FII Market Entry Requirements for Egypt

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| **Important** |  | The nominee concept is not recognized in Egypt. Individual stock accounts are therefore required. The name in which the individual account is open will be considered the beneficial owner. The individual stock account will be linked to an omnibus cash account. Note that the first time an account trades in the market the client's local broker has to apply to, and receive from the Egyptian Stock Exchange a Unified Code for the new account this code is required by the brokers when placing trade order. As from April 2010, the Unified Code will be provided together with the account details. Note: As part of the FII account opening process all documentation must be in exactly the same investor name and on the investor's letterhead where appropriate. |
| **Renewal****Fees** |  | As from September 2014, registrations are valid for a period of 5 years, subject to renewal. Your RBC IS representative will advise you 6 months prior to expiry date.None |
| **Tax Consultant**  |  | Not required |
| **E-signature**  |  |  Partially Accepted |

## Account Opening

**Documentation Required by the Agent**

1. **Notarized and consularized** [Power of Attorney](http://rbcdexiainvestorservicestrust.fg.rbc.com/tools/fii/file-130854.doc) **\*\***

This POA is optional and solely aimed at making proxy voting in Egypt.

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**Note:**A POA is only required if the client intend to participate in proxy voting in Egypt. It has to be notarized and consularized. Both English and Arabic section should be signed

1. **Brokerage Authorization Form (BAF)**



**Note:** The BAF is a new regulatory document to be implemented in times of account openings. The purpose is for the clients’ appointed brokers to be able to block the shares prior to the execution of a sale transaction. If the BAF is not in place, the client will be able to buy but not sell.

The client can decide either to authorize all local brokers who are members of the exchange to block shares when requesting to do a sell trade, or to appoint specific local brokers.

The appointed broker(s) has to be mentioned on the BAF. Please note that only brokers registered with the Egyptian Stock Exchange can be appointed in the Broker Authorization Form. In order to have the exhaustive list of those brokers, please use the following link:

<https://www.mcsd.com.eg/mcdr/english/company.aspx?kindid=1>

Should a broker be added or removed, a revised BAF will have to be submitted with the correct details in order to replace the previous BAF in place.

### **Disclosure Letter and supporting document**

### **a) Foreign entities (companies) and Special Purpose Vehicles (SPVs)**

### - Stamped (if the company or SPV has a stamp) and signed disclosure letter from an authorized signer of the company showing the Board of Director member’s names and who owns 10 percent or more of the company’s shares and the percentage of ownership of each along with their nationalities.

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### - Formatted in a formal letter and signed by an authorized person addressing the investor’s local custodian or EGX. It can be digitally signed.

### - One of the following: Certified true copy of the company’s commercial register, or Certificate of incorporation, or an article of association.

The issued unified code will have an expiry date, which is 5 years from the issuance date of the unified code

**b) Foreign funds**

Formatted in a formal letter and signed by an authorized person addressing the investor’s local custodian or EGX. It can be digitally signed.



OR

- MT599 Swift sent by RBC requiring the following client information

Fund Name: …………..

Entity Type: …………..

Fund Class: Open/Closed

Nationality: …………..

Domicile: …………..

Main Fund Name (If any): …………..

Fund Manager’s Name: …………..

Fund Manager’s Delegates: …………..

A list of all ultimate beneficial end investors in the Fund with 10% or more ownership:

|  |  |  |  |
| --- | --- | --- | --- |
| **Ultimate Beneficial End Investor\*\*** | **%** | **Nationality** | **Direct/indirect investor (if any)(Name, %, Nationality)** |
|   |   |   |   |
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- Certified true copy of the fund license provided, or certificate of incorporation.

**NB:** A MT599 instead of the constitutive documents is acceptable, if the fund meet the two below criteria:

a) The fund does not have constitutive documents as such,

b) The fund is not in the same name as the constitutive documents (documents are in the name of the mother fund for example)

The unified code request should be on a formal letter and signed by an authorised person addressing the investor’s local custodian or EGX.

The issued unified code will have an expiry date of 5 years from the issuance date of the unified code.

**Important notice**:

* Clients domiciled in a country where disclosure of ownership is not allowed by local law should state the same on their letterhead with reference to the law;
* Failure to comply with the above requirements could result in the suspension of trading for impacted clients;
* The issued unified code will have an expiry date, which is 5 years from the issuance date of the unified code, or the date on the commercial register or certificate of incorporation or article of association whichever expires first. The expiry date will be monitored by EGX and will be advised to the client’s custodians six months prior to the date of expiry;
* Certificates of Tax Residency (CoTRs) and Certificates of Residency (CORs) submitted for the purpose of benefiting from Double Tax Treaty (DTT) rates on Capital Gains Tax (CGT) must be legalized, i.e. notarized and consularized. This directive is based on instructions from the Egyptian Tax Authority (ETA).

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| --- | --- |
| **Timing** | The market timeframe for opening accounts is 5 business days post completion and acceptance of documents by the agent. The executed documents received from the client may be sent for further certification or legalization affecting the turnaround time for market application. The documents may also be subject to regulatory and KYC checks and additional documents may be requested by the agent/market authorities, which could potentially extend the normal processing time. |
| **Sub-custodian** | RBC IS has appointed Citibank as Sub-custodian. Their role is to open and manage the securities account. |
| **Further Details**  | None |

### Name change

**Documentation Required by the Agent**

1. **Notarized and consularized** [Power of Attorney](http://rbcdexiainvestorservicestrust.fg.rbc.com/tools/fii/file-130854.doc) \*\* (only if the client has already a POA in place with Citibank Egypt for using proxy voting, otherwise, POA is not needed)



1. **Any document proving the name change issued by the applicable registration authority in their jurisdiction.**

### **Disclosure Letter**

### **a) Foreign entities (companies) and Special Purpose Vehicles (SPVs)**

- Stamped (if the company or SPV has a stamp) and signed disclosure letter from an authorized signer of the company showing the Board of Director member’s names and who owns 10 percent or more of the company’s shares and the percentage of ownership of each along with their nationalities.

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**b) Foreign funds**

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OR

- MT599 Swift sent by RBC requiring the following client information

New Fund Name: …………..

Existing Unicode Number:

Entity Type: …………..

Fund Class: Open/Closed

Nationality: …………..

Domicile: …………..

Main Fund Name (If any): …………..

Fund Manager’s Name: …………..

Fund Manager’s Delegates: …………..

A list of all ultimate beneficial end investors in the Fund with 10% or more ownership:

|  |  |  |  |
| --- | --- | --- | --- |
| **Ultimate Beneficial End Investor\*\*** | **%** | **Nationality** | **Direct/indirect investor (if any)(Name, %, Nationality)** |
|   |   |   |   |
|

**Note:** EGX will decide on a case by case basis to issue a new unified code or not

The unified code will be automatically renewed after the name change

### Account Closure

No documentation required however, client should always ensure there are no outstanding trades, corporate actions, fees and holdings prior to sending the closure instruction.

### Unicode Renewal

**Documentation Required by the Agent**

### **Disclosure Letter**

### **a) Foreign entities (companies) and Special Purpose Vehicles (SPVs)**

- Stamped (if the company or SPV has a stamp) and signed disclosure letter from an authorized signer of the company showing the Board of Director member’s names and who owns 10 percent or more of the company’s shares and the percentage of ownership of each along with their nationalities.



**b) Foreign funds**

 

OR

- MT599 Swift sent by RBC requiring the following client information

Fund Name: …………..

Existing Unicode Number:

Entity Type: …………..

Fund Class: Open/Closed

Nationality: …………..

Domicile: …………..

Main Fund Name (If any): …………..

Fund Manager’s Name: …………..

Fund Manager’s Delegates: …………..

A list of all ultimate beneficial end investors in the Fund with 10% or more ownership:

|  |  |  |  |
| --- | --- | --- | --- |
| **Ultimate Beneficial End Investor\*\*** | **%** | **Nationality** | **Direct/indirect investor (if any)(Name, %, Nationality)** |
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