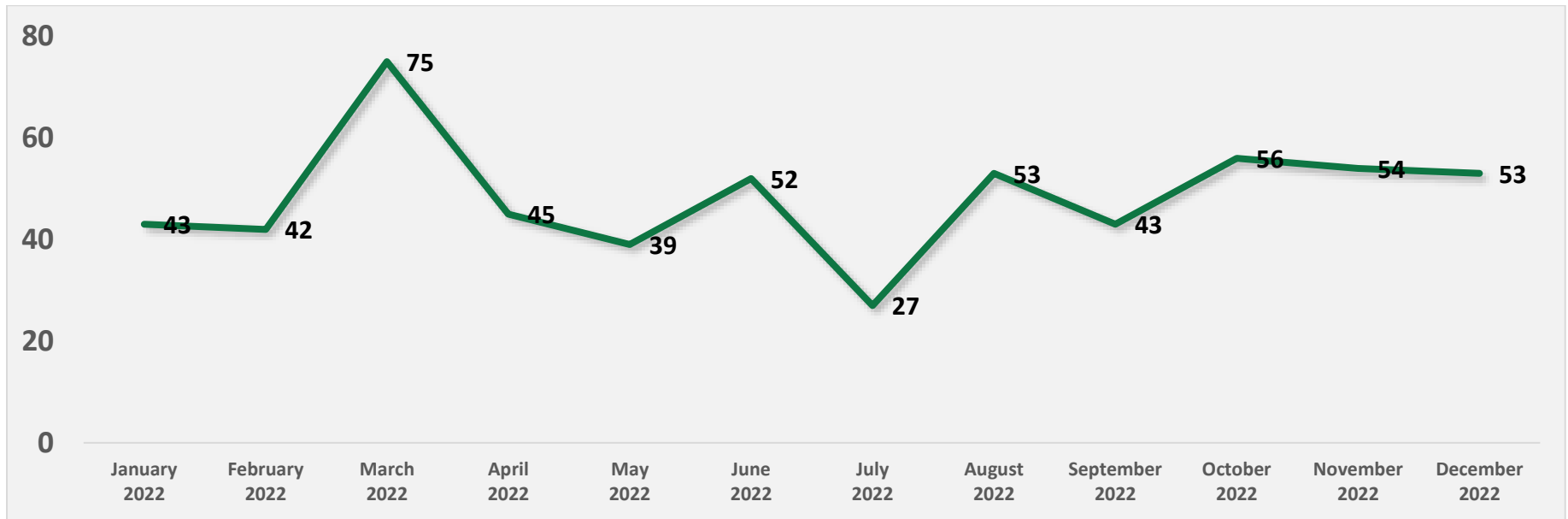




First: Issued Decisions by CRSD

2. Number of Decisions Issued by CRSD During Past 12 Months

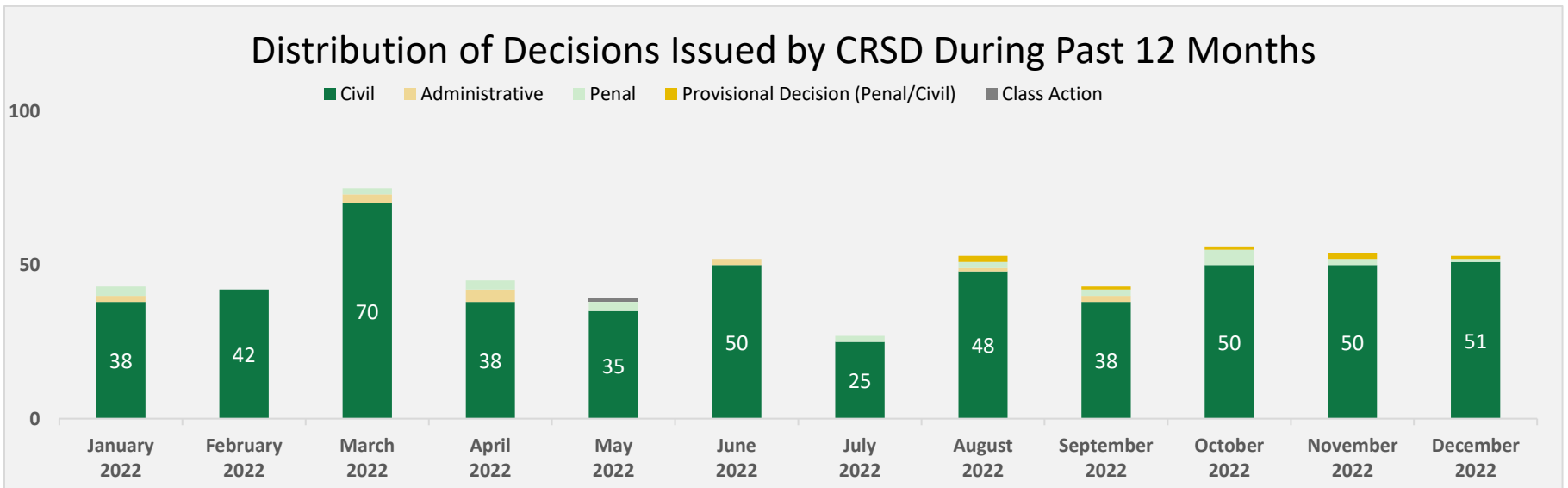
Month	January 2022	February 2022	March 2022	April 2022	May 2022	June 2022	July 2022	August 2022	September 2022	October 2022	November 2022	December 2022
Issued Decisions	43	42	75	45	39	52	27	53	43	56	54	53





3. Distribution of Decisions Issued by CRSD During Past 12 Months

Case Type	January 2022	February 2022	March 2022	April 2022	May 2022	June 2022	July 2022	August 2022	September 2022	October 2022	November 2022	December 2022
Civil	38	42	70	38	35	50	25	48	38	50	50	51
Administrative	2	0	3	4	0	2	0	1	2	0	0	0
Penal	3	0	2	3	3	0	2	2	2	5	2	1
Provisional Decision (Penal/Civil)	0	0	0	0	0	0	0	2	1	1	2	1
Class Action	0	0	0	0	1	0	0	0	0	0	0	0
Total	43	42	75	45	39	52	27	53	43	56	54	53

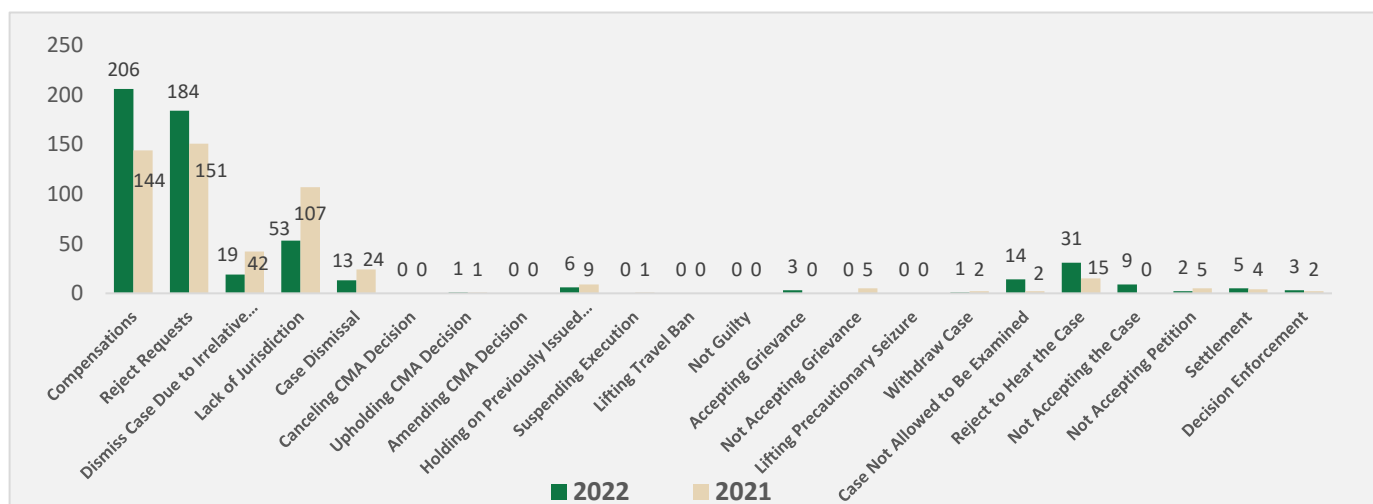




First: Issued Decision by CRSD

1. Issued Civil and Administrative by CRSD (Distributed by Operative Decision)

Detailed Civil and Administrative Decisions			
Operative Part	2021	2022	% of Change
Compensations	144	206	%43.06
Reject Requests	151	184	%21.85
Dismiss Case Due to Irrelative Party	42	19	%54.76-
Lack of Jurisdiction	107	53	%50.47-
Case Dismissal	24	13	%45.83-
Canceling CMA Decision	0	0	-
Upholding CMA Decision	1	1	-
Amending CMA Decision	0	0	-
Holding on Previously Issued Decision	9	6	%33.33-
Suspending Execution	1	0	%100.00-
Lifting Travel Ban	0	0	-
Not Guilty	0	0	-
Accepting Grievance	0	3	-
Not Accepting Grievance	5	0	%100.00-
Lifting Precautionary Seizure	0	0	-
Withdraw Case	2	1	%50.00-
Case Not Allowed to Be Examined	2	14	%600.00
Reject to Hear the Case	15	31	%106.67
Not Accepting the Case	0	9	-
Not Accepting Petition	5	2	%60.00-
Settlement	4	5	%25.00
Decision Enforcement	2	3	%50.00

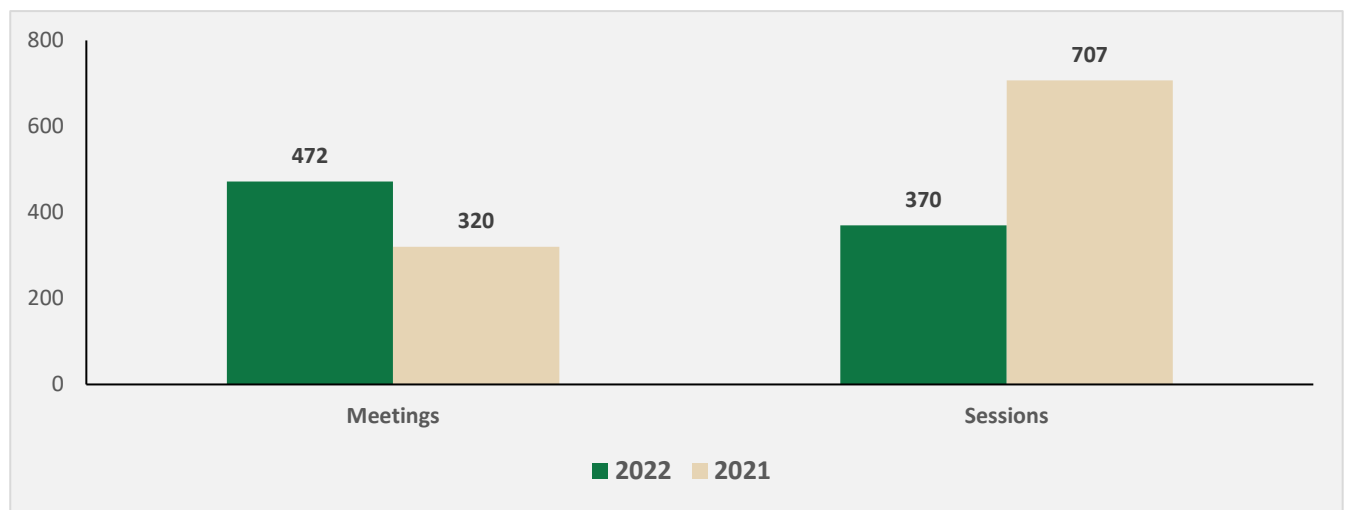




Second: Meetings and Session of CRSD Members

1. Meetings and Sessions

Category	2021	2022	% of Change
Meetings	320	472	%47.50
Sessions	707	370	%47.67-
Total	1,027	842	%18.01-



Category	2022
Issued Decisions by First Circuits	301
Issued Decisions by Second Circuits	281
Total	582

Average Litigation Period for CRSD

Category	2021 (Month)	2022 (Month)
CRSD	6.65	5.85

Third: Draft Decisions Submitted to CRSD

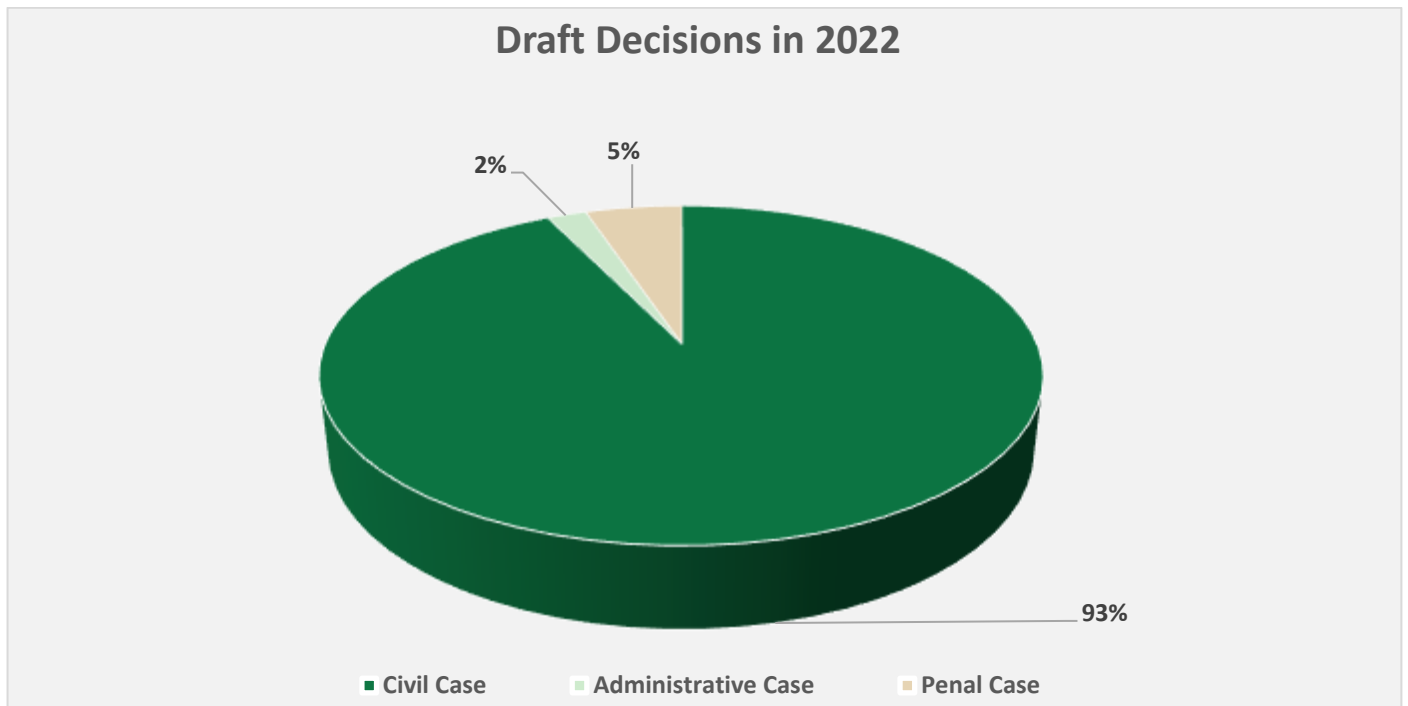


1. Drafts Submitted to CRSD for 2022 Compared to 2021

Description	2021	2022	% of Change
Number of Drafts	563	525	%6.75-

2. Drafts Submitted to CRSD for 2022 Distributed by (Case Type)

Case Type	2022	% of Total
Civil Case	487	%92.76
Administrative Case	11	%2.10
Penal Case	27	%5.14
Total	525	%100

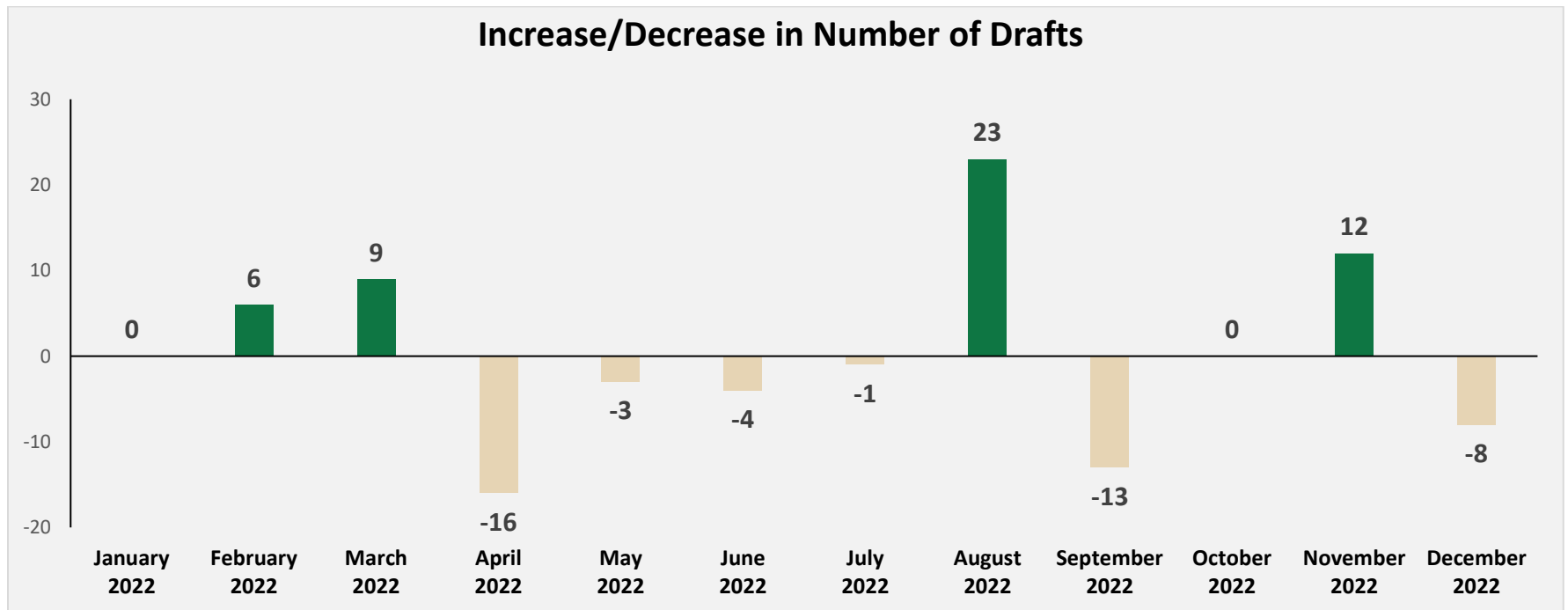




Third: Draft Decisions Submitted to CRSD

3. The Increase and Decrease in Drafts Submitted to CRSD During Past 12 Months

Month	January 2022	February 2022	March 2022	April 2022	May 2022	June 2022	July 2022	August 2022	September 2022	October 2022	November 2022	December 2022
Number of Drafts	41	47	56	40	37	33	32	55	42	42	54	46
Increase/Decrease in Drafts	0	6	9	16-	3-	4-	1-	23	13-	0	12	8-

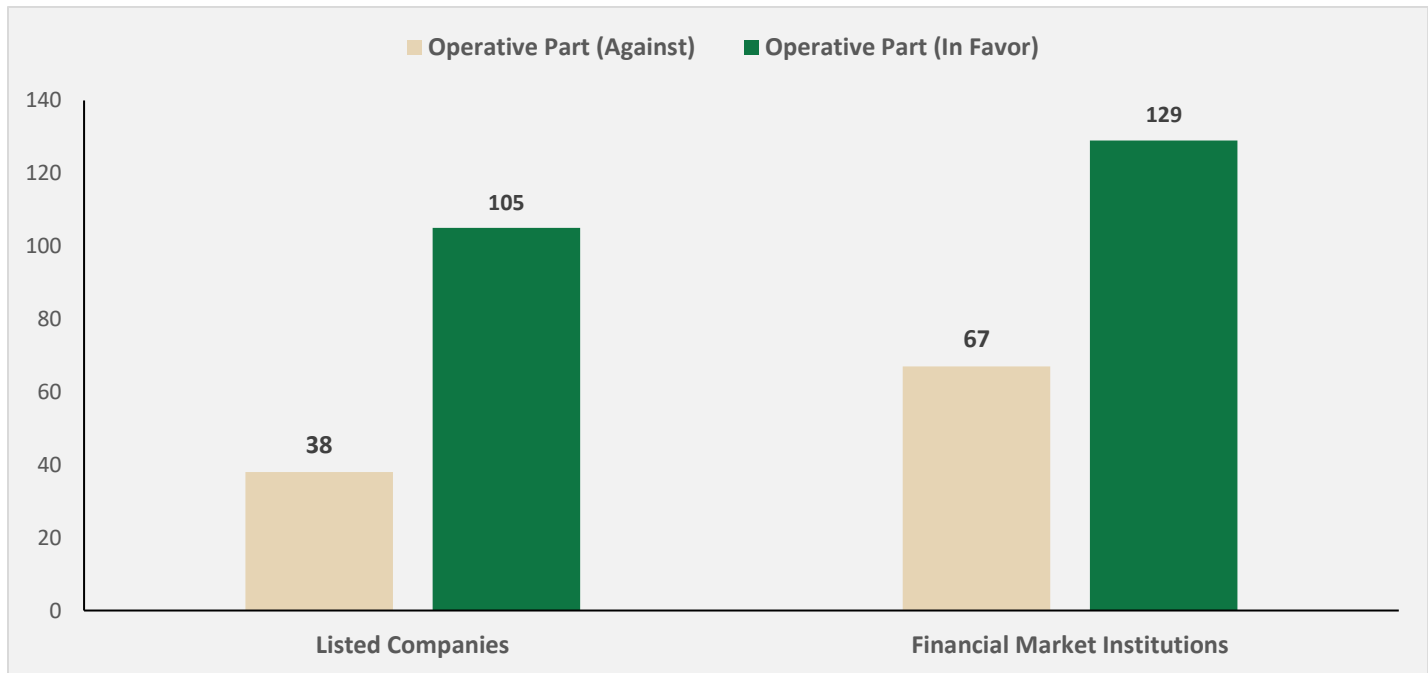




Fourth: Issued Decisions (Against/In Favor) for Listed Companies and Financial Market Institutions

1. Number of Issued Decisions (Against/In Favor) for Listed Companies and Financial Market Institutions from 1 January till 31 December in 2022

Respondent	Total of Issued Decisions During the Period	Operative Part (In Favor)	Operative Part (Against)	% of Total Decisions
Listed Companies	143	105	38	%42.18
Financial Market Institutions	196	129	67	%57.82
Total	339	234	105	%100

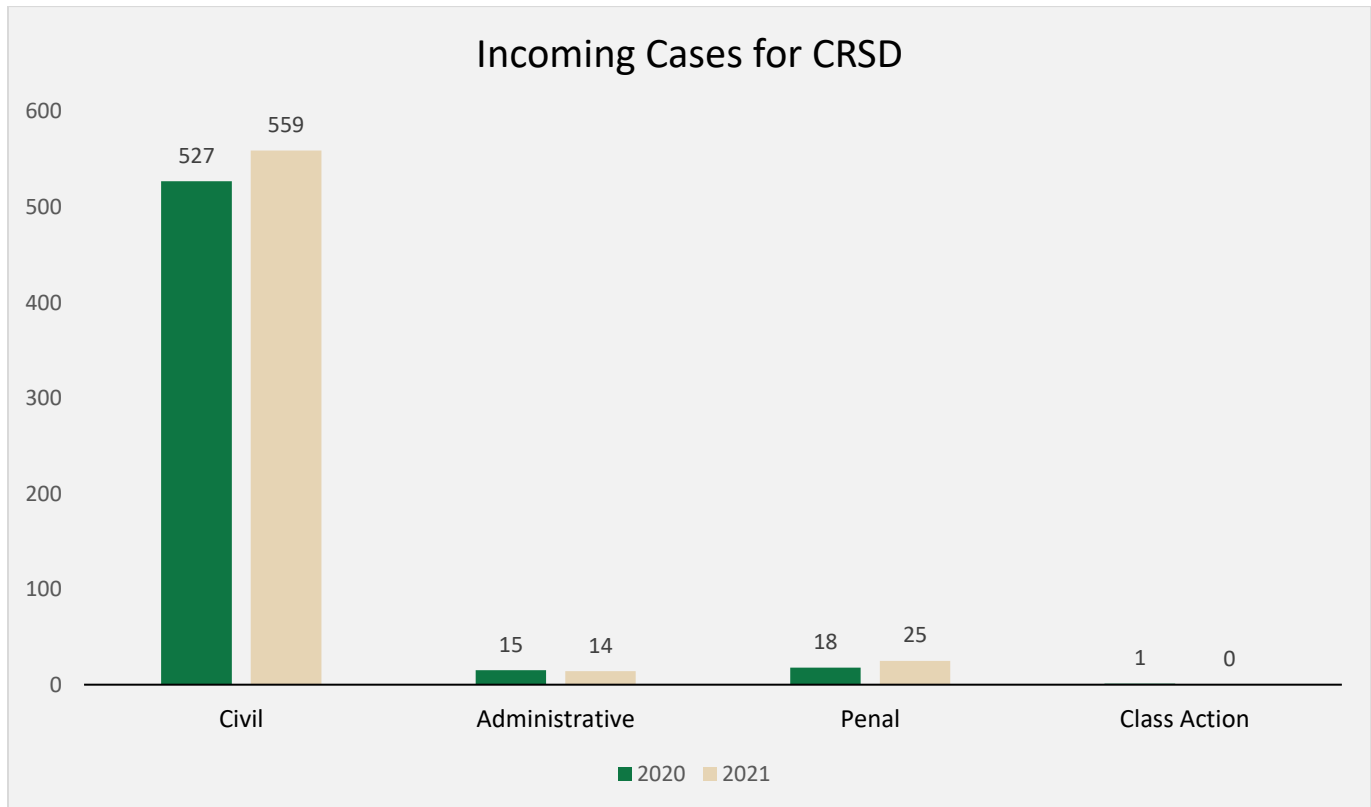




Fifth: Incoming Cases to CRSD

Case Type	2021	2020	% of Change
Civil	559	527	%6-
Administrative	14	15	%7
Penal	25	18	%28-
Class Action	0	1	-
Total	598	561	%6-

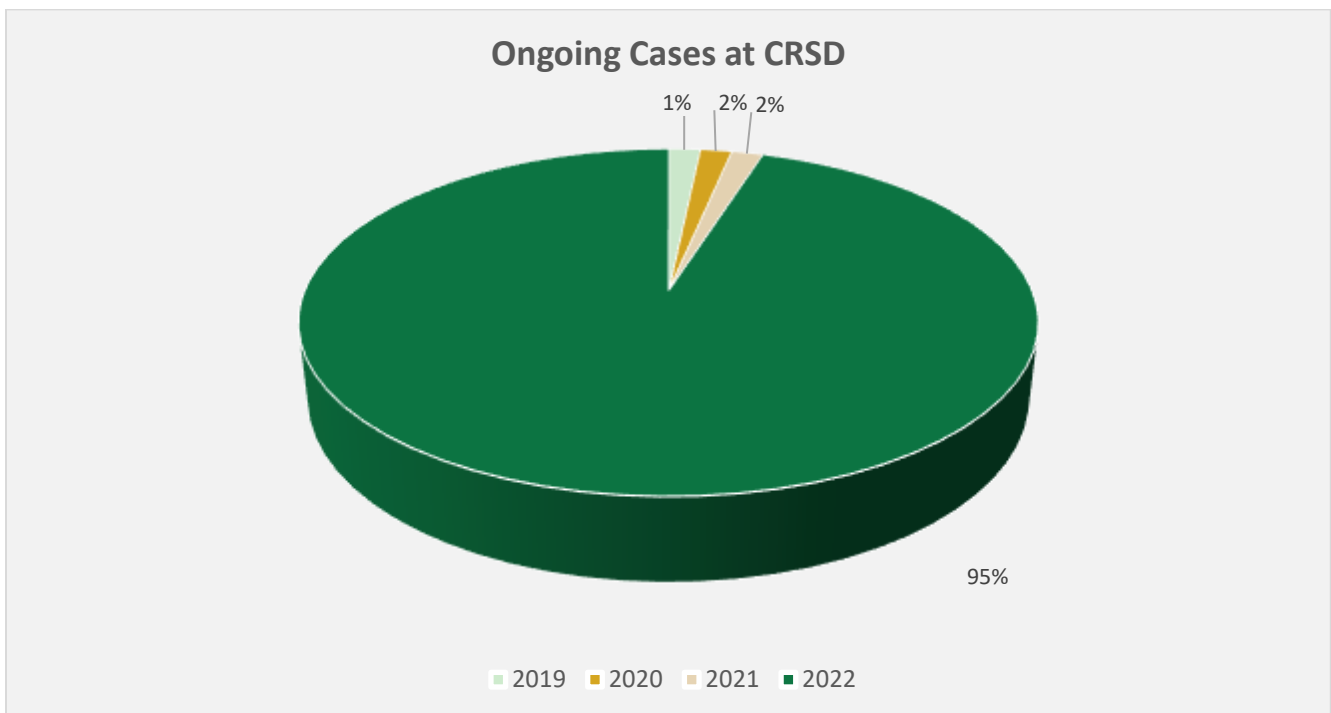
1. Incoming Cases



Sixth: Ongoing Cases at CRSD

1. Ongoing Cases at CRSD Distributed By (Case Type) Since the Beginning of 2022

Year of Filing	Civil	Administrative	Penal	Class Action	Total
2019	4	0	0	0	4
2020	4	0	0	0	4
2021	2	0	2	0	4
2022	213	9	9	1	232
Total	223	9	11	1	244

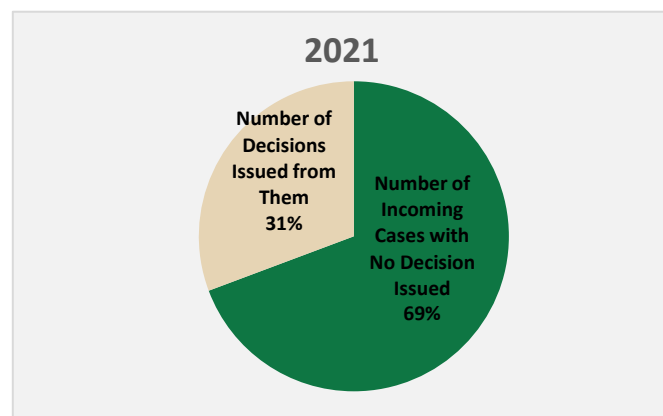
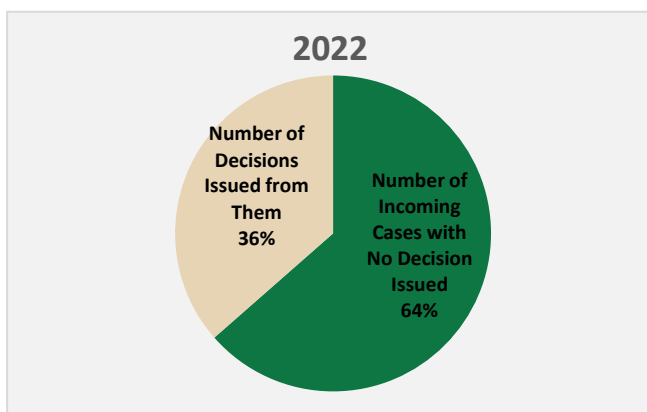


Seventh: Decision Issued from the Total Incoming Cases

1. Percentage of Incoming Cases and Issued Decision During the Same Period

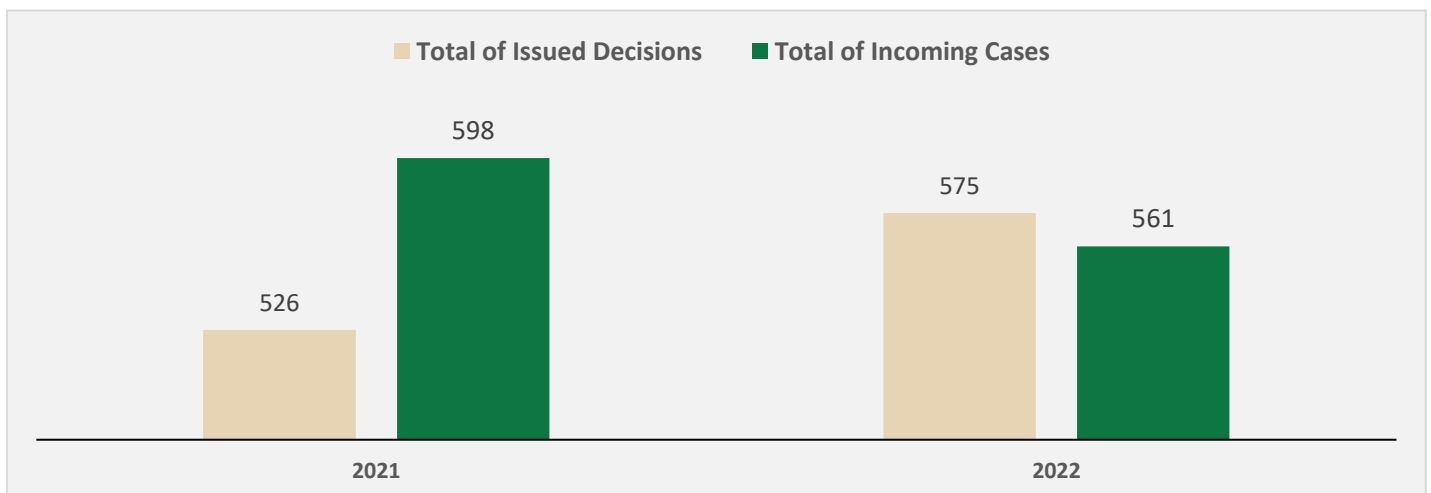
Category	2021	2022
Number of Incoming Cases with No Decision Issued	598	561
Number of Decisions Issued from Them	*265	322
% of Decisions Issued from Total number of Incoming Cases	%44.31	%57.40

- Not Including (7) Provisional Decisions Issued in 2022



2. Number of Issued Decisions Compared to Incoming Cases During the Same Period

Category	2021	2022	% of Change
Total of Incoming Cases	598	561	%6.2-
Total of Issued Decisions	526	575	%9.3
% of Total Issued Decision from Incoming Cases	%87.96	%102.50	





Eighth: Total Amounts Adjudicated in Cases Registered With CRSD

1. Details of Final Compensations Adjudicated According to CRSD's Decisions and Number of Compensated Individuals

Category	2021	2022
Against Practicing Securities Business without License	5,819,335.00	23,382,319.34
Against Violating Article (49) and Market Conduct Regulations	47,317.39	686,441.00
Against Market Institutions	68,841.04	456,226.21
Against a Listed Company	759,254.56	50,033,803.71
Other	237,500.00	848,917.00
Class Action	0.00	0.00
Total	6,932,247.99	75,407,707.26
Number of Compensated Individuals	57	120



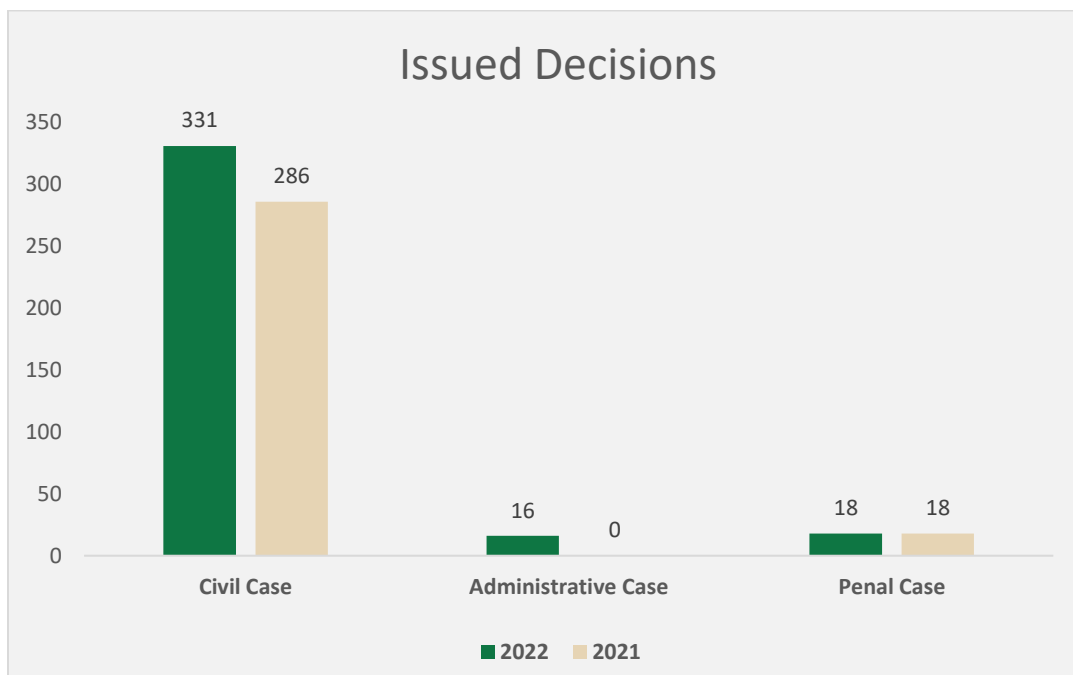
**The Appeal Committee for Resolution of Securities
Disputes**



First: Issued Decisions for The Appeal Committee for Resolution of Securities Disputes (ACRSD)

1. Issued Decisions

Case Type	2021	2022	% of Change
Civil Case	286	331	%15.73
Administrative Case	0	16	-
Penal Case	18	18	%0
Total	304	365	%20.07





2. Details of Penal Decisions

Violation Type	2021	2022	% of Change
Violating Article (49)	11	11	%0
Violating Article (50)	0	1	%100
Violating Article (31)	6	6	%0
Other	1	0	-
Total	18	18	%0



First: Issued Decisions for ACRSD

1. ACRSD Decision Distributed by (Upholding/Amending/Canceling/Reject/Returning) of Decisions Issued by CRSD of 2022 Compared with 2021

Description	2021			2022		
	Civil	Administrative	Penal	Civil	Administrative	Penal
Upholding	159	0	3	177	15	7
Amending	25	0	6	25	0	6
Canceling	51	0	3	56	1	0
Reject Appeal	49	0	5	62	0	4
Returned to CRSD	1	0	1	9	0	1
Arbitration	1	0	0	2	0	0
Total	286	0	18	331	16	18

2. Percentage of ACRSD Decisions Distributed by (Upholding/Amending/Canceling/Reject/Returning) of Decisions Issued by CRSD of 2022 Compared with 2021

Description	2021			2022		
	Civil	Administrative	Penal	Civil	Administrative	Penal
Upholding	%56	-	%17	%53	%94	%39
Amending	%9	-	%33	%8	%0	%33
Canceling	%18	-	%17	%17	%6	%0
Reject Appeal	%17	-	%28	%19	%0	%22
Returned to CRSD	%0.3	-	%6	%3	%0	%6
Arbitration	%0.3	-	%0	%1	%0	%0
Total %	%100	-	%100	%100	%100	%100



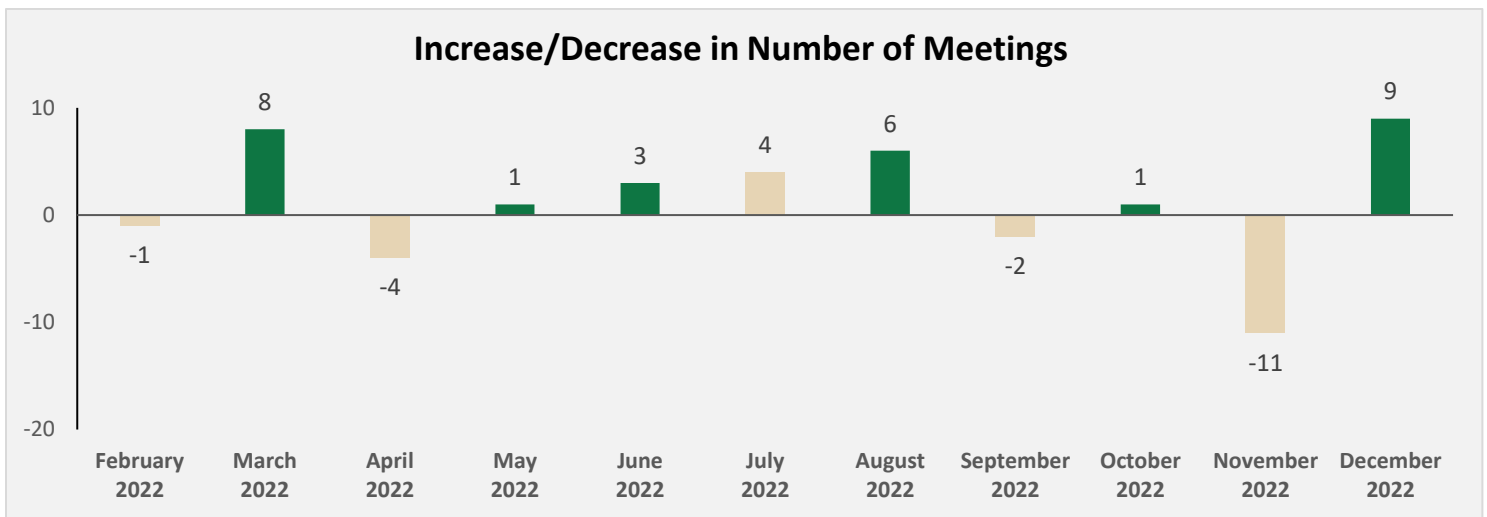
Second: Meetings of ACRSD Members

1. Meetings of ACRSD Members

Description	2021	2022	% of Change
Meetings	306	350	%14.38

2. Increase / Decrease in Number of Meetings of ACRSD Members

Month	January 2022	February 2022	March 2022	April 2022	May 2022	June 2022	July 2022	August 2022	September 2022	October 2022	November 2022	December 2022
Number of Meetings	21	20	28	24	25	28	32	38	36	37	26	35
Increase/Decrease in Number of Meetings	-	1-	8	4-	1	3	4	6	2-	1	11-	9





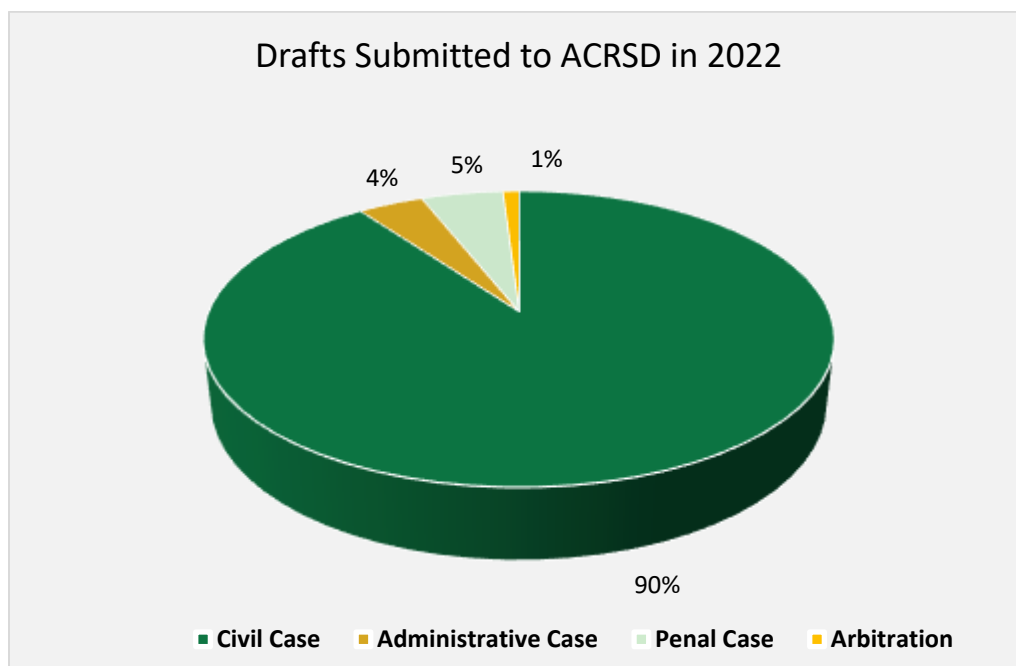
Third: Draft Decisions Submitted to ACRSD

1. Drafts Submitted to ACRSD in 2022 Compared 2021

Description	2021	2022	% of Change
Number of Drafts	297	360	%21.21

2. Drafts Submitted to ACRSD in 2022 Distributed by (Case Type)

Case Type	2022	% of Total
Civil Case	323	%90
Administrative Case	16	%4
Penal Case	19	%5
Arbitration	2	%1
Total	360	%100

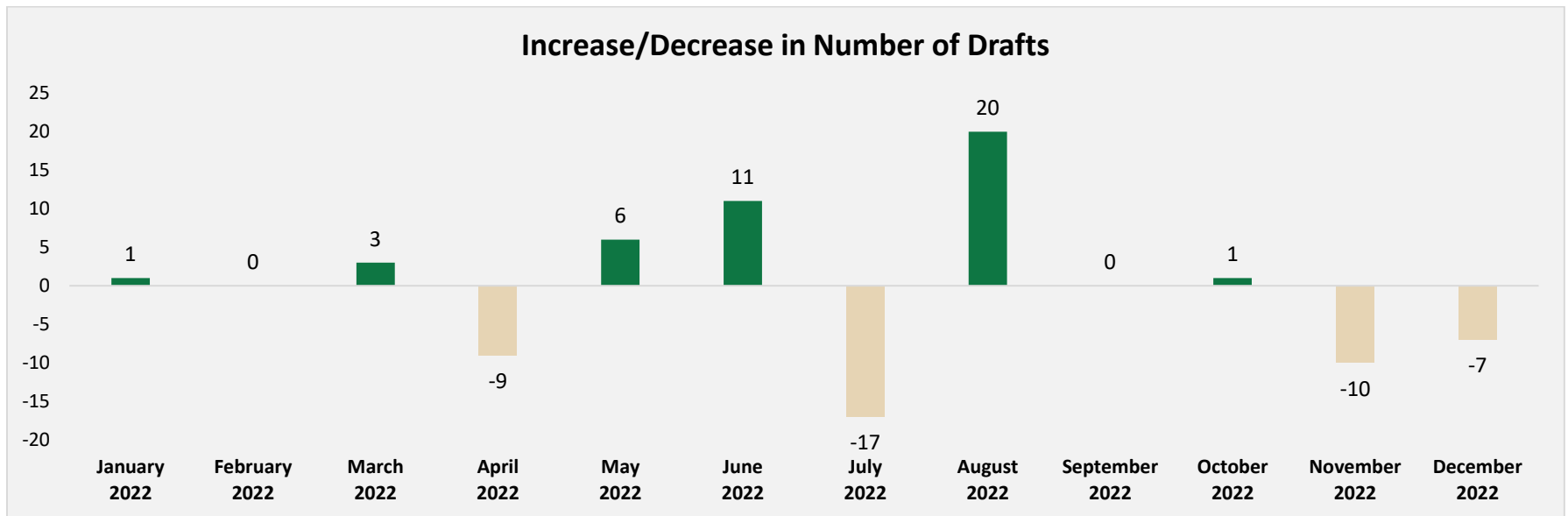




Third: Draft Decisions Submitted to ACRSD

3. Increase/Decrease in Draft Decisions Submitted to ACRSD During the Last 12 Months

Month	January 2022	February 2022	March 2022	April 2022	May 2022	June 2022	July 2022	August 2022	September 2022	October 2022	November 2022	December 2022
Number of Drafts	26	26	29	20	26	37	20	40	40	41	31	24
Increase/Decrease in Number of Drafts	1	0	3	9-	6	11	17-	20	0	1	10-	7-

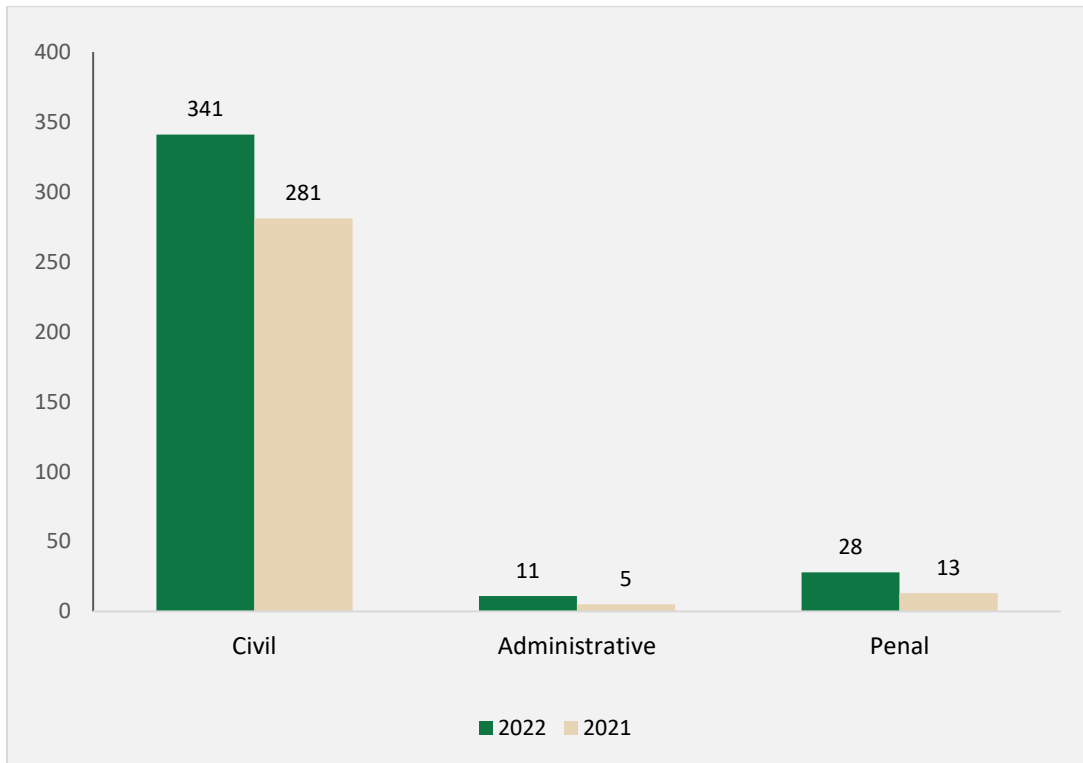


Fourth: Incoming Cases to ACRSD



1. Incoming Cases to ACRSD Distributed by (Case Type)

Case Type	2021	2022	% of Change
Civil	281	341	%21.35
Administrative	5	11	%120
Penal	13	28	%115.38
Total	299	380	%27.09



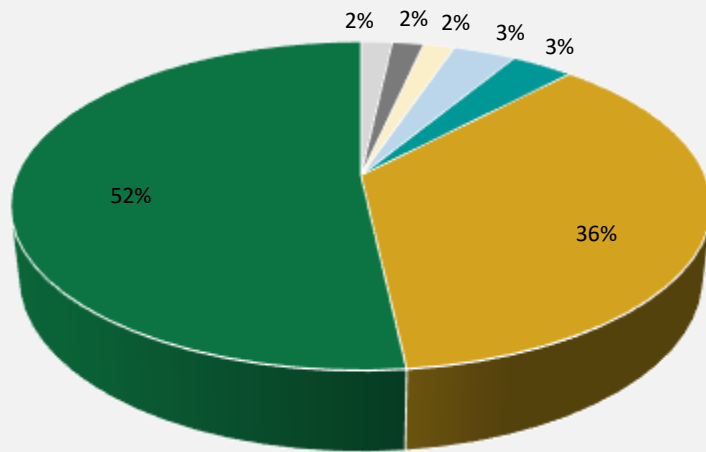


Fifth: Ongoing Cases at ACRSD

1. Ongoing Cases at ACRSD till the End of 2022

Month	Civil	Administrative	Penal	Total
February 2022	0	0	1	1
June 2022	0	0	1	1
July 2022	0	0	1	1
August 2022	0	0	2	2
October 2022	0	0	2	2
November 2022	19	0	2	21
December 2022	28	0	2	30
Total	47	0	11	58

Ongoing Cases at ACRSD till the End of 2022



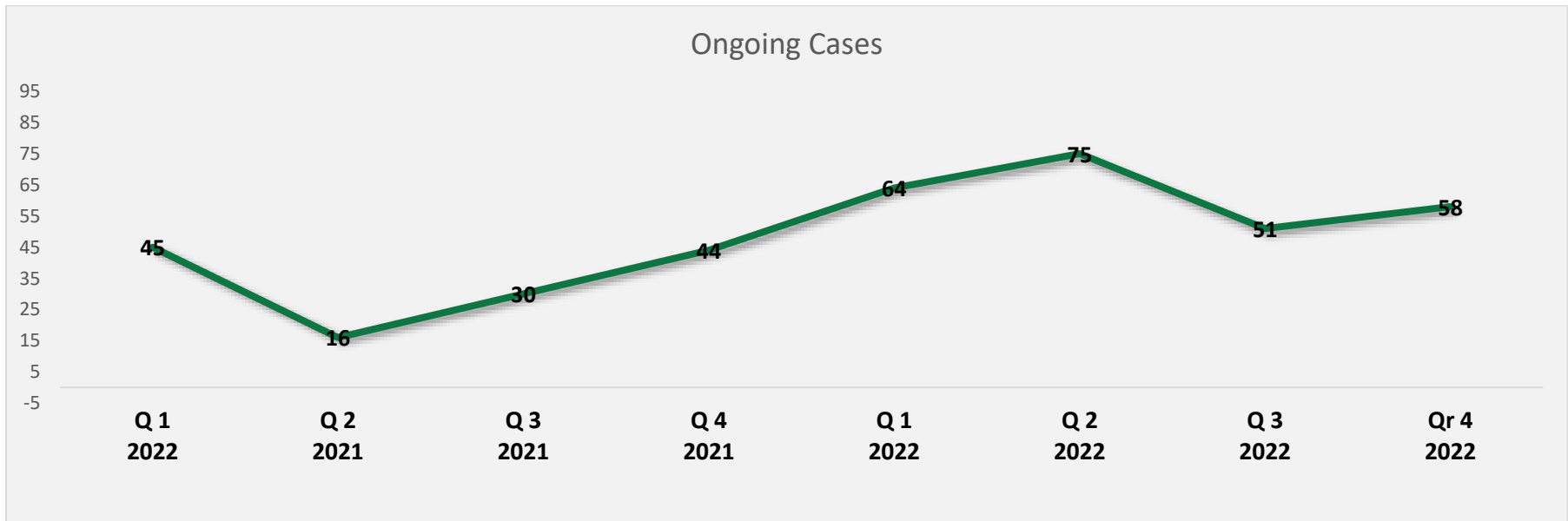
February 2022
June 2022
July 2022
August 2022
October 2022
November 2022
December 2022



Fifth: Draft Decisions Submitted to CRSD

2. Quarterly Classified Ongoing Cases with the ACRSD until the end of 2022

Quarter	Quarter (1) 2021	Quarter (2) 2021	Quarter (3) 2021	Quarter (4) 2021	Quarter (1) 2022	Quarter (2) 2022	Quarter (3) 2022	Quarter (4) 2022
Ongoing Cases	45	16	30	44	64	75	51	58

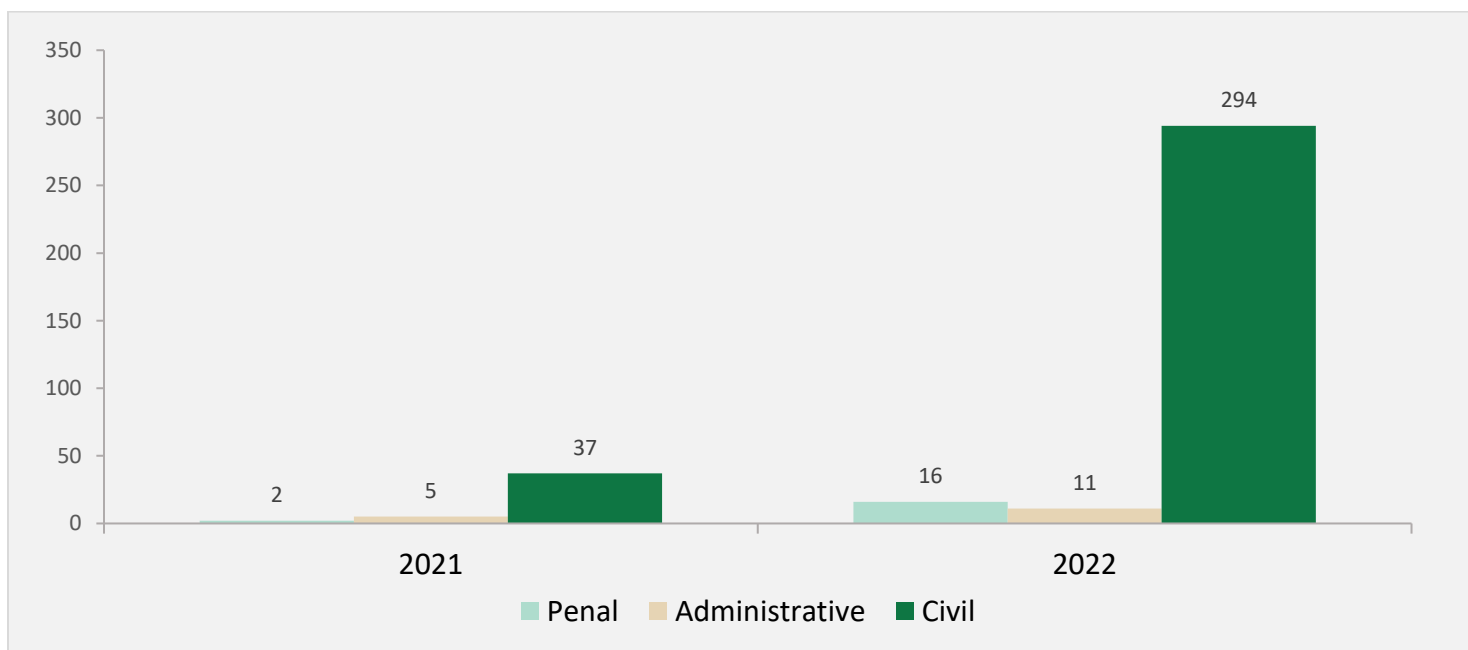


Sixth: Decisions Issued by ACRSD Based on Appeal Date



1. Details of Decisions Issued in 2022 Based on Appeal Date

Appeal Date	Civil	Administrative	Penal	Total	% of Total
2021	37	5	2	44	%12
2022	294	11	16	321	%88
Total	331	16	18	365	%100



2. Average Adjudication Period at ACRSD

Description	2022 (Month)	2021 (Month)
ACRSD	1.79	1.68



Seventh: Total Amounts Adjudicated in Cases Registered with ACRSD

1. Details of Final Compensations Adjudicated According to ACRSD's Decisions and Number of Compensated Individuals

Category	2021	2022
Against Practicing Securities Business without License	11,805,244.35	29,808,527.53
Against Violating Article (49) and Market Conduct Regulations	274,348,890.13	322,785,844.01
Against Market Institutions	17,794,398.78	37,042,115.72
Against a Listed Company	12,482,600.28	2,935,374.77
Other	3,134,054.79	58,802,000.00
Class Action	40,214,110.73	1,225,113,291.08
Total	359,779,299.06	1,676,487,153.11
Compensated Individuals	496	1,174



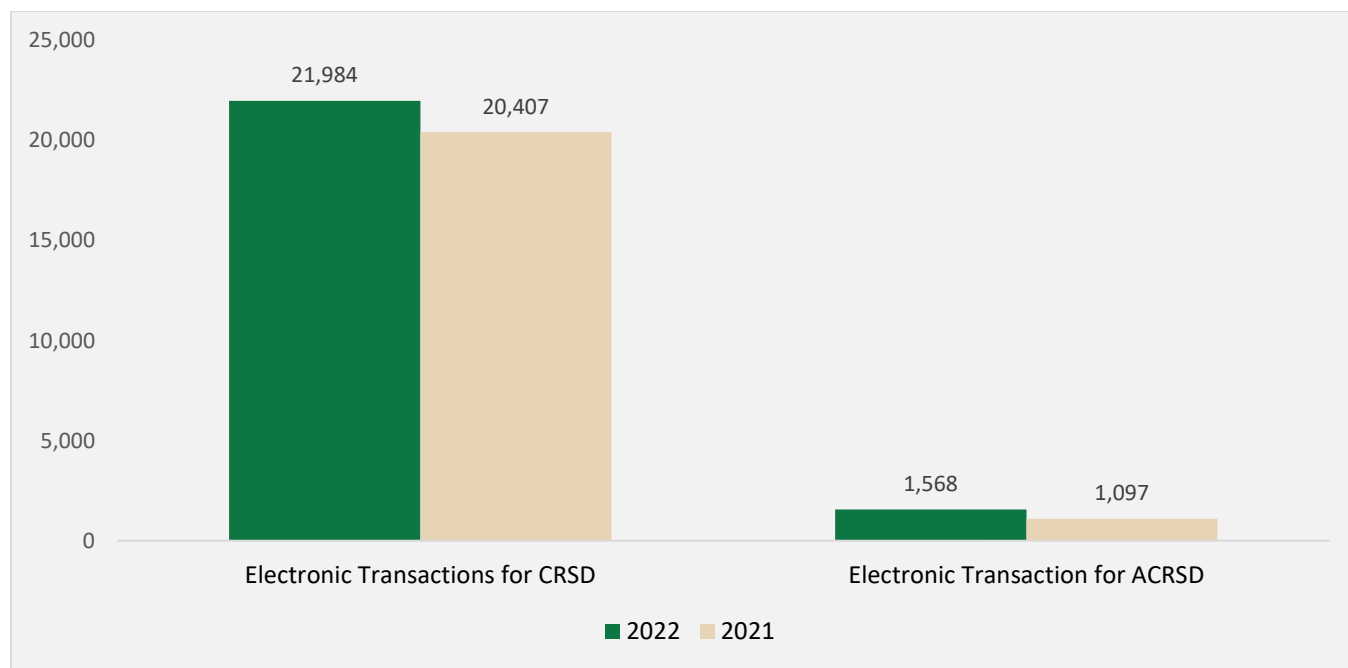
Businesses Support



First: Electronic Transactions

1. Electronic Transactions

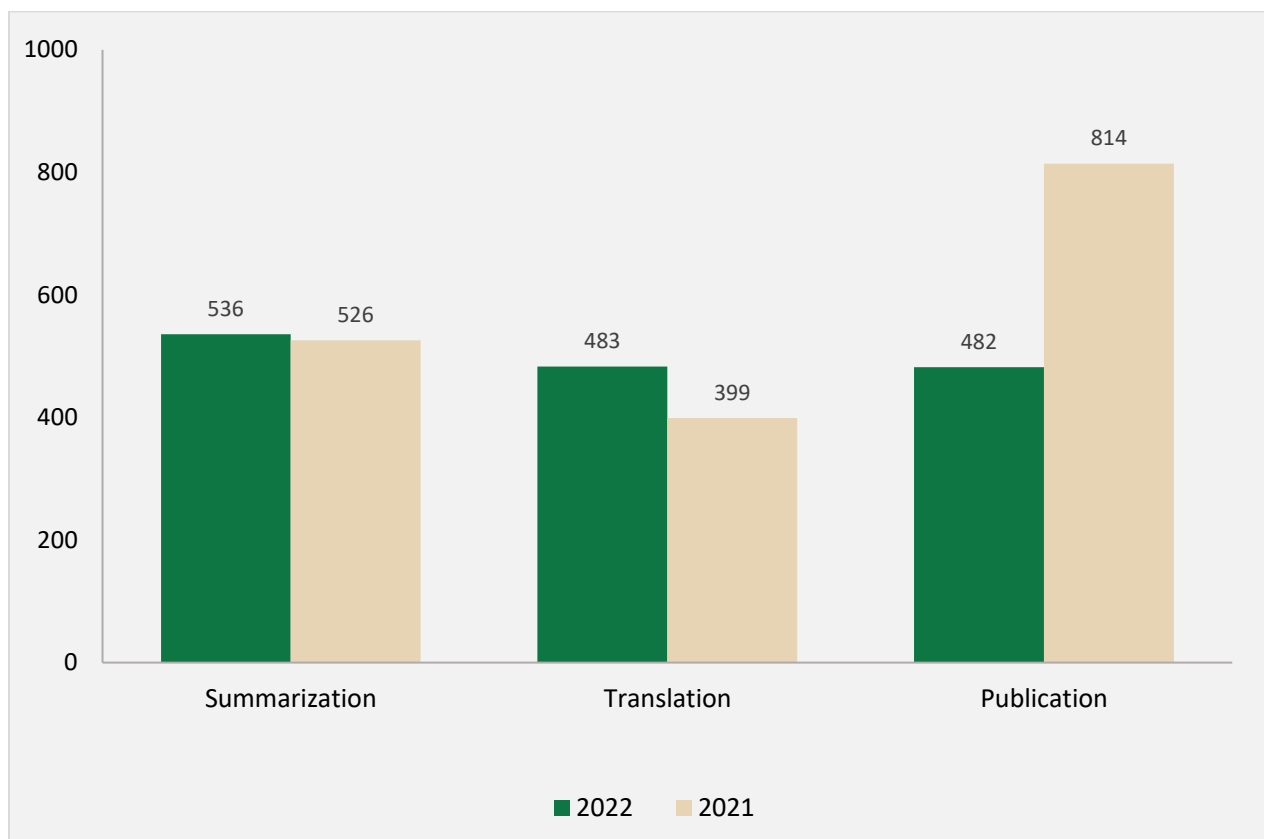
Electronic Transaction	2021	2022	% of Change
Electronic Transactions for CRSD	20,407	21,984	%8
Electronic Transaction for ACRSD	1,097	1,568	%43
Total	21,504	23,552	%10





1. CRSD and ACRSD

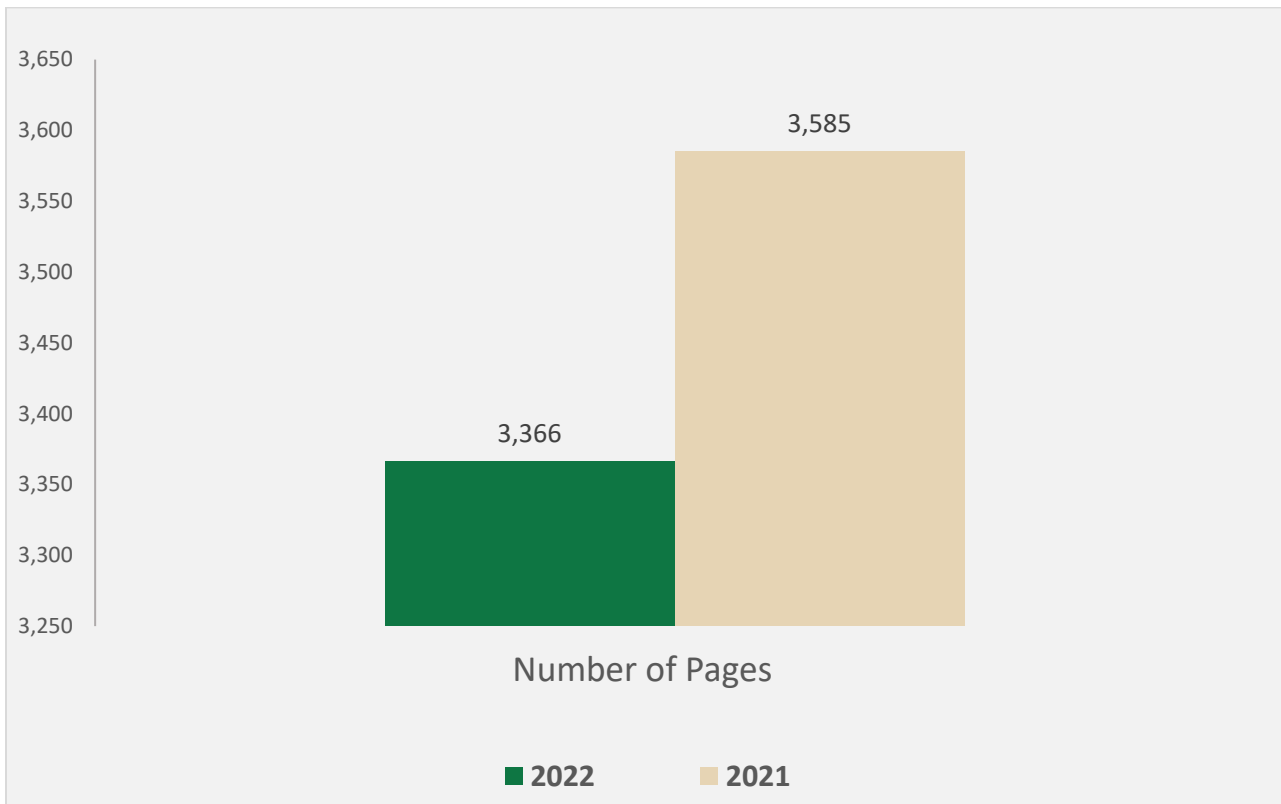
Category	2021	2022	% of Change
Summarization	526	536	%2
Translation	399	483	%21
Publication	814	482	%41-





2. Translated Pages for CRSD and ACRSD's Decisions

Category	2021	2022	% of Change
Number of Pages	3,585	3,366	%6-





Third: Notification Period Index

1. Number of Days for Notification of the Statement of Case

Category	Quarter (1) 2021	Quarter (2) 2021	Quarter (3) 2021	Quarter (4) 2021	Quarter (1) 2022	Quarter (2) 2022	Quarter (3) 2022	Quarter (4) 2022
Index of Notification Days	3.1	6.8	2.6	3.4	4.1	5	1.8	1.6

