



الأمانة العامة للجان الفصل في منازعات الأوراق المالية

General Secretariat of Committees for Resolution of Securities Disputes

Annual Report

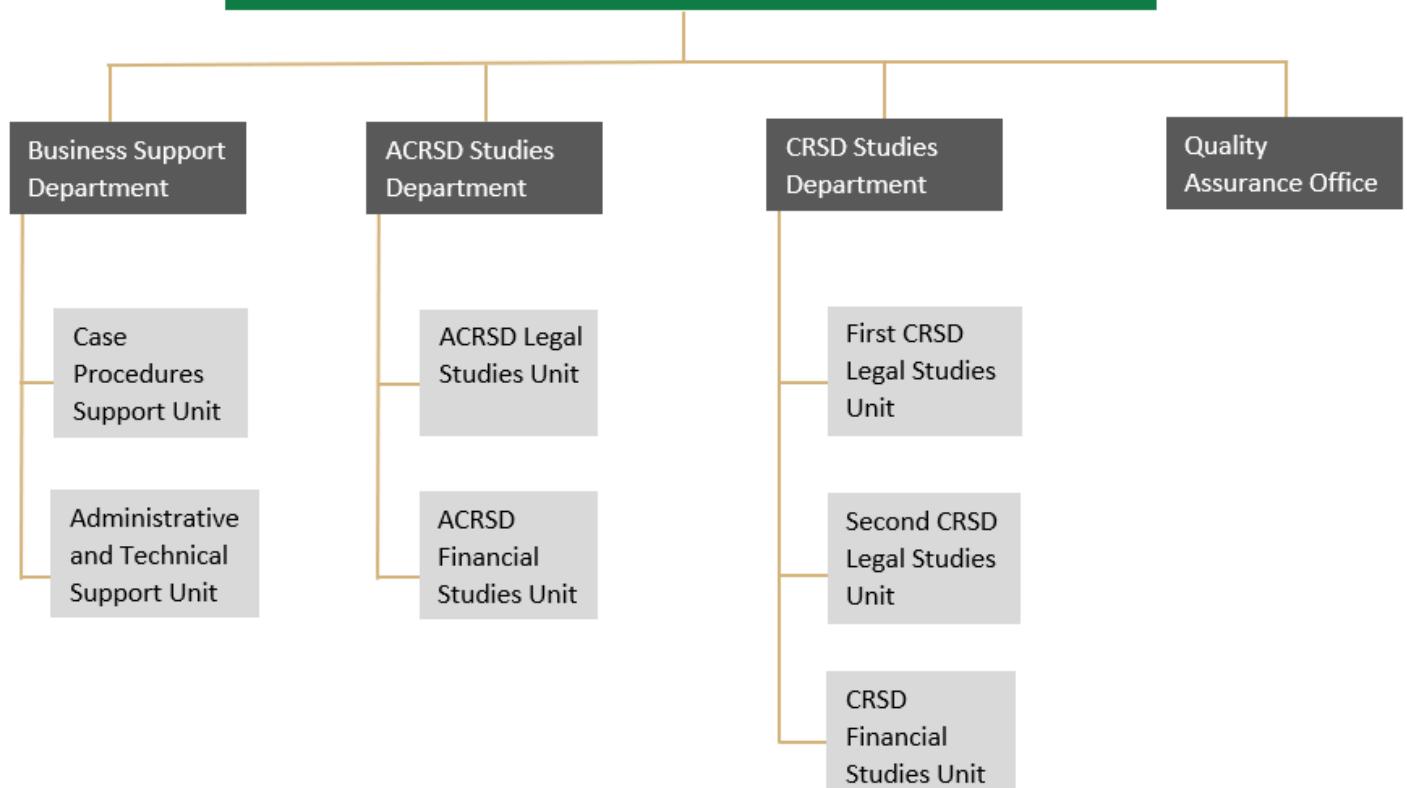
2023

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



Organizational Structure of GS-CRSD

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 investors' 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 to lower the average litigation period in Securities Disputes.
- 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 its General Secretariat by fully transitioning to electronic systems, streamlining procedures, and enhancing the quality of services provided to the Resolution Committees.



Executive Summary

The General Secretariat of Committees for Resolution of Securities Disputes (GS-CRSD) is pleased to present its 2023 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 2023 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 2023, the average litigation period became (5.54) months, compared to the target value of (7.64) months, reflecting a decrease of (%-27.4) from the average litigation period of the past year, and with a targeted goal that reached (8.5) months of 2023.

The GS-CRSD exerted its utmost efforts during 2023 to accommodate the significant increase in the number of cases submitted to the Committee for Resolution of Securities Disputes (CRSD) and the Appeal Committee for Resolution of Securities Disputes (ACRSD). The number of cases submitted to the CRSD and ACRSD in 2023 reached (1,046) compared to (941) in the previous year of 2022, representing an increase of (%11.2). As a result, the GS-CRSD increased its efforts to

review the highest possible number of cases during 2023.

In implementation of the tasks entrusted to the GS-CRSD, during this year 2023, it organized the procedural work related to the management of cases at the CRSD and ACRSD, and organized its meetings and hearings of cases. The number of meetings of the CRSD held during the year 2023 reached (428) meetings, a decrease of (%9.3) compared to the number of its meetings for the previous year 2022.

The number of meetings of the ACRSD reached (375) meetings; an increase of (%7.1) compared to the previous year.

The operations completed by the GS-CRSD in the electronic system during the year 2023 amounted to (27,038) operations with the CRSD and ACRSD, compared to (23,552) operations for the previous year, represented in the registration of new cases, exchange of memos between parties to the lawsuits, replys, notifications and decisions issued by the committees.

During the year 2023, the GS-CRSD also had a number of distinguished achievements, the most prominent of which was activating the list of lawyers qualified to plead before the CRSD based on the criteria required to classify lawyers specialized in securities cases held before the CRSD, with the aim of raising the level of qualification of pleadings before it and providing qualified professional competencies to plead before these committees. The GS-CRSD was also keen to improve the experience of customers with the CRSD, so it was announced on the GS-



Executive Summary

CRSD's website of the during the year 2023 to start providing a variety of services to the elderly and people with special needs, in order to facilitate the procedures for submitting and following up the lawsuit and providing facilities and priority in providing services to them.

In the field of developing the electronic system of the GS-CRSD, during the year 2023, the GS-CRSD developed the administrative case submission page and facilitated the steps in it, so that a complaint number is not required to accept it. In addition, the civil lawsuit page has been developed and provided the opportunity to serve elderly litigants and people with special needs so that a GS-CRSD employee can help to file a civil lawsuit on behalf of the party to the lawsuit. In addition, the page of the parties to the lawsuit (establishments and companies) was developed based on the latest developments issued by the Ministry of Commerce after the introduction of the Unified National Number instead of the Commercial Register Number and reflected in the electronic system for retrieving information of establishments and companies from the Ministry of Commerce database, which contributed significantly to a remarkable development in the field of automating the work of the GS-CRSD and increasing the efficiency of the process of lawsuit procedures and the completion of a large number of transactions during the year 2023. As a result, the indicator of the period of notification of the statement of claim by the end of the year 2023 reached (2.2) days. Compared to a target value of (5) days, despite the significant increase in the volume

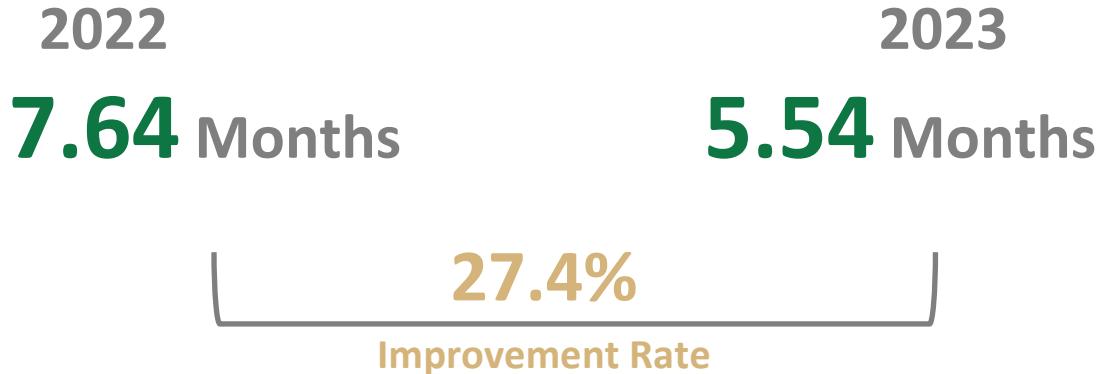
of business received by the GS-CRSD during the year 2023.

During the year 2023, the GS-CRSD sought to develop employees by holding a number of internal and specialized workshops on the capital market shedding lights on the new behaviors of violators. The workshops carried out a number of awareness and media activities with the aim of educating those dealing with the CRSD and ACRSD and educating university and college students, which were detailed among the most prominent achievements of the GS-CRSD during the year 2023.



Overview Activities for the GS-CRSD

1. Average Litigation Period in Securities Disputes



2. Compensations in Civil Cases

Category	2021	2022	2023
Against Practicing Securities Business without License	17,624,579	53,190,846.87	62,156,860.51
Against Violating Article (49) and Market Conduct Regulations	274,396,207	323,472,285.01	5,967,953.67
Against Market Institution	17,863,239	37,498,341.93	23,656,177.33
Against a Listed Company	13,241,854	52,969,178.48	123,423.59
Class Action	40,214,110	59,650,917.00	19,552,809.48
Other	3,371,554	1,225,113,291.08	134,528,533.97
Total:	366,711,543	1,751,894,860.37	245,985,758.55
Compensated Individuals	553	1294	579

Awareness and Media Activities of the GS-CRSD:

1. Holding Workshop on Jurisdictions of CRSD/ACRSD and Procedures for Submitting Cases:

The GS-CRSD held a workshop on 18/01/2023 entitled, "Jurisdictions of CRSD/ACRSD and Procedures for Submitting Cases," via the virtual (Zoom) platform for the general public, and it introduced the methods of filing a complaint before the Capital Market Authority and its competencies in handling complaints within the specified period stipulated in the Capital Market Law. The workshop also included an explanation of the jurisdictions of the CRSD/ACRSD regarding the resolution of securities disputes stipulated by Law, as well as explaining the method of filing a case through the electronic system. The content of the workshop was published in three parts on the GS-CRSD website during July of 2023.

2. Implementing Communication Campaign Aimed at Spreading Awareness to those Dealing with CRSD/ACRSD on the Development of its Electronic Services

As part of the GS-CRSD's efforts to facilitate litigation procedures and raise awareness to those dealing with the CRSD/ACRSD, the GS-CRSD implemented and published on its website during June of 2023 a set of elements of its communication campaign, which included the following materials:

- A video clip (motion graphic) on the development of its electronic services, published on the media center's page on the website of the GS-CRSD.
- A tweet on the account of the GS-CRSD on (X), previously known as Twitter, containing awareness materials regarding the launch of the registration and documentation service on the website of the GS-CRSD via Nafath, included in the video clip.
- Publishing an electronic booklet on the media center of the GS-CRSD's website regarding the development in its electronic services.



Overview Activities for the GS-CRSD

Awareness and Media Activities of the GS-CRSD:

3. Preparing the Content and Design of the First and Second Judicial Bulletins for the Year 2023

In implementation of the "Awareness Programs for Litigants before the CRSD/ACRSD" initiative, which included "The Development of a Quarterly Judicial Bulletin to Raise Awareness Across Litigants", the GS-CRSD prepared, designed and published two judicial bulletins on its website, based on the effective role it plays in raising awareness among litigants and those dealing with CRSD/ACRSD.

4. Holding a Workshop on the Importance of Qualifying Pleadings before CRSD/ACRSD, and the Criteria and Conditions for Pleading in Securities Cases

On 19/06/2023, the GS-CRSD held a workshop entitled (The Importance of Qualifying Pleading Before the CRSD/ACRSD, and the Criteria and Conditions for Pleading in Securities Cases), after completing all activities in the initiative related to raising the level of qualification of pleadings before the CRSD/ACRSD. The workshop was attended by more than (550) specialized participants from lawyers and legal advisors.

5. Implementing a Number of Educational Activities for Universities Students

During 2023, the GS-CRSD contributed to the implementation of a number of educational activities for university students by receiving them in the headquarter of the GS-CRSD and providing them with educational presentations on securities disputes.

Raising the Level of Qualification of Pleadings before the CRSD/ACRSD

In implementation of the initiative to raise the level of qualification of pleading before the CRSD/ACRSD, one of the most important outputs of which was the provision of qualified professional competencies to plead before the CRSD/ACRSD, the GS-CRSD worked on this initiative, which included the development of a number of criteria required to classify lawyers specialized in securities cases held before the CRSD/ACRSD, and the provision of legal services and advice in the field of securities and related activities, which are as follows:

1. The existence of a valid license to practice the legal profession.
2. Experience of not less than five years in the legal field.
3. Valid membership in the Saudi Bar Association, and a valid legal establishment register (for legal establishments)
4. Obtaining the General Certificate of Dealing in Securities by passing the Capital Market Exam Level One (CME-1) or passing the specialized training program in (Qualification for Legal Practice of Securities).

The names of lawyers specializing in securities cases have been published to the public on the website of the Saudi Bar Association.

Furthermore, on 19/06/2023, the GS-CRSD held a workshop entitled "The Importance of Qualifying Pleading before the CRSD/ACRSD, and the Criteria and Conditions for Pleading in Securities Cases", as mentioned earlier.

Services for the Elderly and People with Disabilities

In implementation of the initiative to improve the experience of those dealing with the CRSD/ACRSD, it was announced on the website of the GS-CRSD that this initiative has been completed and a range of various services have started to be provided to the elderly and people with disabilities, in order to facilitate the procedures for filing and following up the case, providing facilities and priority in providing services. Among these services, which aim to facilitate the procedures for filing and following up the case and provide facilities and priority for the elderly and people with disabilities, are the following:

1. Allocating parking spaces near the gates leading to the headquarters of the GS-CRSD.
2. Assisting the elderly and people with disabilities to move within the headquarters of the GS-CRSD.
3. Assisting in case filing procedures according to the statutory requirements.
4. Make appointments and coordinate with the beneficiary and CRSD/ACRSD.

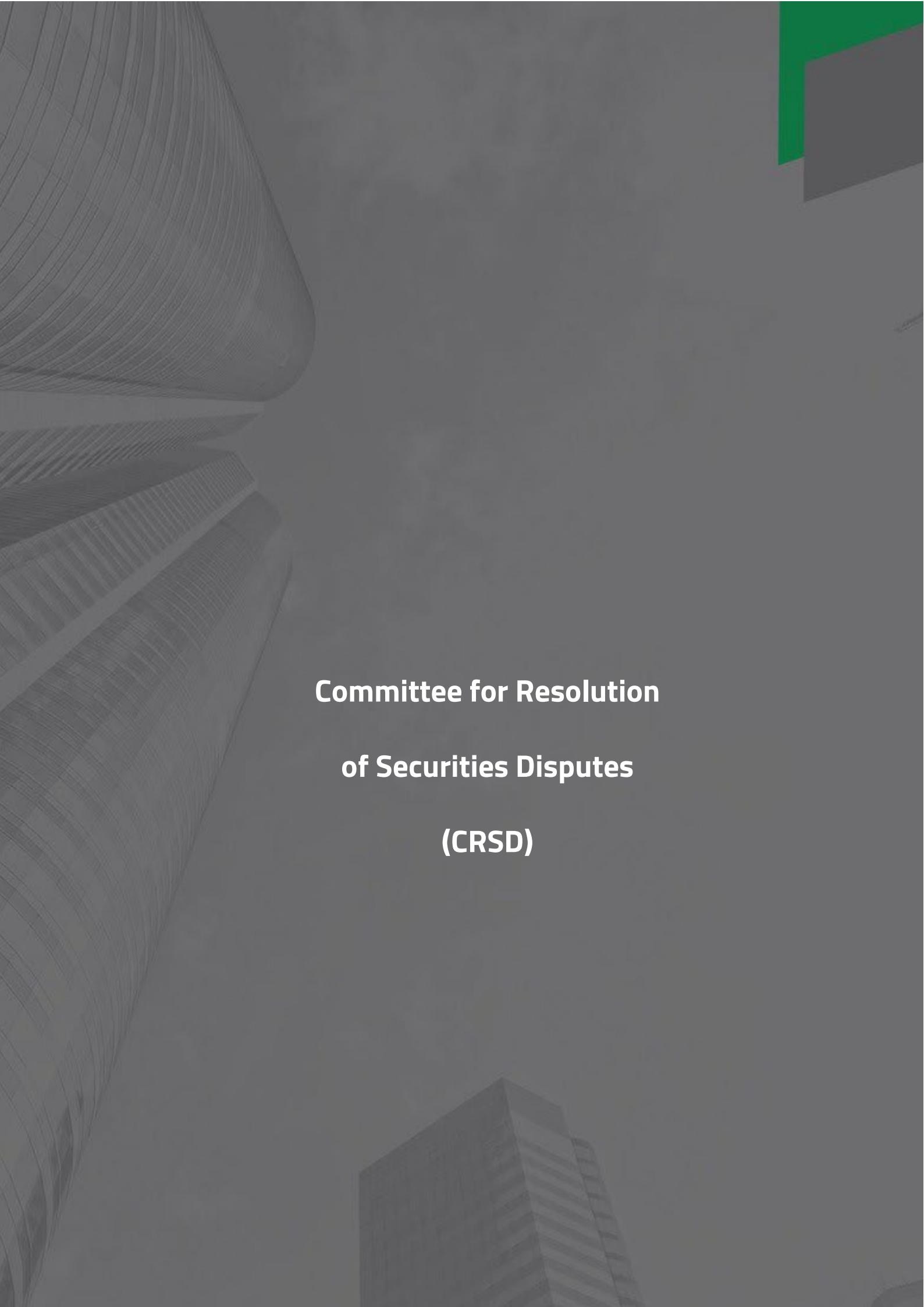
The eligible groups for these services have also been identified, namely:

1. **Elderly:** Anyone aged (60) years and above, based on the Law of Rights and Care of the Elderly issued by Royal Decree No. (M/47) dated 03/06/1443
2. **Persons with Disabilities:** Any person with a stable total or partial impairment in his physical, sensory, mental, communicative, educational or psychological abilities, to the extent that it reduces the possibility of meeting his normal requirements in the circumstances of his non-disabled counterparts, based on the Disabled Care Law issued by Royal Decree No. (M/37) dated 23/09/1421

GS-CRSD clarified the eligibility conditions for these services as follows:

Anyone who meets the definition mentioned in Article (2) shall be entitled to the service, provided that they submit any official document, such as national identity, lawful residence or passport to prove the age for the elderly, and any official document to prove disability, such as a comprehensive rehabilitation card or cards issued by the Ministry of Health in this regard.

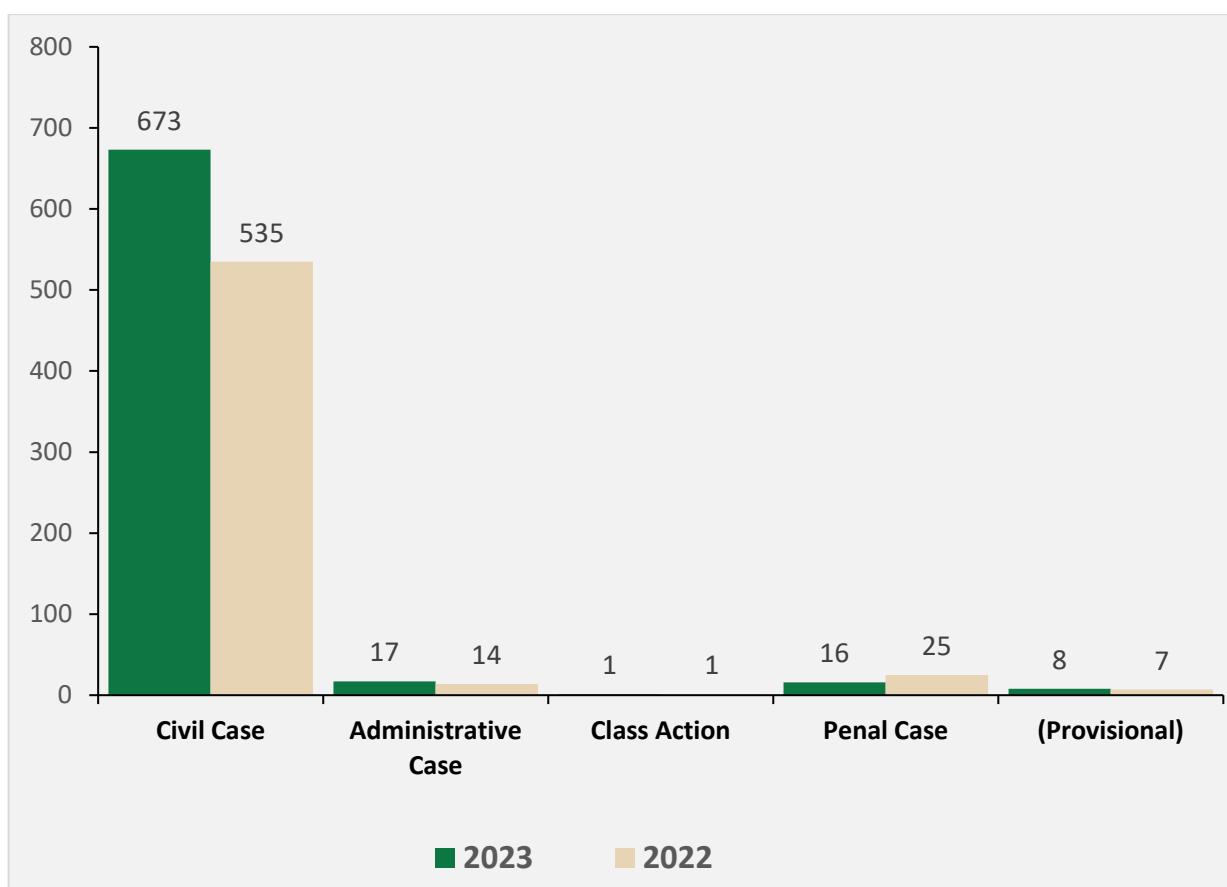
The mechanism for applying and benefiting from the service has been clarified, and that it is done through a request via e-mail to the e-mail address (info@crsd.org.sa) or by a phone call to the number (0112188888).



**Committee for Resolution
of Securities Disputes
(CRSD)**

1. Issued Decisions

Issued Decisions in 2023 Compared with 2022			
Case Type	Number of Cases		% of Change
	2022	2023	
Civil Case	535	673	25.79%
Administrative Case	14	17	21.43%
Class Action	1	1	0.00%
Penal Case	25	16	-36.00%
(Provisional)	7	8	14.29%
Total	582	715	22.85%

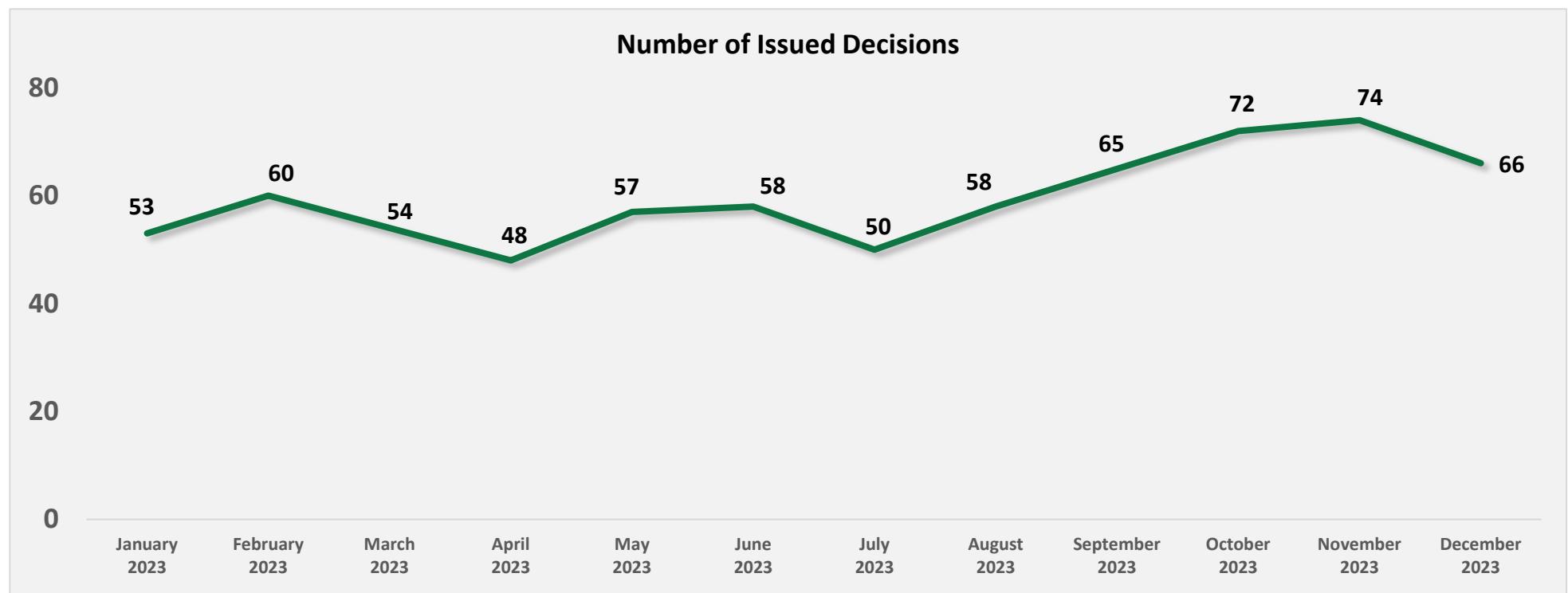




First: Issued Decisions by CRSD

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

Month	January 2023	February 2023	March 2023	April 2023	May 2023	June 2023	July 2023	August 2023	September 2023	October 2023	November 2023	December 2023
Issued Decisions	53	60	54	48	57	58	50	58	65	72	74	66

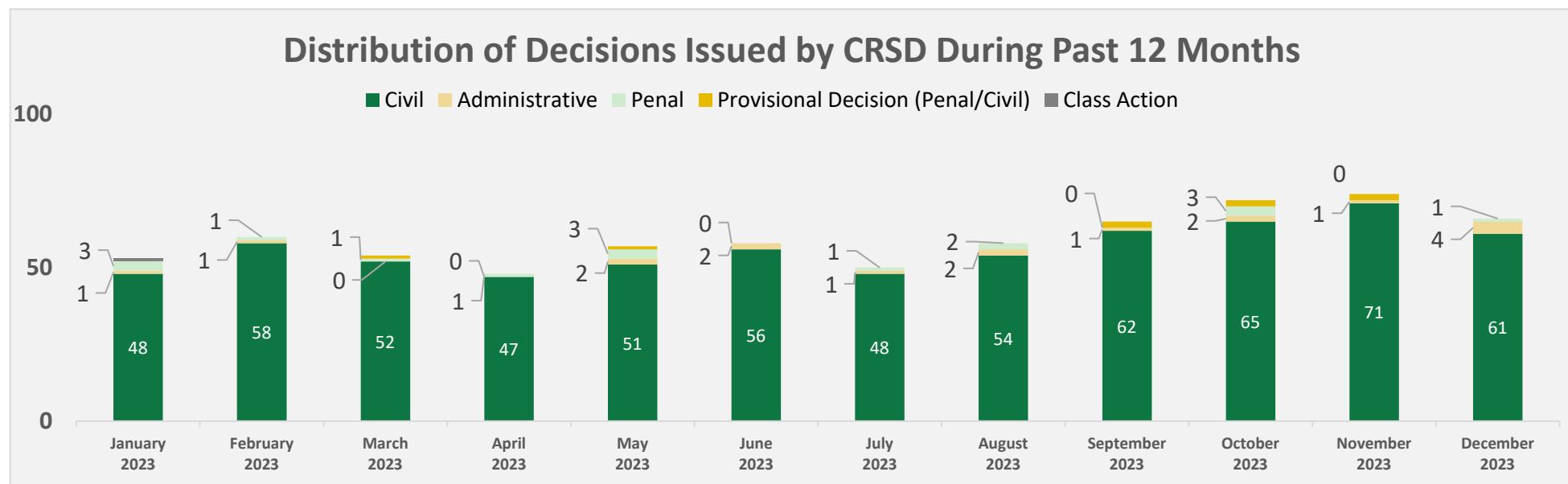




First: Issued Decisions by CRSD

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

Case Type	January 2023	February 2023	March 2023	April 2023	May 2023	June 2023	July 2023	August 2023	September 2023	October 2023	November 2023	December 2023
Civil	48	58	52	47	51	56	48	54	62	65	71	61
Administrative	1	1	0	0	2	2	1	2	1	2	1	4
Penal	3	1	1	1	3	0	1	2	0	3	0	1
Provisional Decision (Penal/Civil)	0	0	1	0	1	0	0	0	2	2	2	0
Class Action	1	0	0	0	0	0	0	0	0	0	0	0
Total	53	60	54	48	57	58	50	58	65	72	74	66

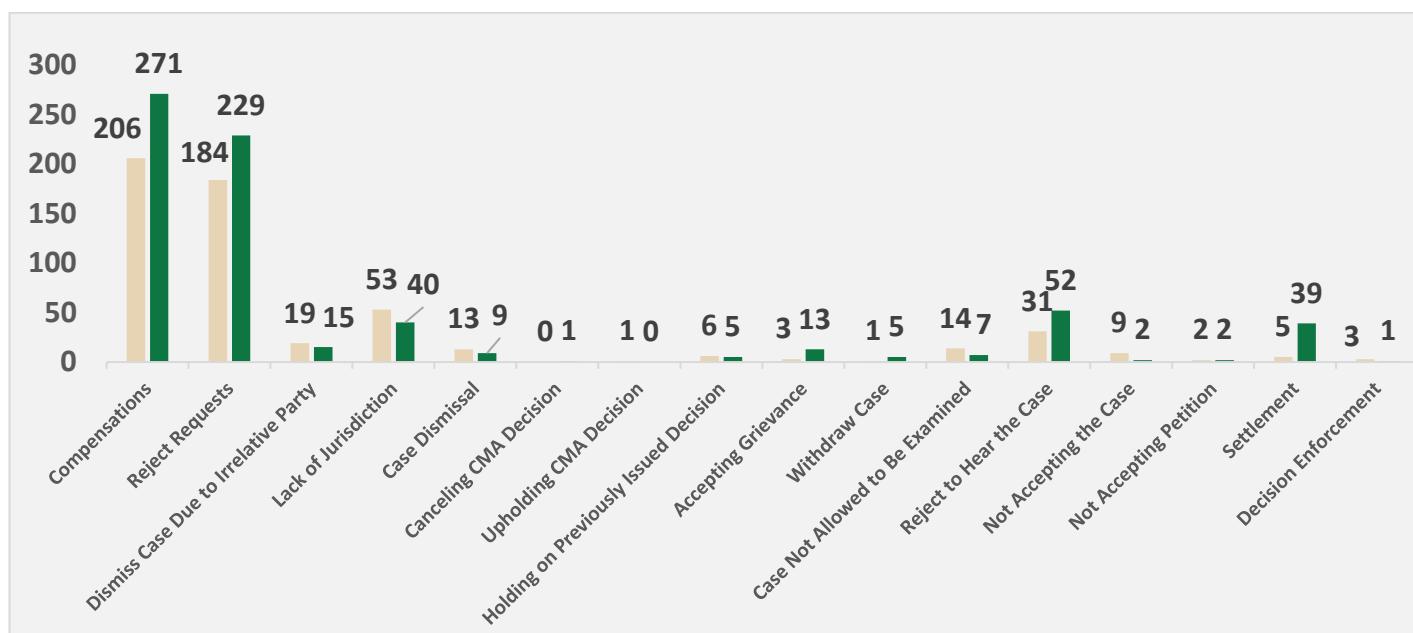




First: Issued Decision by CRSD

4. Issued Civil and Administrative by CRSD (Distributed by Operative Part of Decision)

Detailed Civil and Administrative Decisions			
Operative Part of Decision	2022	2023	% of Change
Compensations	206	271	31.55%
Reject Requests	184	229	24.46%
Dismiss Case Due to Irrelative Party	19	15	-21.05%
Lack of Jurisdiction	53	40	-24.53%
Case Dismissal	13	9	-30.77%
Canceling CMA Decision	0	1	-
Upholding CMA Decision	1	0	-100.00%
Holding on Previously Issued Decision	6	5	-16.67%
Accepting Grievance	3	13	333.33%
Withdraw Case	1	5	400.00%
Case Not Allowed to Be Examined	14	7	-50.00%
Reject to Hear the Case	31	52	67.74%
Not Accepting the Case	9	2	-77.78%
Not Accepting Petition	2	2	0.00%
Settlement	5	39	680.00%
Decision Enforcement	3	1	-66.67%

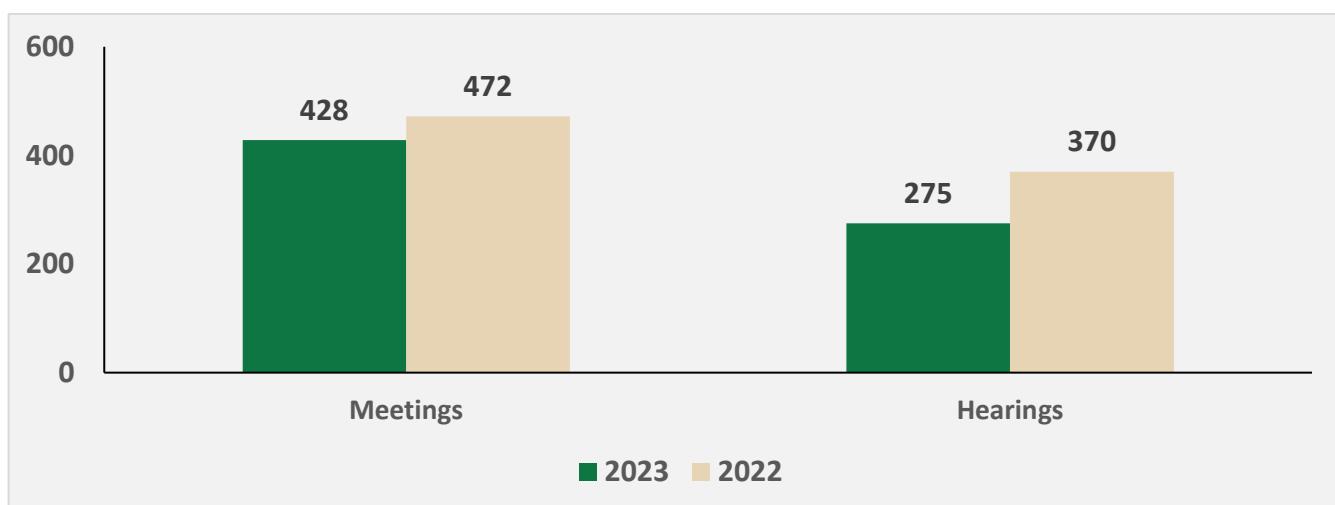




Second: Meetings and Session of CRSD Members

1. Meetings and Hearings

Category	2022	2023	% of Change
Meetings	472	428	-9.32%
Hearings	370	275	-25.68%
Total	842	703	-16.51%



Category	2023
First Circuit Meetings	234
First Circuit Hearings	187
First Circuit Decisions	333

Category	2023
Second Circuit Meetings	194
Second Circuit Hearings	88
Second Circuit Decisions	382

2. Average Litigation Period for CRSD

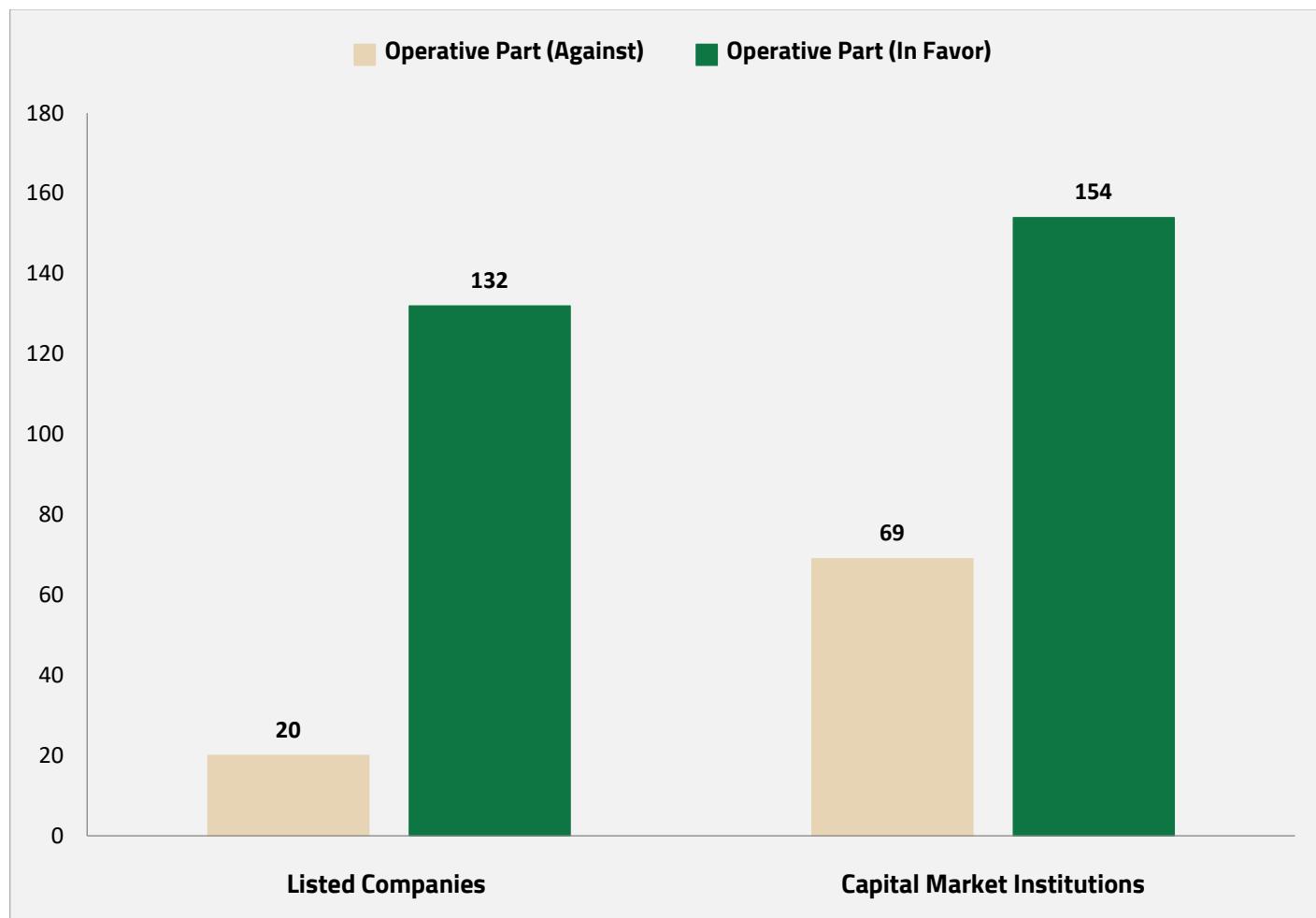
Category	2021 (Month)	2022 (Month)	2023 (Month)
CRSD	6.65	5.85	3.71



Third: Issued Decisions (Against/In Favor) for Listed Companies and Capital Market Institutions

Number of Issued Decisions (Against/In Favor) for Listed Companies and Capital Market Institutions

Respondent	Total of Issued Decisions During the Period	Operative Part (In Favor)	Operative Part (Against)	% of Total Decisions
Listed Companies	152	132	20	40.53%
Capital Market Institutions	223	154	69	59.47%
Total	375	286	89	100%

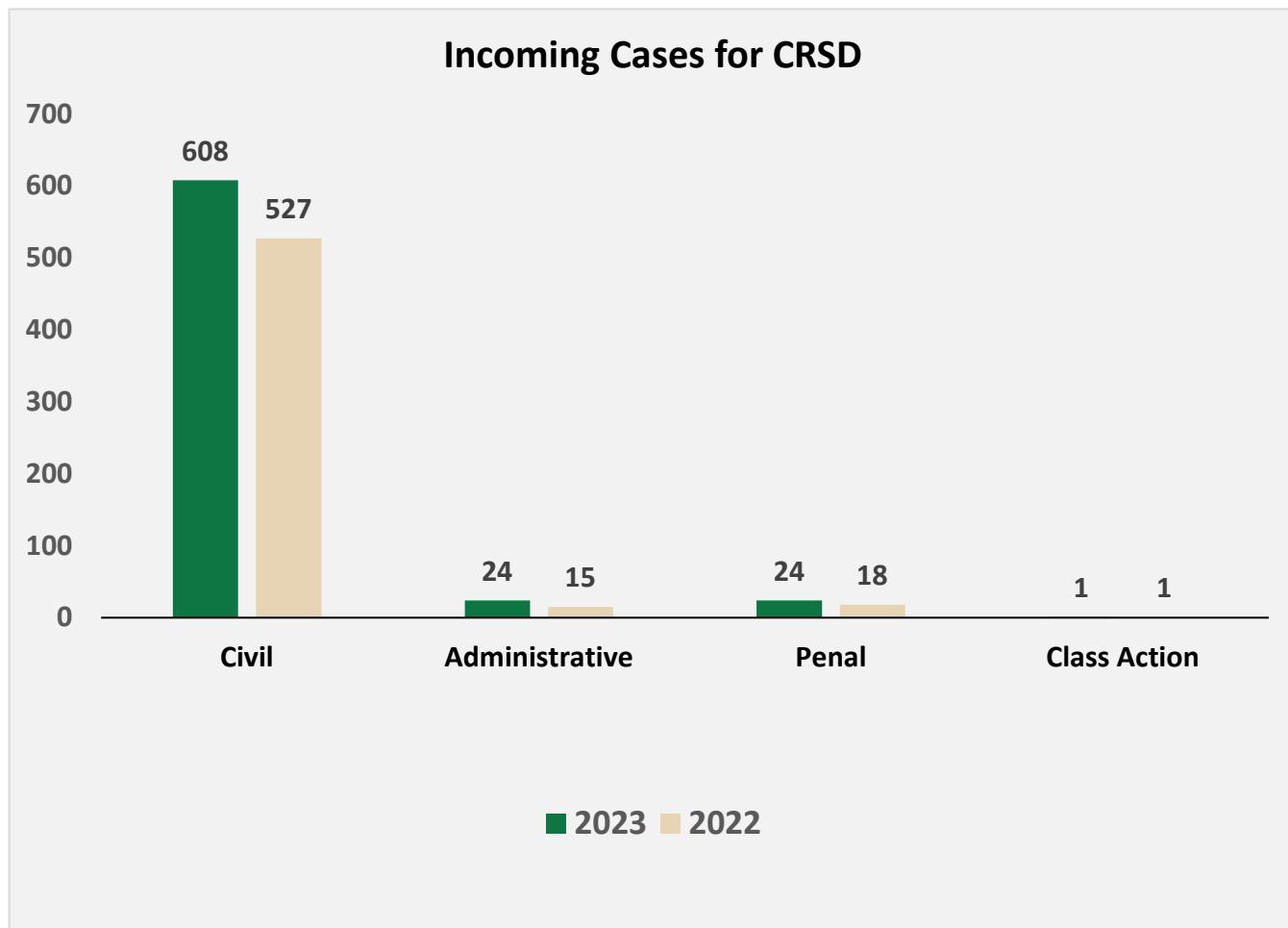




Fourth: Incoming Cases to CRSD

Incoming Cases

Case Type	2022	2023	% of Change
Civil	527	608	15.37%
Administrative	15	24	60.00%
Penal	18	14	-22.22%
Class Action	1	1	0.00%
Total	561	647	15.33%

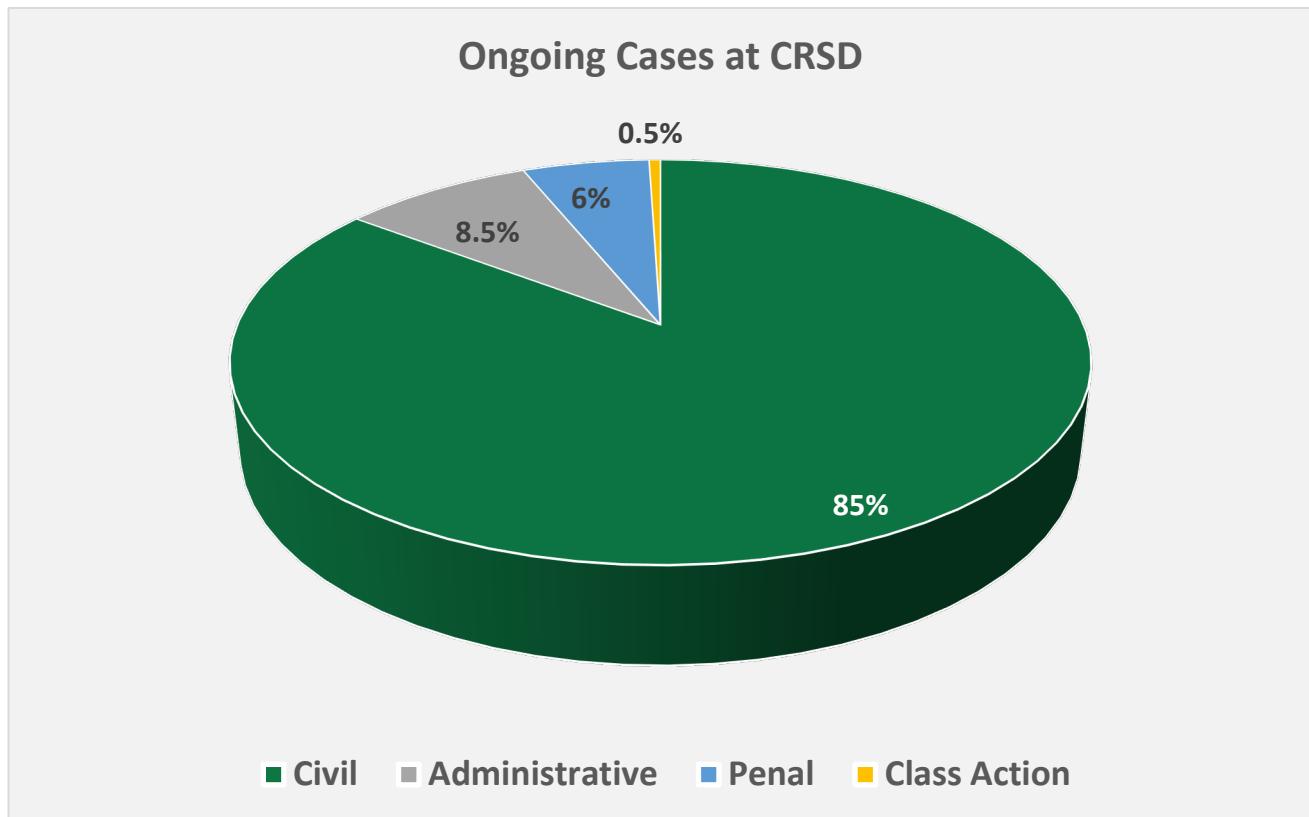




Fifth: Ongoing Cases at CRSD

Ongoing Cases at CRSD Distributed By (Case Type)

Year of Filing	Civil	Administrative	Penal	Class Action	Total
2020	1	0	0	0	1
2021	0	0	0	0	0
2022	0	0	0	0	0
2023	150	15	10	1	176
Total	151	15	10	1	177

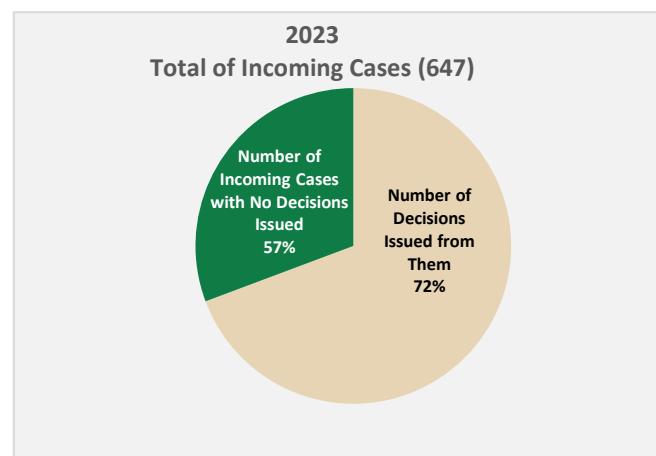
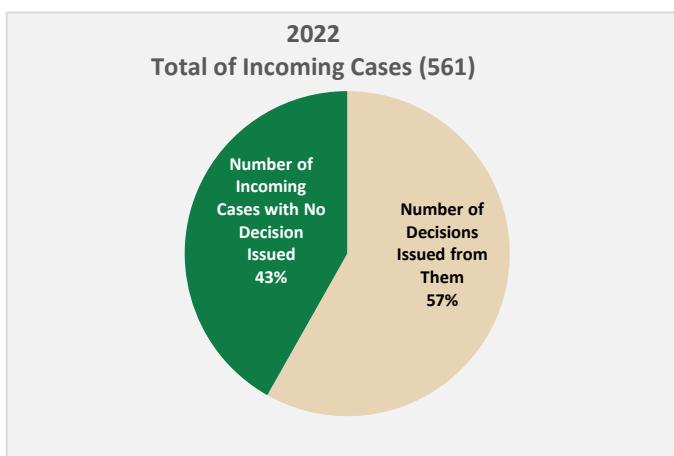




Sixth: Decision Issued from the Total Incoming Cases

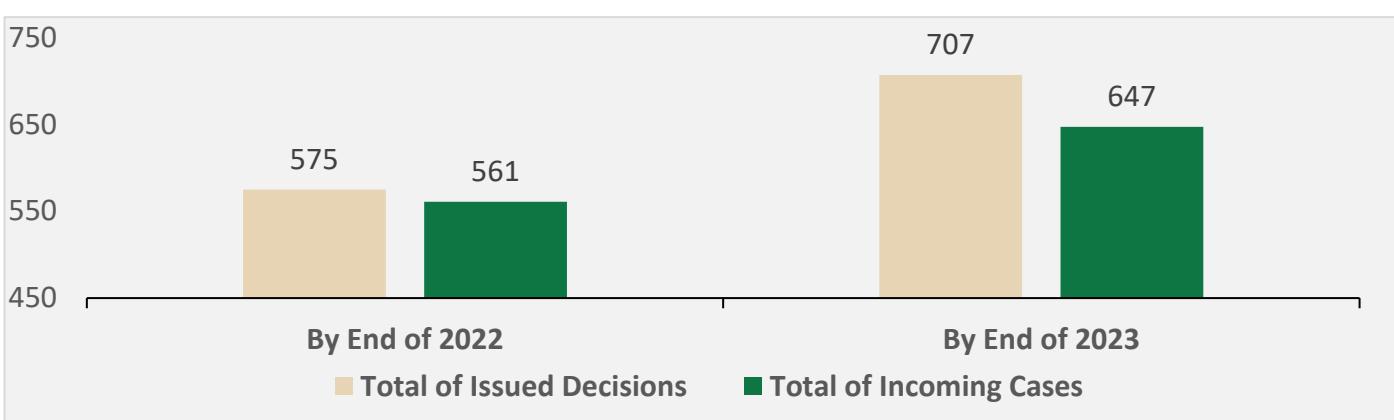
1. Percentage of Incoming Cases and Issued Decision During the Same Period

Category	2022	2023
Number of Incoming Cases with No Decision Issued	561	647
Number of Decisions Issued from Them	322	465
% of Decisions Issued from Total number of Incoming Cases	57.40%	71.87%



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

Category	2022	2023	% of Change
Total of Incoming Cases	561	647	15.3%
Total of Issued Decisions	575	707	23.0%
% of Total Issued Decision from Incoming Cases	102.50%	109.27%	

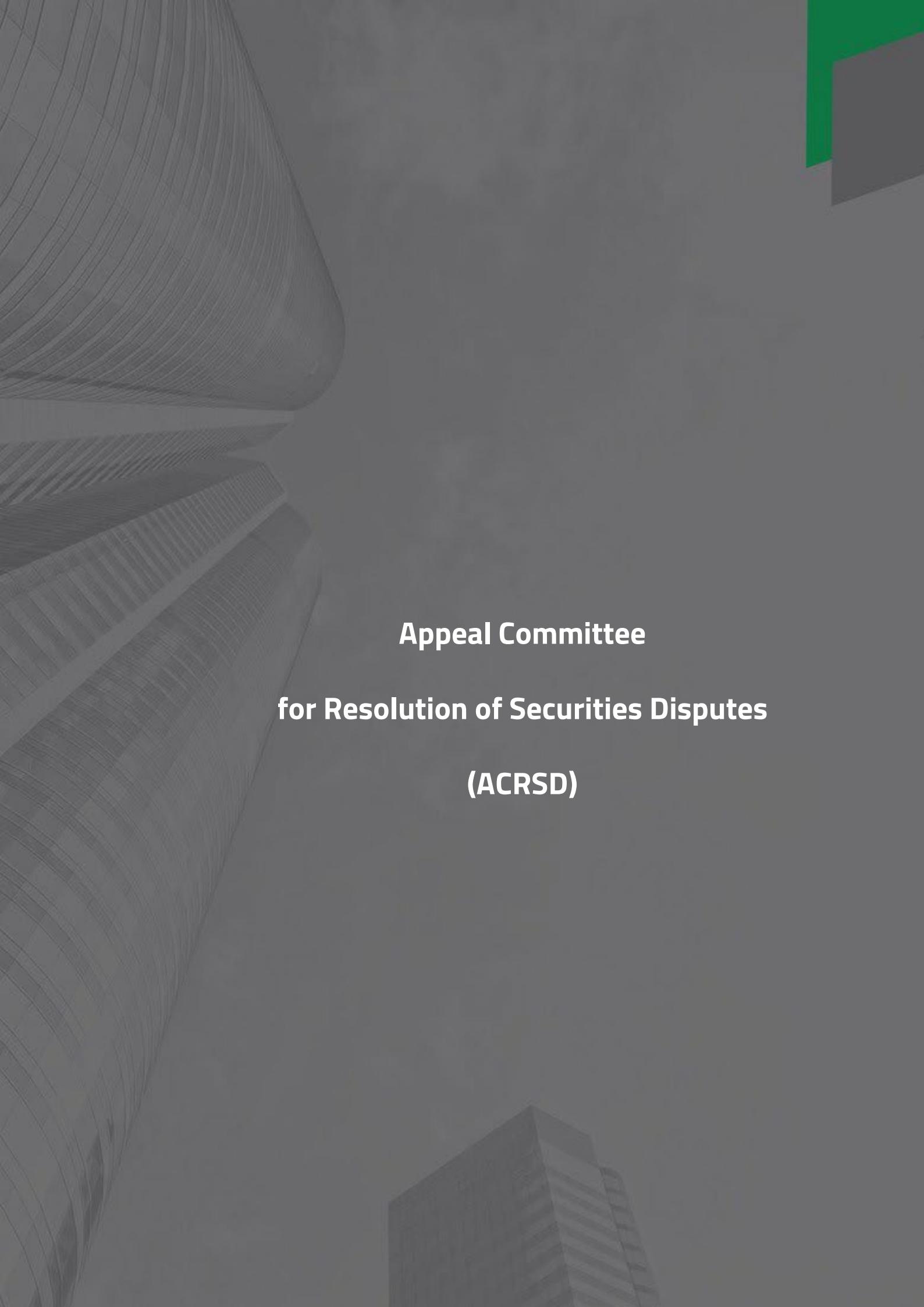




Seventh: Total Amounts Adjudicated in Cases Registered With CRSD

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

Category	2022	2023
Against Practicing Securities Business without License	23,382,319.34	11,581,558.38
Against Violating Article (49) and Market Conduct Regulations	686,441.00	937,995.20
Against Market Institutions	456,226.21	3,053,002.90
Against a Listed Company	50,033,803.71	123,423.59
Class Action	0.00	0.00
Other	848,917.00	127,974,074.20
Total	75,407,707.26	143,670,054.27
Number of Compensated Individuals	120	121



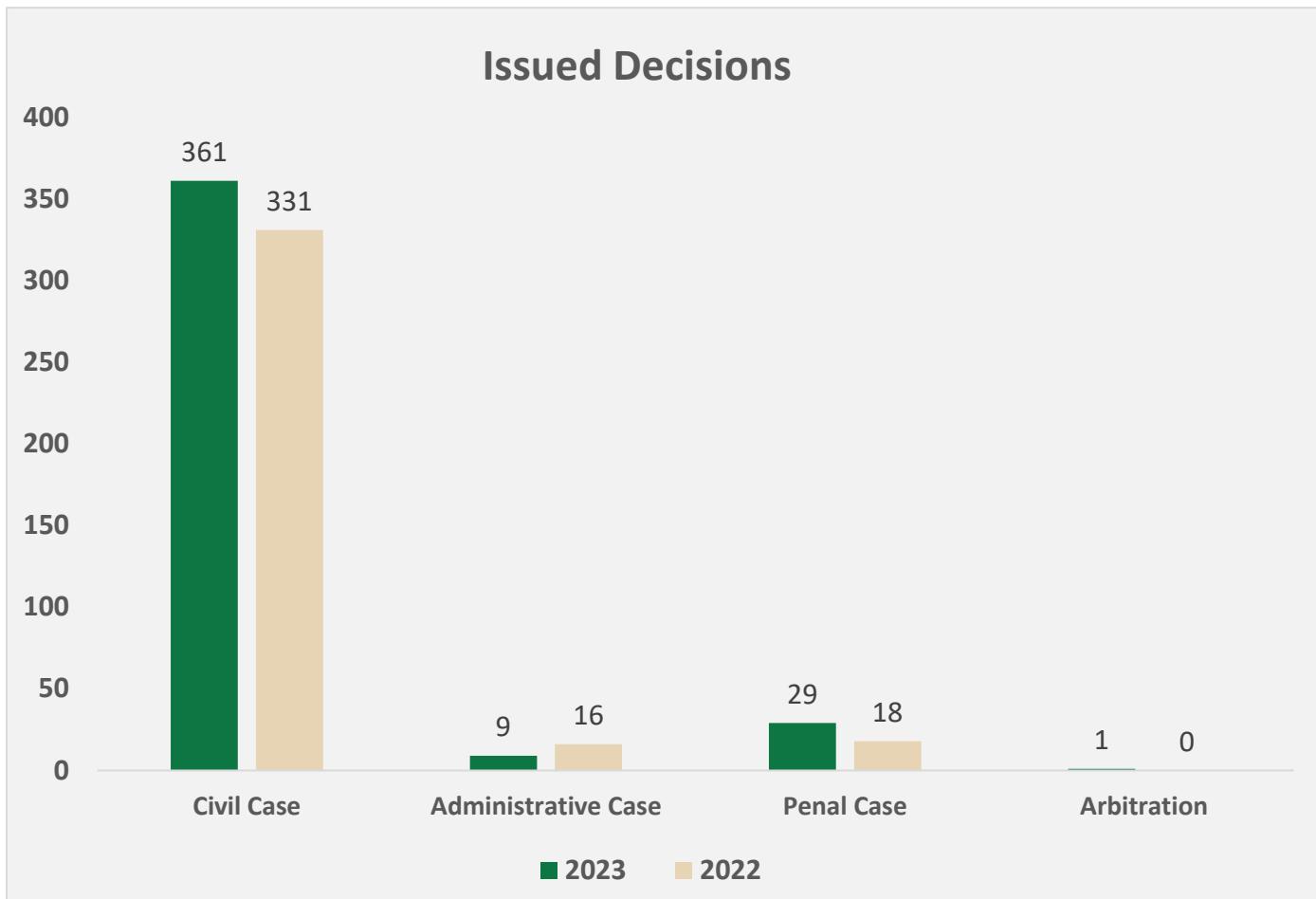
**Appeal Committee
for Resolution of Securities Disputes
(ACRSD)**



First: Issued Decisions by ACRSD

1. Issued Decisions

Case Type	2022	2023	% of Change
Civil Case	331	361	9.1%
Administrative Case	16	9	-43.75%
Penal Case	18	29	61.1%
Arbitration	0	1	-
Total	365	400	9.59%

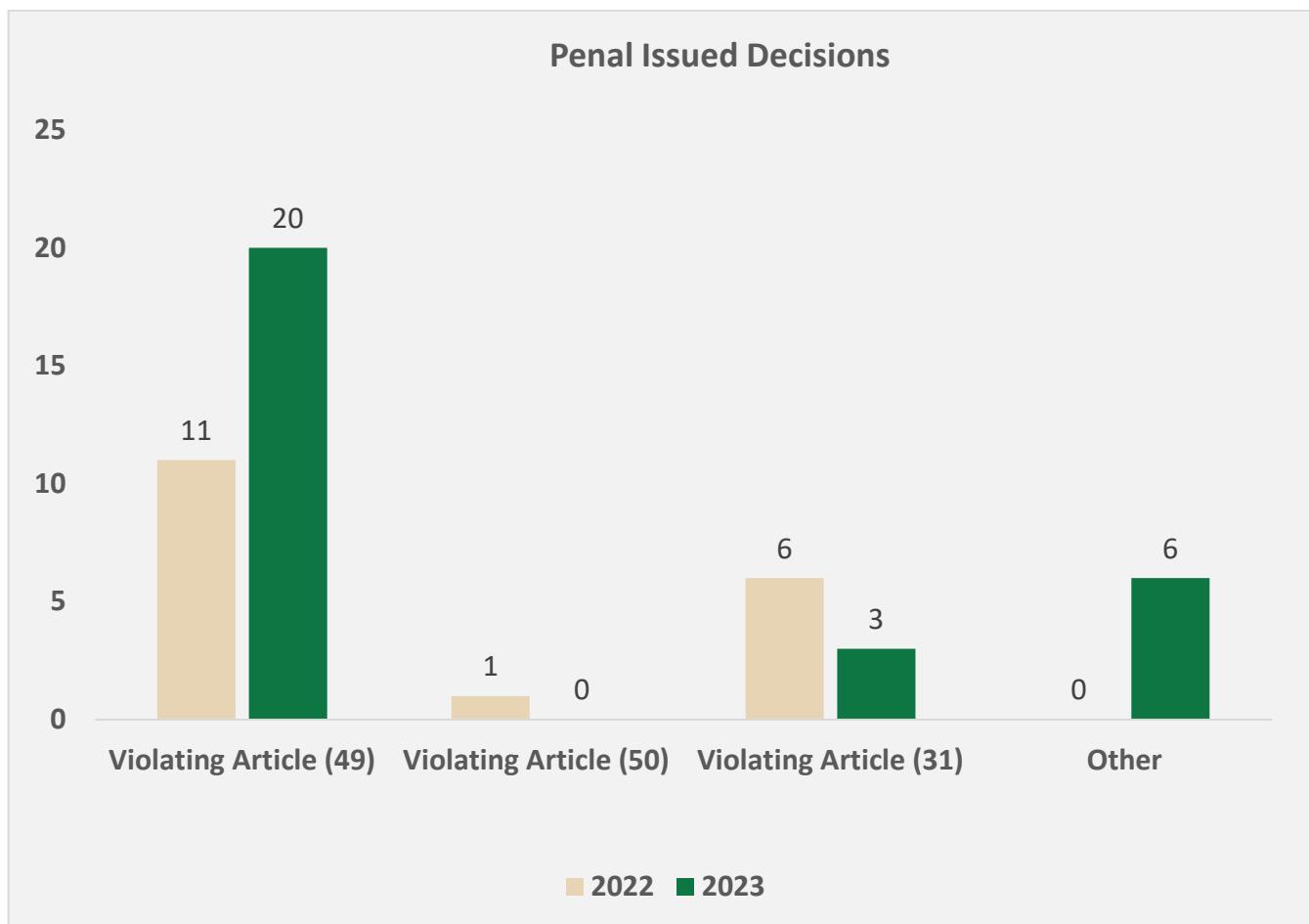




First: Issued Decisions by ACRSD

2. Details of Penal Decisions

Violation Type	2022	2023	% of Change
Violating Article (49)	11	20	82%
Violating Article (50)	1	0	-100%
Violating Article (31)	6	3	-50%
Other	0	6	-
Total	18	29	61.1%





First: Issued Decisions by ACRSD

3. ACRSD Decision Distributed by

(Upholding/Amending/Canceling/Reject/Returning) of Decisions Issued by CRSD

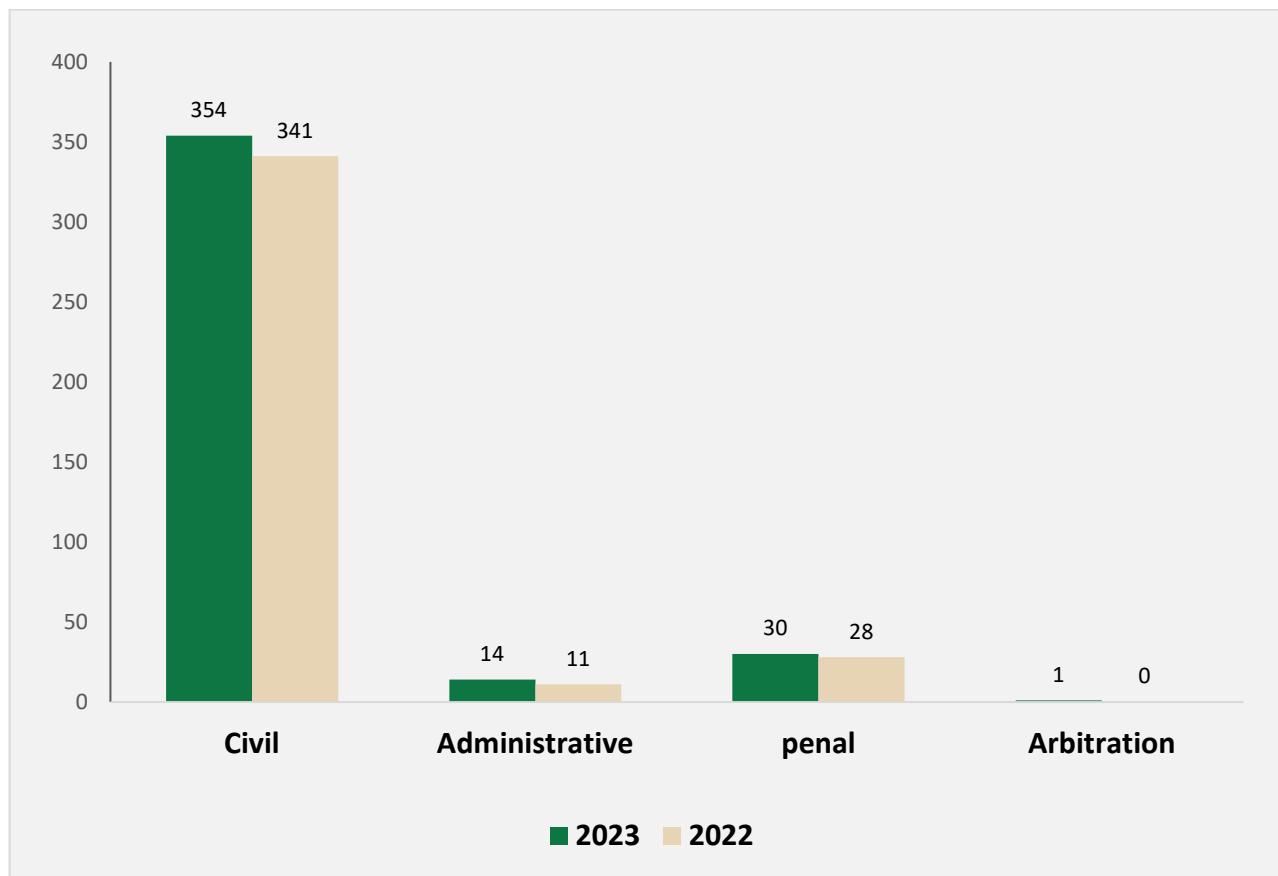
Description	2022			2023		
	Civil	Administrative	Penal	Civil	Administrative	Penal
Upholding	177	15	7	211	7	9
Amending	25	0	6	18	0	9
Canceling	56	1	0	71	1	1
Reject Appeal	62	0	4	56	1	10
Returned to CRSD	9	0	1	5	0	0
Arbitration	2	0	0	1	0	0
Total	331	16	18	362	9	29



Second: Incoming Cases to ACRSD

Incoming Cases to ACRSD Distributed by Case Type

Case Type	2022	2023	% of Change
Civil	341	354	3.81%
Administrative	11	14	27.27%
Penal	28	30	7.14%
Arbitration	0	1	-
Total	380	399	5.00%



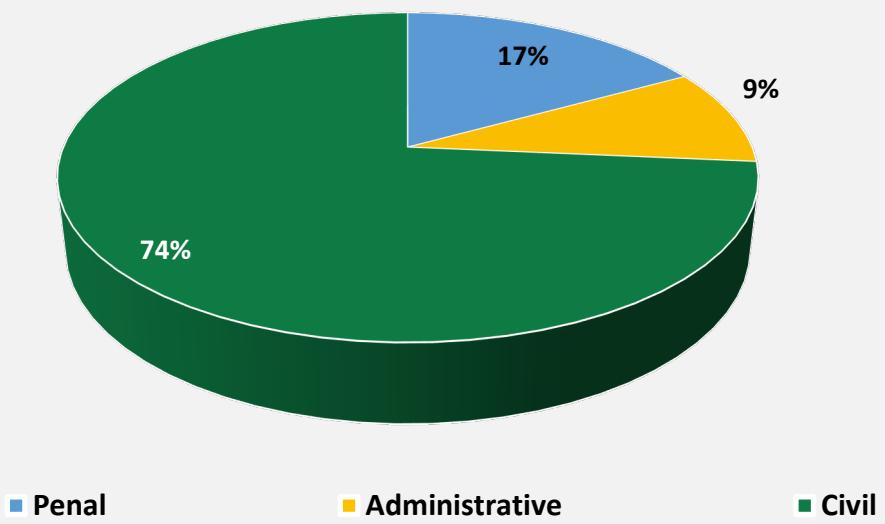


Third: Ongoing Cases at ACRSD

Ongoing Cases at ACRSD by the End of 2023

Month	Civil	Administrative	Penal	Total
June 2023	1	0	1	2
July 2023	0	0	1	1
August 2023	2	0	3	5
October 2023	9	0	0	9
November 2023	10	2	4	16
December 2023	17	3	0	20
Total	39	5	9	53

Ongoing Cases at ACRSD till the End of 2023

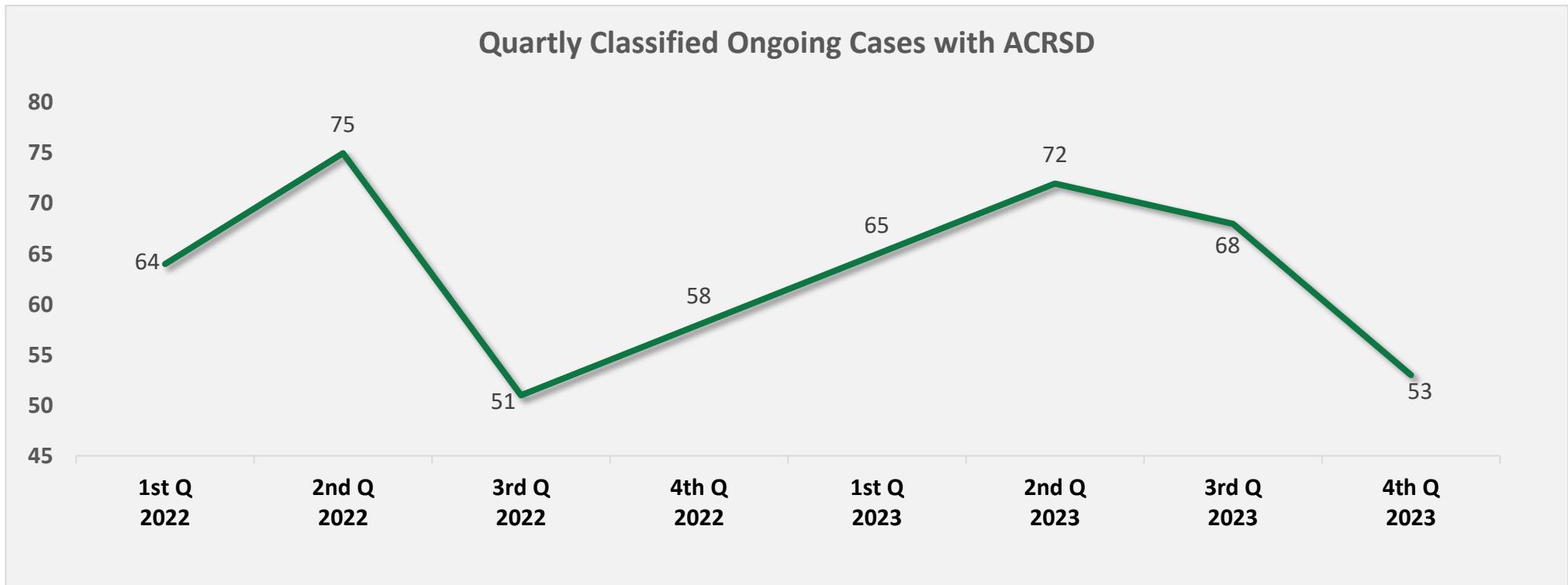




Third: Ongoing Cases at ACRSD

1. Quarterly Classified Ongoing Cases with the ACRSD until the end of 2023

Quarter	1 st Q 2022	2 nd Q 2022	3 rd Q 2022	4 th Q 2022	1 st Q 2023	2 nd Q 2023	3 rd Q 2023	4 th Q 2023
Ongoing Cases	64	75	51	58	65	72	68	53

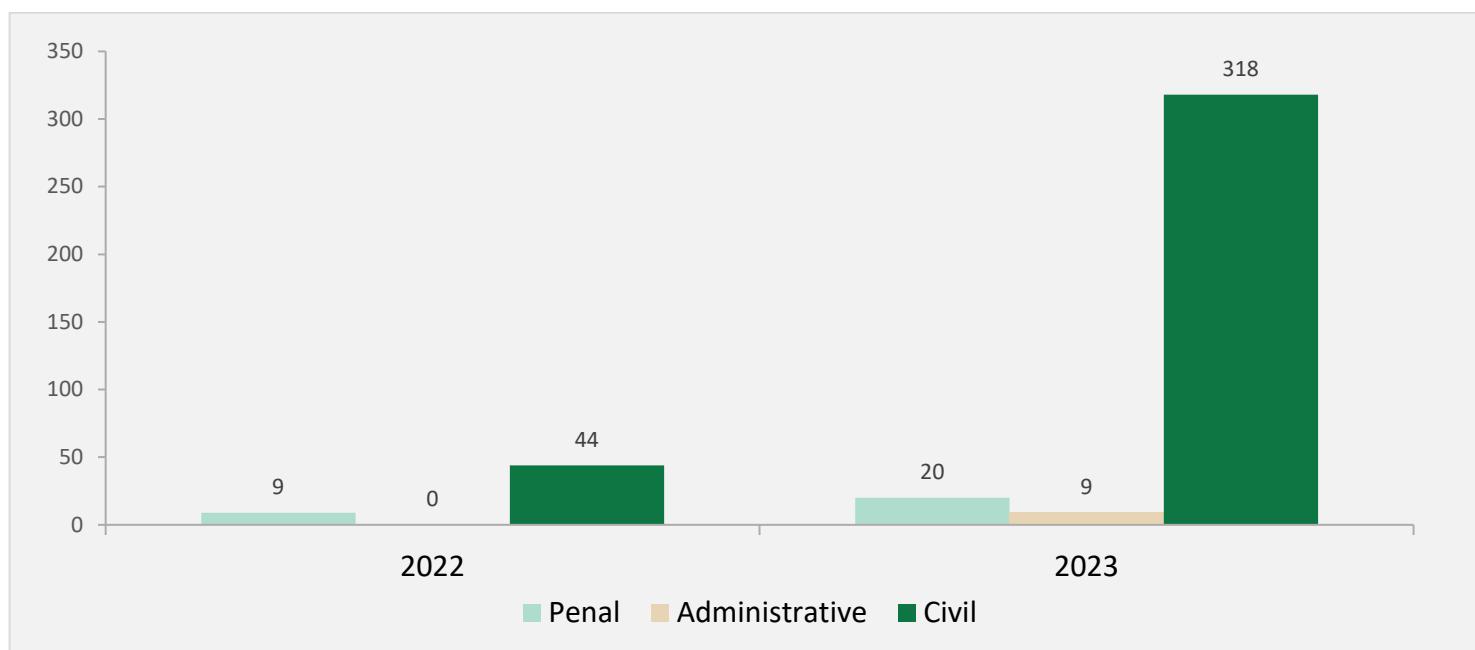




Fourth: Decisions Issued by ACRSD Based on Appeal Date

1. Details of Issued Decisions Based on Date of Appeal

Appeal Date	Civil	Administrative	Penal	Total	% of Total
2022	44	0	9	53	13%
2023	318	9	20	347	87%
Total	362	9	29	400	100%



2. Meeting of ACRSD Members

Description	2022	2023	% of Change
Meetings	350	375	%7.14

3. Average Arbitration Period at ACRSD

Description	2021 (Month)	2022 (Month)	2023 (Month)
ACRSD	1.68	1.79	1.83



Fifth: Total Amounts Rules in Cases Registered with ACRSD

1. Details of Ruled Compensations According to ACRSD's Decisions and Number of Compensated Persons

Category	2022	2023
Against Practicing Securities Business without License	29,808,527.53	50,575,302.13
Against Violating Article (49) and Market Conduct Regulations	322,785,844.01	5,029,958.47
Against Market Institutions	37,042,115.72	20,603,174.43
Against a Listed Company	2,935,374.77	0.00
Class Action	1,225,113,291.08	6,554,459.77
Other	58,802,000.00	19,552,809.48
Total	1,676,487,153.11	102,315,704.28
Compensated Individuals	1,174	458

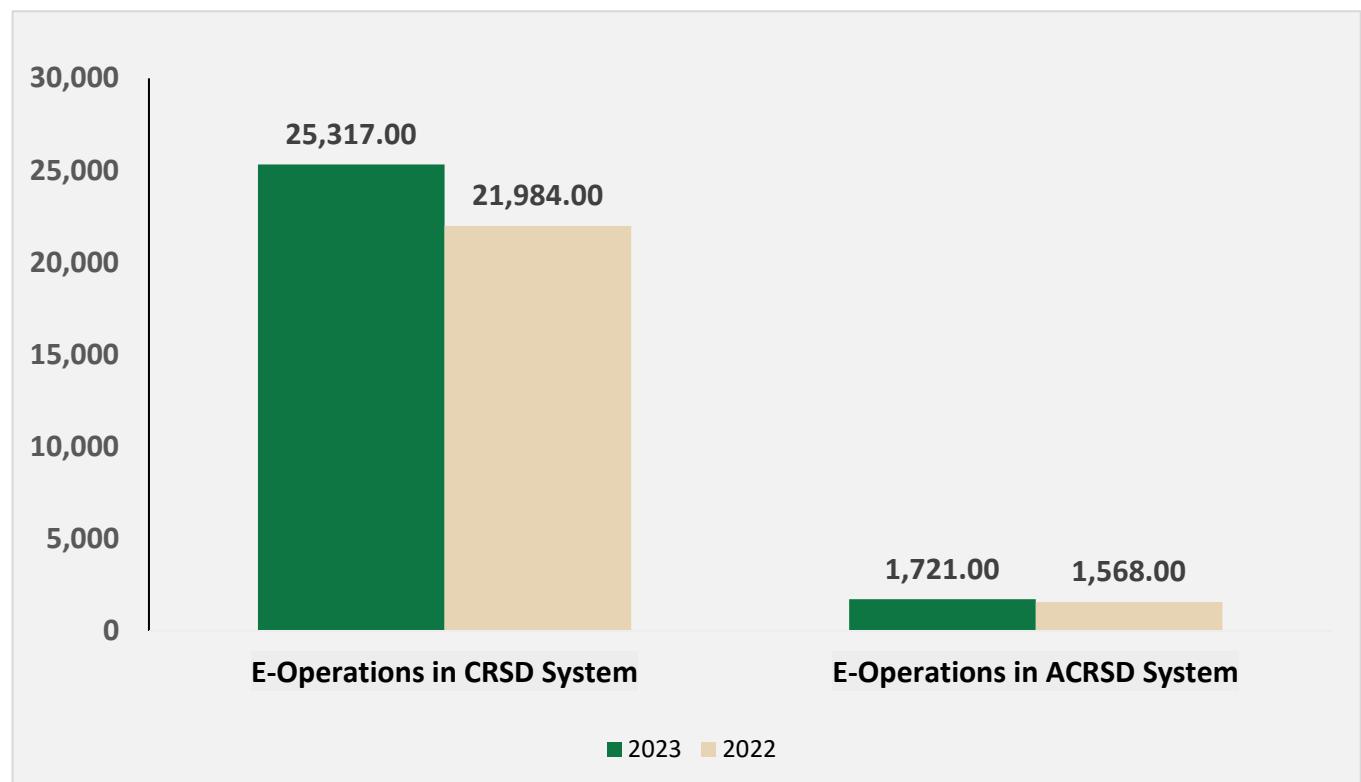
Businesses Support



First: Electronic Operations

1. Operations of the Electronic System

Electronic Transaction	2022	2023	% of Change
Electronic Operations in CRSD System	21,984	25,317	15%
Electronic Operations in ACRSD System	1,568	1,721	10%
Total	23,552	27,038	14.80%

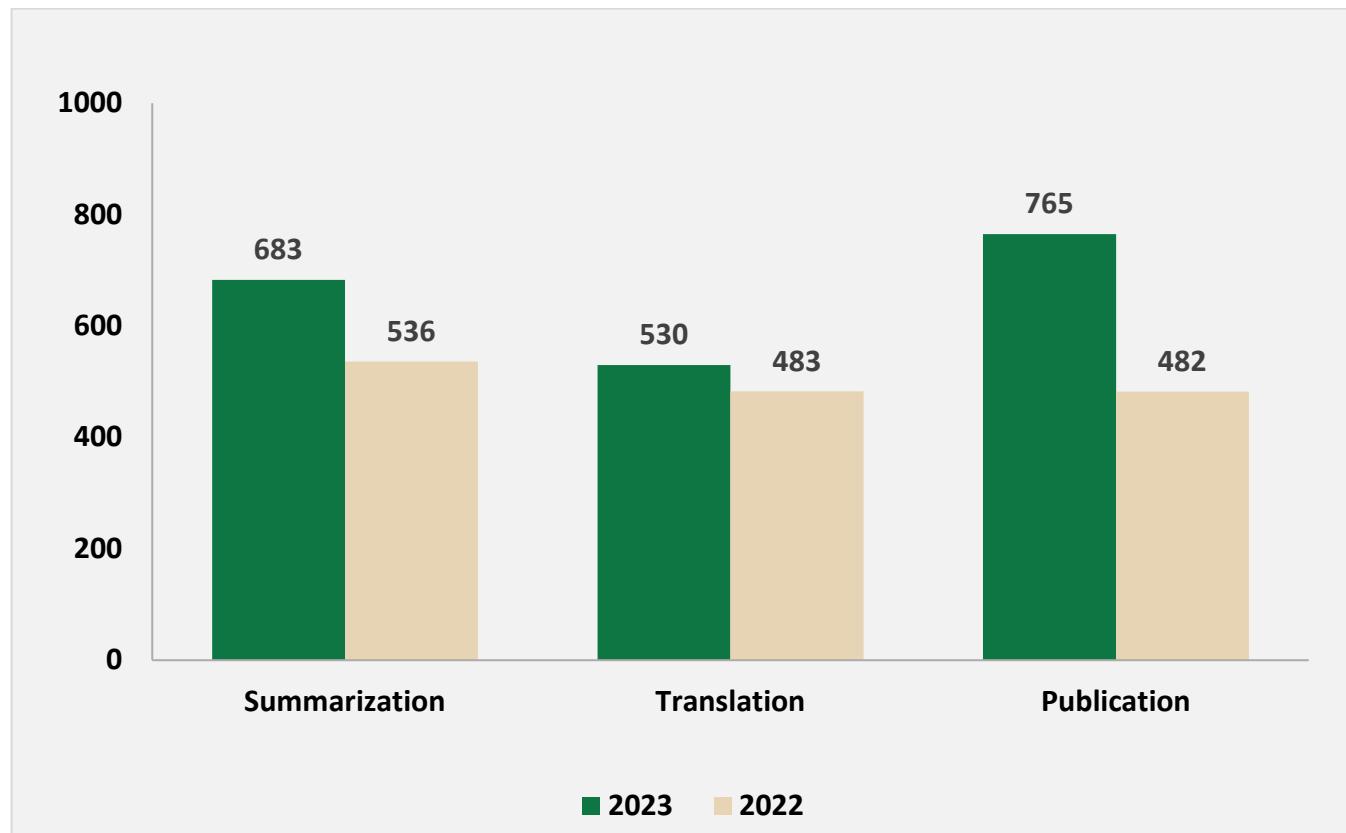




Second: Summarization, Translation and Publication

1. CRSD and ACRSD Decisions

Category	2022	2023	% of Change
Summarization	536	683	27%
Translation	483	530	10%
Publication	482	765	59%

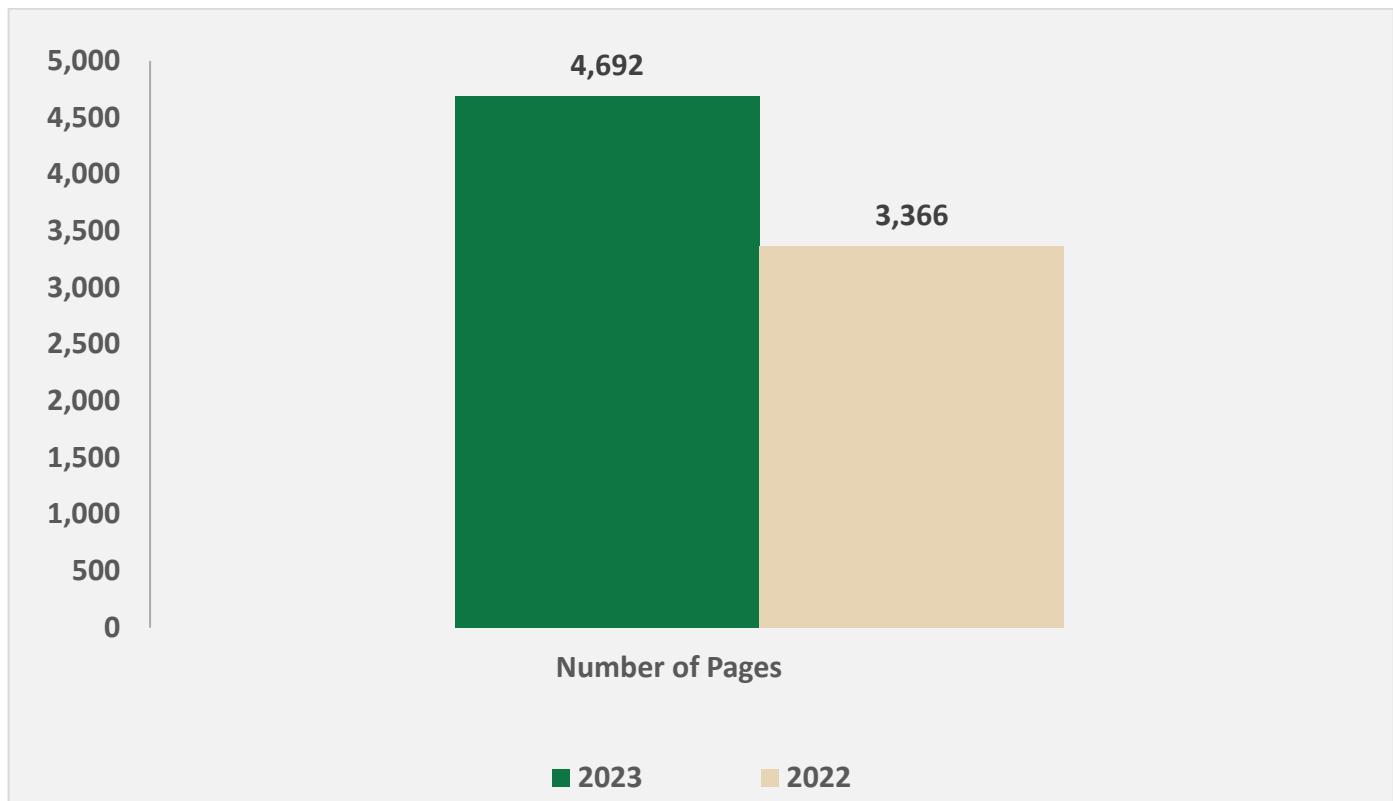




Second: Summarization, Translation and Publication

2. Translated Pages for CRSD and ACRSD's Decisions

Category	2022	2023	% of Change
Number of Pages	3,366	4,692	39%





Third: Notification Period Index

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

Category	1 st Q 2022	2 nd Q 2022	3 rd Q 2022	4 th Q 2022	1 st Q 2023	2 nd Q 2023	3 rd Q 2023	4 th Q 2023
Index of Notification Days	4.1	5	1.8	1.6	1.90	3.16	1.50	2.36

