

THE CAPITAL MARKETS ACT

(Cap. 485A)

IN EXERCISE of the powers conferred by section 12 of the Capital Markets Act, the Cabinet Secretary to the National Treasury, makes the following Regulations:—

CAPITAL MARKETS (CONDUCT OF BUSINESS) (MARKET INTERMEDIARIES) (AMENDMENT) REGULATIONS, 2013

1. This Regulations may be cited as the Capital Markets (Conduct of Business) (Market Intermediaries) (Amendment) Regulations, 2013.

Citation.

2. Regulation 27 of the Capital Markets (Conduct of Business) (Market Intermediaries) Regulations (hereinafter referred to as “the principal Regulations” is amended in paragraph 4-

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(a) in subparagraph (c), by inserting the word “internal” immediately after the word “new”; and

(b) by deleting subparagraph (e).

3. Regulation 30 of the principal Regulations is amended in paragraph (1) by deleting subparagraph (b) and inserting therefor the following new subparagraph—

(b) the amount of clients funds standing to the credit of each client can be ascertained, at all times, by the Authority or any other party;

4. Regulation 39 of the principal Regulations is amended by-

(a) deleting the word “and” appearing immediately after subparagraph (b); and

(b) inserting the following new subparagraphs immediately after subparagraph (b)

(c) a statement of changes in owners’ equity;

(d) a statement of cash flows;

(e) a description of the accounting policies which the market intermediary has applied and adopted while preparing the financial statements; and

(f) notes on financial statements explaining the various items that appear in the financial statements under this Regulation.

5. Regulation 42 of the principal Regulations is amended by—

(a) deleting subparagraph (3) and substituting therefor the following new paragraph—

“(3) A market intermediary shall not appoint or remove an auditor except with prior approval of the Authority at least one month prior to such appointment or removal.”

(b) deleting subparagraph (4) and substituting therefor the following new subparagraph-

“(4) A person appointed as an auditor under this Regulation shall serve for a maximum period of four consecutive years.”

6. The principal Regulations are amended by deleting regulation 46.

Made on the 18th June, 2013.

HENRY ROTICH,
Cabinet Secretary for the National Treasury.