



*Iraqi Depository Center*

The establishment of Iraqi Depository Center

## **Ladies and Gentlemen. .**

I'm honored to be here with you all. On this occasion I want to thank Dubai Financial Market for hosting the AMEDA Dubai 2013. Also I want to thank Mr. Mohamed Abd El-Salam, the AMEDA's President.

I'll start my presentation with giving a fast preview of Iraqi Depository Center, that includes it's establishment , its main purposes , its main work mechanisms and our future plans and visions .

Iraqi Depository Center is a public utility institution, established in accordance with Coalition Provisional Authority's law no. (74) of (2004), which makes it the sole Iraqi entity that is legally empowered to register securities, deposit, safekeep, transfer of ownership, clear and settle. IDC aims to enhance the investors' trust in securities and enables them to keep an eye on there investments, which is done by establishing a central registry .

After establishing IDC, its activities were developed side by side with the developments that took place with the mechanisms of stock trading.

As was stipulated by the law, this new entity has to be part of Iraqi Stocks Exchange ISX, and subject to decisions issued and certified by the Board of Governors and Iraq Securities Commission.

Following the formulation of the electronic trading instructions and standards and setting up the framework of Iraqi depository center statute in (2007), and in aftermath of accomplishing the Iraq stock exchange article of association in the year that followed, the Iraq securities commission decided that " the Iraq depository center should be distinctive part of the Iraq stock exchange until the time when it will become financially and administratively independent, in conformity with the conditions set by the Iraq depository center director, under rules approved by both the board of the governors and the Iraq securities commission .

The IDC's main duties are to safekeep securities, by establishing a central registry institution according to international standards to enhance the investors' trust in securities in order to support national economy .

**The action mechanisms of the IDC involve:**

- 1 – Opening accounts for investors , depositing certificates either by brokers or investors .
- 2 – Securities Inheritance procedures .
- 3 – Family waiver.
- 4 – Shares freezing.
- 5 – Capitalization and initial public offering.
- 6 – The process of losing stock certificate.
- 7 – Securities Pledging .
- 8 – Transfer stocks among brokers.

**The IDC's future plans include:**

- 1 –Keep on opening accounts for the shareholders , and register their shares.
- 2 – Registering the shares of companies that will be listed in the ISX .
- 3 – Registering shares after any capital increase of the listed companies.
- 4 – Launching the query service for the balance of shareholders at the IDC's website.
- 5 – Cooperating with the Arab and international depository centers to exchange expertise and training course with them.
- 6 – Providing companies with reports of their shareholders' activities, ahead of their general assemblies' meetings.

Iraqi depository center started to work practically in 19/4/2009 with only five registered companies, and its capital reached (206,123,200,000)IQD

But at the end of 2009, the number of registered companies totaled 85, which represented different sectors. Their total capital then reached (1,507,126,000,000)IQD, while the depositing percentage reached the level of 15.8384.

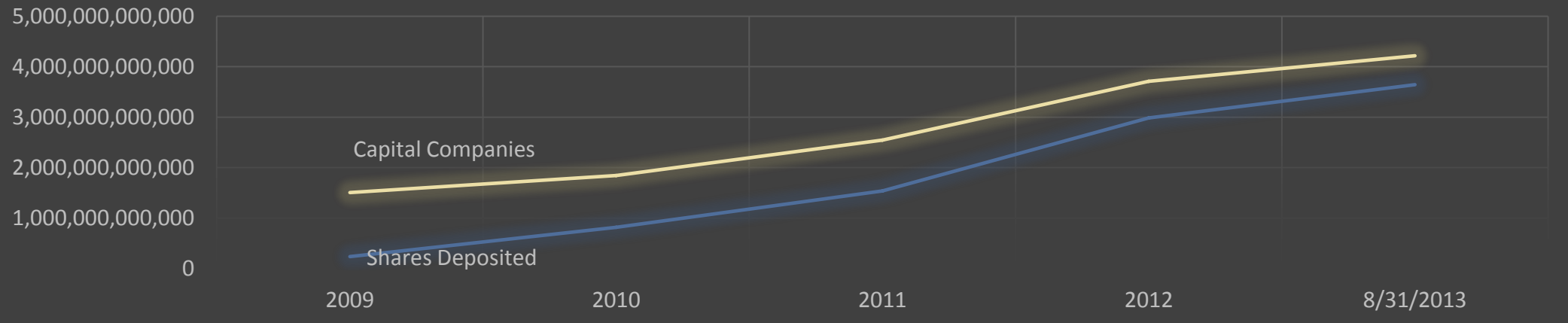
As of 31/8/2013, the IDC holds 84 registered companies with total capital of (4,218,949,251,898)IQD, whereas the depositing percentage multiplied to 86.3359, as shown in the following tables:

Year	Listed Companies	Capital Companies	Total Shares Deposited	Ratios of Shares Deposited	Deposited Shares		Deposited Ratios		Depositors Number	
					Iraqis	Foreigners	Iraqis	Foreigners	Iraqis	Foreigners
2009	85	1,507,126,000,000	238,699,171,067	%16	215,075,302,268	23,623,868,799	%14.2706	%1.5675	5,319	199
2010	85	1,844,038,509,155	819,558,924,966	%44	675,139,990,960	144,418,934,006	%36.6120	%7.8317	11,370	442
2011	87	2,547,848,863,406	1,541,665,056,836	%61	1,129,162,790,750	412,502,266,086	%44.3183	%16.1902	17,709	640
2012	85	3,712,002,368,223	2,984,685,220,834	%80	2,342,867,656,337	641,817,564,497	%63.1160	%17.2903	19,326	916
31/08/2013	84	4,218,949,251,898	3,642,464,725,717	%86	2,808,835,684,506	833,629,041,211	%66.5767	%19.7592	18,614	814

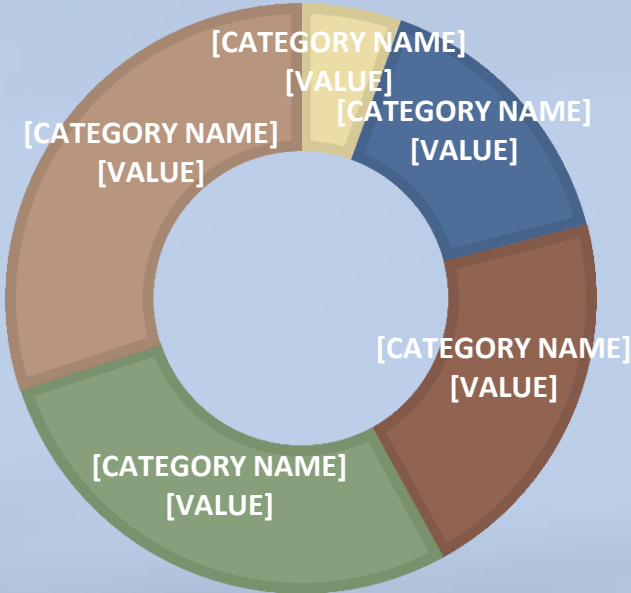
## Capital Listed Companies and Total Shares Deposited

Year	NO. of Listed Companies	Capital Companies	Total Shares Deposited	Ratios of Shares Deposited
2009	85	1,507,126,000,000	238,699,171,067	16%
2010	85	1,844,038,509,155	819,558,924,966	44%
2011	87	2,547,848,863,406	1,541,665,056,836	61%
2012	85	3,712,002,368,223	2,984,685,220,834	80%
2013/08/31	84	4,218,949,251,898	3,642,464,725,717	86%

## Capital Companies & Shares Deposited

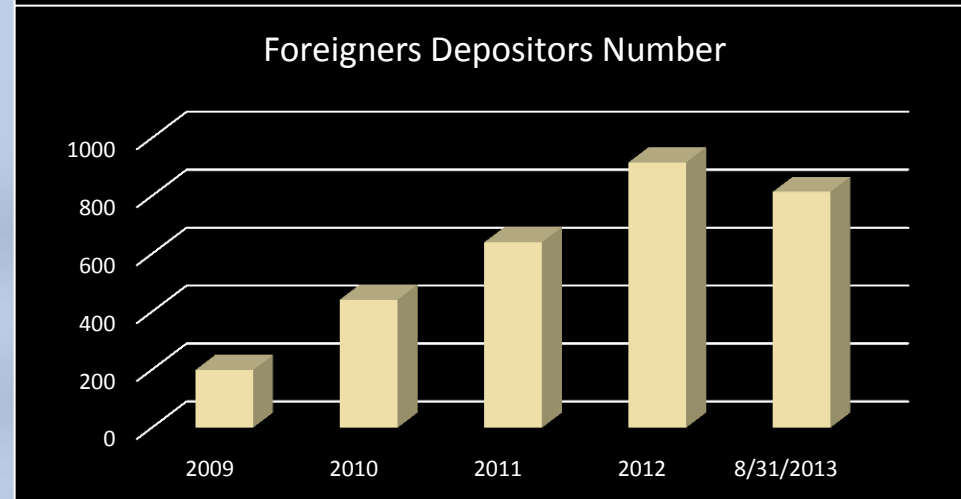
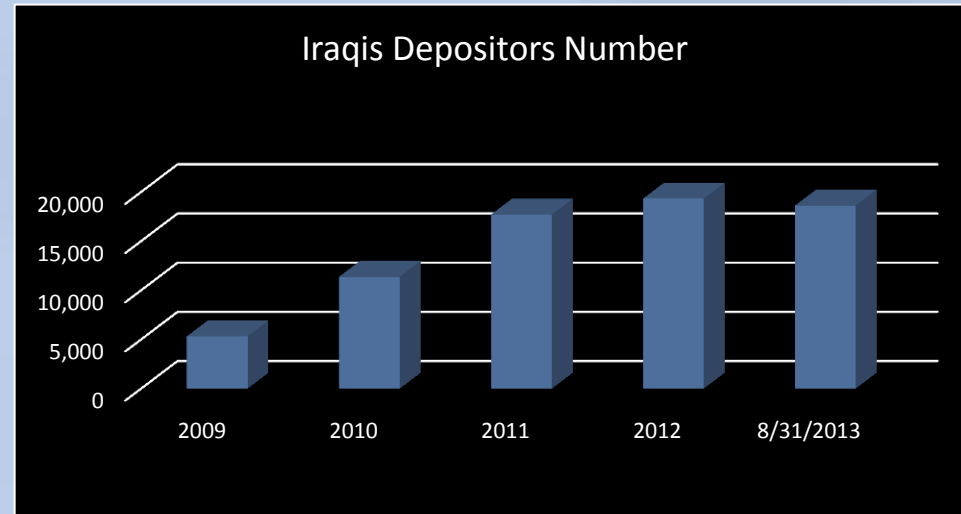


# RATIOS OF SHARES DEPOSITED



■ 2009 ■ 2010 ■ 2011 ■ 2012 ■ 8/31/2013

Depositors Number		
Year	Depositors Number	
	Iraqis	Foreigners
2009	5,319	199
2010	11,370	442
2011	17,709	640
2012	19,326	916
31/08/2013	18,614	814
<b>Total</b>	<b>72,338</b>	<b>3,011</b>



This year has also shown the registration of the Asiacell telecom company, with its stocks reached (67,503,000,000) shares, which valued (1,485,066,000,000 )IQD

Those shares have been completely sold out in one session on the third of February 2013, by using the initial public offering and the clearing and settlement were done successfully on the next day.

I'd like to thank you all for your time; also I have to express my gratitude to the Dubai Financial Market and the president of AMEDA, Mr. Abd El-Salam, for this great opportunity.

A lot of appreciation has to be made for if you will accept the IDC in the AMEDA association's membership, offering a very big step for my entity. Without any doubts, the IDC will be an active and competent member within the association, exchanging skills and work experience which leads to the progress of economic systems of our countries .



For any help you can visit us on  
[www.idc-stocks.com](http://www.idc-stocks.com)