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BOARD NOTICES

BOARD NOTICE 93 OF 2013

FINANCIAL SERVICES BOARD

FINANCIAL MARKETS ACT, 2012

APPLICATION FOR APPROVAL OF THE ACQUISITION OR THE HOLDING OF SHARES OR ANY OTHER INTEREST IN A MARKET INFRASTRUCTURE

Under section 67(8) of the Financial Markets Act, 2012 (Act No.19 of 2012), I, Dube Phineas Tshidi, Registrar of Securities Services, hereby determine the manner and form for an application for the acquisition or holding of shares or any other interest in a market infrastructure as contemplated in section 67, as set out in the Schedule.



D P TSHIDI
REGISTRAR OF SECURITIES SERVICES

SCHEDULE

1. Definition

In this Schedule, "the Act" means the Financial Markets Act, 2012 (Act No.19 of 2012), and any word or expression to which a meaning has been assigned in the Act, bears the meaning so assigned to it.

2. Application

If an application is made in terms of section 67(8) of the Act for the approval –

(a) by the registrar, in terms of section 67(3) or (4) of the Act, or

(b) by the Minister, in terms of section 67(5) of the Act,

the application must be submitted to the registrar on Form FM 5 and comply with the following conditions-

1. The form must be properly completed and signed. Questions must be answered either in full or as not applicable ("n/a"). The signatory(ies) must be duly authorised to make the application.
2. The format of this form or the wording of questions may not be changed. However, this form may be reproduced.
3. Answers may be in hand or typewriting.

3.1 If the form is completed on a computer –

(a) delete the solid lines in those areas provided for answers before the answers are typed or use the overtype mode whilst the answers are typed.

(b) rows may be inserted where insufficient space is provided for answers.

3.2 If the form is completed by hand, should the space provided not be sufficient, the detail can be provided on a separate page, duly initialled and cross-referenced to the relevant question.

3.3 If the form that is submitted contains any changes to typed or written information, those changes must be signed.

4. No copies are required to be submitted with the completed form.

5. The application must be submitted at least one month before the approval is required to allow the registrar time to consider it and seek information or clarification, where necessary.

3. Fees

The form must be accompanied by the fees prescribed by the registrar in terms of section 108 of the Act.

4. Information

The application must set out all the reasons for, and information relevant to, the application for approval.

5. Commencement

This Notice comes into operation on the same date on which the Act comes into operation.

FORM FM 5

I, the undersigned hereby apply for the following approval(s):

To acquire or hold shares or any other interest in a market infrastructure that will result in me, directly or indirectly, alone or with an associate, exercising control over that market infrastructure as contemplated in section 67(3) of the Act. ¹	
To acquire or control shares or any other interest in a market infrastructure in excess of the percentage approved under subsection (3) but not exceeding 49 per cent as contemplated in section 67(5) of the Act. ¹	

1. Mark the applicable box(es) with an "X".

The following information is provided in support of the application.

1. Details of the market infrastructure

1.1 The name of the market infrastructure.

1.2 The name(s) of the current shareholder(s) or other person(s) exercising control and their interest

2. Background details of the applicant.

2.1 The name of the applicant.

2.2 Give a brief history of the aforesaid person in question 2.1 where the person is

(a) a company, include the date and place of incorporation, listing(s) on exchange(s), registration granted by other authorities and main business.

- (b) a natural person, include the nationality, whether the person has applied for a licence to carry on any business in the RSA or elsewhere and whether any such application was refused or withdrawn after it was made or any registration revoked and give particulars.

- 2.3 If the applicant in question 2.1 is a company and belongs to a group of companies, furnish a structural chart reflecting the group structure as well as the applicant's position immediately before and after approval is granted.

- 2.4 Attach copies of the audited financial statements of the persons in question 2.1 for each of the immediate past three financial years. If the person is an individual or another entity, submit audited net worth statements reflecting the position on a date not later than three months prior to the date of this application or audited financial statements, as the case may be.

- 2.5 Indicate which of the following will be acquired:

Type	%	Mark applicable box with an "X"
Shares (in the case of a company)		
Interest (in the case of a close corporation)		

- 2.6 Indicate how control, whether directly or indirectly, will be exercised:

That where the entity is a company, the person, alone or with associates,— (i) holds shares in the market infrastructure of which the total nominal value represents more than 15 per cent of the nominal value of all the issued shares thereof; (ii) is directly or indirectly able to exercise or control the exercise of more than 15 per cent of the voting rights associated with securities of that company, whether pursuant to a shareholder agreement or otherwise or (iii) has the right to appoint or elect, or control the appointment or election of, directors of that company who control more than 15 per cent of the votes at a meeting of the board	
That where the entity is a close corporation, the person, alone or with associates, owns more than 15 per cent of the members' interest, or controls directly, or has the right to control, more than 15 per cent of members' votes in the close corporation; or	
That where the entity is a trust, the person, alone or with associates, has the ability to control more than 15 per cent of the votes of the trustees or to appoint more than 15 per cent of the trustees, or to appoint or change more than 15 per cent of the beneficiaries of the trust	

<p>That where the entity is a company, the person, alone or with associates,— (i) holds shares in the market infrastructure of which the total nominal value represents more than 49 per cent of the nominal value of all the issued shares thereof; (ii) is directly or indirectly able to exercise or control the exercise of more than 49 per cent of the voting rights associated with securities of that company, whether pursuant to a shareholder agreement or otherwise or (iii) has the right to appoint or elect, or control the appointment or election of, directors of that company who control more than 49 per cent of the votes at a meeting of the board</p>	
<p>That where the entity is a close corporation, the person, alone or with associates, owns more than 49 per cent of the members' interest, or controls directly, or has the right to control more than 49 per cent of members' votes in the close corporation; or</p>	
<p>That where the entity is a trust, the person, alone or with associates, has the ability to control more than 49 per cent of the votes of the trustees or to appoint more than 49 per cent of the trustees, or to appoint or change more than 49 per cent of the beneficiaries of the trust</p>	

Mark applicable box with an "X"

2.7 Describe the structure of the deal, state the purchase price of the shares or interest and the manner of payment and indicate whether own assets or borrowed assets were used for this purpose. Attach a copy of the draft agreement entered into.

2.8 What is the strategic intent of the applicant where it assumes control over the market infrastructure?

2.9 Give reasons why the applicant is of the opinion that this application, if approved, will not defeat the objects of the Act referred to in section 2 of the Act.

3. Directors

Indicate whether the acquisition of shares or other interest in the market infrastructure will result in a change in the composition of the board of the market infrastructure. If the response is in the affirmative, please indicate what will be the changes to the board of directors and how this will comply with the corporate governance principles as envisaged by the most recent King Code on Corporate Governance.

4. Management of the market infrastructure

Indicate whether the acquisition of shares or other interest in the market infrastructure will result in a change in the executive management of the market infrastructure and if so indicate the timeframe within which the change is intended to take place.

5. Business plan

Indicate whether there will be a material change in the business strategy of the market infrastructure as a result of the acquisition of shares or other interest in the market infrastructure and if so, please provide details.

6. Are there any other information or documents that are relevant to this application?

Yes ²
No

² If the answer is "Yes" kindly specify the information or documents.

7. I hereby enclose -
- 7.1 the payment or proof of payment of the prescribed fee of R5 000.
 - 7.2 a copy of the structural chart referred to in question 2.3.
 - 7.3 copies of the audited financial statements or net worth statements referred to in question 2.4.
 - 7.4 the draft agreement referred to in question 2.7.
 - 7.5 the other documents, if any, mentioned in this form in support of the application.
8. I certify, to the best of my knowledge, that the information given in the answers to the above questions are complete, accurate and true and not misleading in any respect.

Full forename(s) and surname of –

the Applicant

or his duly authorised representative

SIGNATURE

DATE

BOARD NOTICE 94 OF 2013**FINANCIAL SERVICES BOARD****FINANCIAL MARKETS ACT, 2012****CONDITIONS APPLICABLE TO THE DEMUTUALISATION OF AN EXCHANGE, CENTRAL
SECURITIES DEPOSITORY OR INDEPENDENT CLEARING HOUSE**

Under section 63(1) of the Financial Markets Act, 2012 (Act No.19 of 2012), I, Dube Phineas Tshidi, Registrar of Securities Services, hereby determine the Conditions, as set out in the Schedule, with which exchanges, central securities depositories or independent clearing houses applying for approval to demutualise, must comply.



**DP TSHIDI
REGISTRAR OF SECURITIES SERVICES**

SCHEDULE**1. Definitions**

In these conditions, “**the Act**” means the Financial Markets Act, 2012 (Act No.19 of 2012), and any word or expression to which a meaning has been assigned in the Act, bears the meaning so assigned to it.

2. Purpose of conditions

The information sought in terms of these conditions is required to enable the registrar to assess an application by an exchange, central securities depository or independent clearing house for approval to demutualise and for the registrar to be satisfied that the exchange, central securities depository or independent clearing house, once demutualised, will continue to meet the requirements and serve the objects of the Act.

3. Application for approval

A mutual exchange, central securities depository or independent clearing house that applies to the registrar for approval to convert to a company must—

- (a) submit a written application on form FM 2 to the registrar; and
- (b) furnish the information specified in the Annexure to Form FM 2.

4. Address

Applications must be submitted to:

P O Box 35655
Menlo Park
0102

41 Matroosberg Road
Riverwalk Office Park
Block B
Ashlea Gardens Ext 6
0081

5. Commencement

This Notice comes into operation on the same date on which the Act comes into operation.

FORM FM 2

FINANCIAL MARKETS ACT OF 2012 (ACT NO. 19 OF 2012)

Application under section 63(1) of the Financial Markets Act, 2012 (Act No. 19 of 2012) for the approval of the demutualisation of an exchange, central securities depository or independent clearing house

The Registrar of Securities Services

1. I, the chief executive officer of the (hereunder referred to as the applicant), being specifically authorised thereto by the controlling body of the applicant, apply on behalf of the applicant, for approval of the demutualisation of the applicant.

2. The prescribed application fee of is enclosed.

3. The name of the demutualised entity will be

Signed at on this day of 20 ...

.....
Chief Executive Officer

Witnesses:

1.....

2.....

ANNEXURE TO FORM FM 2

The following information must accompany an application for the approval of the demutualisation of an exchange, central securities depository or independent clearing house:

1. A statement by the chief executive officer of the exchange, central securities depository or independent clearing house confirming that 75% or more of the votes cast by the owners of such organisation, present and voting either in person or by proxy at a meeting of such owners is in favour of the proposed demutualisation.

2. The following administrative information:

- (a) A copy of the proposed memorandum of incorporation of the company to be formed;
- (b) the postal, physical and electronic mail addresses at which the applicant will receive all documents for the purpose of this application;
- (c) the telephone and facsimile numbers of the applicant and the chief executive officer;
- (d) a list which reflects the full names, addresses and telephone numbers of the shareholders exercising control, as contemplated in section 67 of the Act, over the company to be formed;
- (e) a list which reflects the full names of the intended members of the controlling body of the company to be formed;
- (f) a list which reflects the names, physical and postal addresses, telephone and facsimile numbers of –
 - (i) the bank;
 - (ii) the auditor; and
 - (iii) the attorney,

of the company to be formed.

3. A statement explaining –

- (a) the reasons for the proposed demutualisation;
- (b) the corporate governance principles that will be implemented; and
- (c) whether or not it is intended to list the securities of the demutualised entity.

4. With regard to adequacy of management and human resources, an explanation of any expected changes to the –

- (a) senior management structure; and
- (b) senior management and staff requirements for the period of the budgets referred to in paragraph 10, along with details.

5. A copy of the proposed amendments, which are related to the proposed demutualisation, of the –

- (a) rules of the applicant; and
- (b) listing requirements of the applicant, where applicable.

6. Details of any change as a result of the proposed demutualisation in –

- (a) the specified functions that the applicant may provide in terms of its existing licence;
- (b) any unregulated business carried on by the applicant; and
- (c) any marginal business which may no longer be viable.

7. Details of the anticipated changes to the facilities which the applicant operates, including details of any expected changes to the trading platform, clearing and settlement functions and custody and administration functions supplied by the applicant.

8. Details of the persons who have or will provide corporate finance advice or similar services and the methodology relating to the valuation of the demutualised entity, including the proposed allocation of shares amongst the applicant's authorised users, participants or clearing members, as the case may be.

9. Details of the expected changes to –

- (a) information technology systems and arrangements for their supply, management, maintenance, upgrading and security;
- (b) business continuity and disaster recovery plans in the event of disruption of the regulated business of the company to be formed;
- (c) internal control systems, risk management, insurance cover and compensation funds in respect of the regulated business of the applicant; and
- (d) the process or system for the disclosure and efficient dissemination of price sensitive information.

10. In respect of the adequacy of financial resources –

(a) the applicant must supply -

- (i) a copy of its audited annual financial statements as at its latest financial year-end if it has been in existence for more than a year;
- (ii) a copy of the budgeted income statement, balance sheet and cash flow statement for a three year period from the date of the latest annual financial statements;
- (iii) a schedule illustrating the funding provisions for anticipated supervisory responsibilities over the budgetary period; and
- (iv) a statement signed by the prospective chief executive officer of the company to be formed specifying the critical assumptions made in the preparation of budgets presented in terms of this application, in particular, the sources from which the company to be formed will derive its funding;

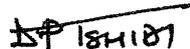
(b) if arrangements have been made for the funding of any expected shortfall in available cash resources, the applicant must provide a statement by the chief executive officer of the company to be formed setting out the expected means of remedying the expected shortfall.

11. The applicant must demonstrate that the fit and proper requirements prescribed by the registrar are met by the applicant, its directors and senior management.

12. The applicant must supply any other information, which the registrar may reasonably require, to assess this application properly.

BOARD NOTICE 95 OF 2013**FINANCIAL SERVICES BOARD****FINANCIAL MARKETS ACT, 2012****CONDITIONS APPLICABLE TO THE INCLUSION BY AN EXCHANGE OF SECURITIES ISSUED BY IT
IN ITS OWN LIST**

Under section 11(8)(e) of the Financial Markets Act, 2012 (Act No.19 of 2012), I, Dube Phineas Tshidi, Registrar of Securities Services hereby determine the Conditions as set out in the Schedule, with which an exchange must comply when it includes securities issued by it in its own list.



D P TSHIDI
REGISTRAR OF SECURITIES SERVICES

SCHEDULE**1. Definition**

In these Conditions, "**the Act**" means the Financial Markets Act, 2012 (Act No.19 of 2012), and any word or expression to which a meaning has been assigned in the Act, bears the meaning so assigned to it.

2. Application for listing

(1) If an exchange wishes to include securities issued by it in its own list, the exchange must direct to the registrar a formal application on Form FM 4 for the approval of such inclusion and may only proceed to do so after approval has been granted.

(2) The documentation required by the listing requirements of the exchange to be submitted by a new applicant for a listing, must accompany the application. Such documentation must be in the form and must comply with the requirements prescribed in the listing requirements.

3. Assumption of functions by the registrar

(1) If the registrar approves the application—

(a) the function of the exchange referred to in section 10(1)(k) of the Act, namely to supervise compliance by issuers of listed securities with that exchange's listing requirements, is in relation to the exchange in its capacity as an issuer, assumed by the registrar under section 10(3) of the Act;

(b) the function in terms of the exchange's rules to supervise all transactions effected through the exchange so as to ensure compliance with the exchange rules, is, in relation to transactions in listed securities issued by the exchange, likewise assumed by the registrar.

(2) The registrar may delegate or assign any function referred to in these conditions to any person or group of persons subject to the conditions that the registrar may determine.

4. Sponsor

The sponsor (if the listing requirements require the appointment of a sponsor) must liaise with the registrar, as the person responsible for the supervision of the exchange's listing referred to in condition 3(1)(a), in accordance with its obligations as a sponsor in terms of the exchange's listing requirements.

5. Duties of controlling body

The controlling body of an exchange must, in relation to the inclusion of securities issued by the exchange in its own list –

- (i) implement appropriate arrangements to ensure that no real or potential conflict of interest ("conflict of interest") arises with respect to such inclusion;
- (ii) consider all complaints by affected persons relating to a conflict of interest;
- (iii) determine whether a conflict of interest has arisen or may arise;
- (iv) report all complaints received in connection with a conflict of interest to the registrar as soon as reasonably possible after the receipt of the complaint. The report by the controlling body must include all material facts, together with proposals for the resolution of any conflict of interest.

6. Reporting

The exchange must include in its annual report to the registrar a section on the regulatory and supervisory structure applicable to, and the role of the registrar in supervising, the exchange's own listing, which section must include –

- (a) a statement to the effect that in the opinion of the controlling body, the exchange has complied with all its rules, listing requirements and procedures in a manner which warrants the continued listing of the exchange's securities on the exchange;
- (b) a confirmation that all complaints relating to a conflict of interest were referred to the registrar during the year under review; and
- (c) the results of its annual assessment in terms of section 62(b) of the Act.

7. Address

Applications for approval of listing must be submitted to:

P O Box 35655
Menlo Park
0102

41 Matroosberg Road
Riverwalk Office Park
Block B
Ashlea Gardens Ext 6
0081

8. Commencement

This Notice comes into operation on the same date on which the Act comes into operation.

FORM FM 4

FINANCIAL MARKETS ACT, 2012 (ACT NO. 19 OF 2012)

Application under section 11(8)(e) of the Financial Markets Act, 2012 (Act No. 19 of 2012) for the approval by the registrar of the inclusion of securities listed by an exchange in its own list

The Registrar of Securities Services

I,, the chief executive officer of the
..... (hereunder referred to as the
applicant), being specifically authorised thereto by the controlling body of the applicant, apply on behalf of
the applicant for approval by the registrar of the inclusion of securities issued by the applicant in its own
list.

Signed at on this day of 20.....

.....

Chief Executive Officer

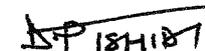
Witnesses:

1.....

2.....

BOARD NOTICE 96 OF 2013**FINANCIAL SERVICES BOARD****FINANCIAL MARKETS ACT, 2012****ACCOUNTING RECORDS TO BE MAINTAINED BY A REGULATED PERSON**

Under sections 90(a) and (b) of the Financial Markets Act, 2012 (Act No.19 of 2012), I, Dube Phineas Tshidi, Registrar of Securities Services hereby determine in the Schedule the accounting records to be maintained by a regulated person and the prescribed period within which a regulated person must cause its accounting records and annual financial statements to be audited and submitted to the registrar.



D P TSHIDI

REGISTRAR OF SECURITIES SERVICES

SCHEDULE**1. Definition**

In this Schedule, "**the Act**" means the Financial Markets Act, 2012 (Act No.19 of 2012), and any word or expression to which a meaning has been assigned in the Act bears the meaning so assigned to it.

2. Accounting records to be maintained by regulated persons

(1) The accounting records of a regulated person must show the transactions and financial commitments of a regulated person, and transactions and payments relating to clients in such a manner that they disclose with substantial accuracy the financial position, performance and cash flows of the regulated person, and separately the position of clients of the regulated person, at the close of business on any day.

(2) Accounts of clients must be designated as such and must be clearly distinguishable from the business accounts of a regulated person.

(3) A regulated person may keep computerised records provided that such records are subject to acceptable back-up and recovery procedures and can be reproduced in printed form.

3. Accounting records to be maintained by exchanges

(1) An exchange must maintain –

- (a) entries from day to day of all sums of money received and expended by the exchange and the matters in respect of which the receipt and expenditure took place;
- (b) a record of funds held in trust for authorised users;
- (c) a record of all income and expenditure of the exchange explaining the nature thereof;
- (d) a record of all assets and liabilities of the exchange, including any provision for financial commitments or contingent liabilities;
- (e) a record of all purchases and sales of securities listed on the exchange, which reflects the –
 - (i) date and time of each transaction concluded on the exchange;
 - (ii) identification of the authorised users that are counterparties to the transaction;
 - (iii) name of the issuer of the securities;
 - (iv) name or description of the securities; and
 - (v) the price per unit and quantity of the securities bought and sold.

4. Accounting records to be maintained by central securities depositories

(1) A central securities depository must maintain a record of –

- (a) the central securities accounts held by it;
- (b) all moneys, assets and rights received or distributed by it, including dividends and other distributions made by the issuer of securities deposited, and the disbursement of such dividends and distributions to participants, clients or other persons;
- (c) its income, expenses, funds, assets and liabilities in respect of the holding of securities in safe custody;
- (d) uncertificated securities deposited with it; and
- (e) its participants.

5. Accounting records to be maintained by clearing houses

(1) A clearing house must maintain –

- (a) entries from day to day of all sums of money received and expended by the clearing house and the matters in respect of which the receipt and expenditure took place;
- (b) a record of funds held in trust for regulated persons;
- (c) a record of all income and expenditure of the clearing house explaining the nature thereof;
- (d) a record of all assets and liabilities of the clearing house, including any provision for financial commitments or contingent liabilities;
- (e) a record of all purchases and sales of securities cleared by the clearing house, which reflects the –
 - (i) date of each transaction;
 - (ii) identification of the regulated persons that are counterparties to the transaction;
 - (iii) name or description of the securities; and
 - (iv) price per security and quantity of the securities cleared.

6. Accounting records to be maintained by authorised users, participants and clearing members

(1) An authorised user, participant and clearing member must maintain, where applicable, accounting records in respect of securities services provided which must as a minimum contain –

- (a) a daily record of all sums of money received and expended;
- (b) a record of funds held in trust;
- (c) a record of all income and expenditure;
- (d) a record of all assets and liabilities, including any provisions for financial commitments or contingent liabilities;
- (e) a record of all purchases and sales of securities which reflects the –
 - (i) date and time of each transaction;
 - (ii) person from whom securities were bought or to whom they were sold unless it is processed through an automated trading system recognised by the relevant exchange;
 - (iii) name of the person on whose behalf the securities were bought or sold;
 - (iv) quantity and description of the securities which were bought or sold;

- (v) name of the issuer of the securities;
- (vi) price per security and the total consideration;
- (vii) fees and charges;
- (viii) taxes that are payable in respect of each transaction;
- (ix) terms of the contract;
- (x) capacity (principal or agent) in which the transaction was entered into; and
- (xi) the following additional information in respect of transactions in options-

- (aa) the reference number of the transaction and option number, where applicable;
- (bb) whether the option is a put or call option;
- (cc) the terms and conditions under which the option may be exercised, including the type of option, the strike price or yield, the strike date and time and the settlement date;
- (dd) the identity of the writer of the option;
- (ee) the quantity and description of the listed security to which the option relates;
- (ff) the option premium and settlement date; and
- (gg) whether the option was exercised or lapsed and the exercise date, if applicable;

- (f) a record of all securities and documents of title which are in the possession, safe custody or under the control of the authorised user, participant or clearing member in which is reflected the -

- (i) name of the issuer of the securities;
- (ii) quantity and description of the securities;
- (iii) identification numbers of the securities and documents of title, where applicable;
- (iv) name of the registered holder and if the registered holder is a nominee controlled by the regulated person, the name of the person on whose behalf the nominee is holding the securities;
- (v) person from whom the securities were received and to whom the securities were delivered;
- (vi) date of receipt and delivery;
- (vii) location where the securities or documents of title are kept;
- (viii) details of any pledge to which the securities may be subject;
- (ix) person on whose behalf securities or documents of title have been received or delivered; and
- (x) purpose for which the securities or documents of title are held.

- (g) a record of securities held by the authorised user, participant or clearing member on behalf of its clients which must contain as a minimum -

- (i) the name of the client;

- (ii) the quantity and a description of securities held; and
- (iii) a description of transaction movements within the securities accounts during the period since the previous report;

(h) a record of the reconciliation of the securities accounts maintained by a participant and the central securities account maintained by the central securities depository.

(2) An authorised user, participant or clearing member, must reconcile balances with exchanges, clearing houses, central securities depositories, participants and banks, if applicable, as frequently as required in terms of applicable rules or directives for the volume of transactions on accounts. Any differences, other than differences in timing between the records of the authorised user, participant or clearing member and the exchanges, clearing houses, central securities depositories, participants or banks, as the case may be, must be investigated forthwith and corrected as soon as required in terms of the applicable rules or directives.

(3) An authorised user, participant or clearing member must reconcile securities under their control with the accounting records relating to securities held by the authorised user, participant or clearing member on a daily basis. Correcting entries must be made immediately.

(4) The records referred to in paragraph 6(1)(g) must be made available to its clients as frequently as required in terms of applicable rules or directives.

7. Accounting records of an authorised user, participant or clearing member of an independent clearing house that ceases business

(1) An authorised user, participant or clearing member of an independent clearing house that ceases business must maintain a record of funds or assets held in trust, which funds or assets must be transferred to a client or another person authorised to deal in, hold custody or provide for the clearing and settlement services in respect of securities, until such transfer has been fully effected.

(2) An authorised user, participant or clearing member of an independent clearing house that ceases business must –

- (a) notify the respective exchange, central securities depository or independent clearing house of the intended or actual date of cessation of business;
- (b) notify the clients for whom they hold assets or funds, in writing, of the intended or actual date of cessation of business, provide the clients, for whom they hold assets or funds, with statements reflecting the assets and funds held on their behalf and indicate to which authorised user, participant, clearing member of an independent clearing house or other person authorised to deal in,

hold custody or provide for the clearing and settlement services in respect of securities, their assets and funds will be delivered in the absence of an instruction from the client to the contrary; and
(c) deliver the client assets and funds in accordance with the information available or obtained in terms of paragraph (b) above.

8. Prescribed period in which audited financial statements must be submitted by regulated persons

(1) A regulated person, other than a market infrastructure, a person regulated under the Banks Act, and the South African Reserve Bank, must cause the accounting records and annual financial statements referred to in section 90(a) of the Act to be audited by an auditor appointed under section 89 within three months after the financial year end of the regulated person or within such later date as the registrar may allow on application by the regulated person.

(2) A person regulated under the Banks Act and the South African Reserve Bank must cause the accounting records and annual financial statements referred to in section 90(a) of the Act to be audited by an auditor appointed under section 89 within six months after its financial year end or within such later date as the registrar may allow on application by the regulated person.

(3) A market infrastructure must cause the accounting records and annual financial statements referred to in section 90(a) of the Act to be audited by an auditor appointed under section 89 within four months after the financial year end of the market infrastructure or within such later date as the registrar may allow on application by the market infrastructure.

9. Request for extension

A regulated person may apply to the registrar for an extension to submit its audited accounting records and annual financial statements at a later date as the one prescribed in paragraph 8. Such application must be in writing and be submitted to the registrar prior to the expiry of the prescribed period applicable to such a regulated person.

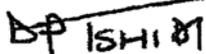
10. Commencement

This Notice comes into operation on the same date on which the Act comes into operation.

BOARD NOTICE 97 OF 2013
FINANCIAL SERVICES BOARD
FINANCIAL MARKETS ACT, 2012

DETERMINATION OF FIT AND PROPER REQUIREMENTS FOR MARKET INFRASTRUCTURES

I, Dube Phineas Tshidi, Registrar of Securities Services, hereby determine under sections 8(1)(c), 28(1)(c), 48(1)(c) and 55(1)(c) of the Financial Markets Act, 2012 (Act No. 19 of 2012), the fit and proper requirements, as set out in the Schedule, for an applicant for an exchange, central securities depository, trade repository or clearing house licence, and a licensed exchange, central securities depository, trade repository or clearing house, and their directors and senior managers.



DP TSHIDI

REGISTRAR OF SECURITIES SERVICES

SCHEDULE

1. Definitions

In this Schedule, “**Act**” means the Financial Markets Act, 2012 (Act No.19 of 2012), and any word or expression to which a meaning has been assigned in the Act bears the meaning so assigned to it and, unless the context otherwise indicates-

“**applicant**” means a person who has submitted an application in terms of section 7, 27, 47 or 54 for an exchange, central securities depository, clearing house or trade repository licence respectively.

2. Honesty and integrity

(1) A director or senior manager of a market infrastructure must be a person who is honest and has integrity.

(2) In determining whether a director or senior manager complies with subparagraph (1), the registrar may refer to any information in possession of the registrar or brought to the registrar’s attention.

(3) Without prejudice to the generality of subparagraph (2) and (4), any of the following factors constitutes *prima facie* evidence that the person does not qualify in terms of subparagraph (1), namely that the person—

- (a) has at any time prior to the date of application been found guilty in any civil or criminal proceedings by a court of law (whether in the Republic of South Africa or elsewhere) of having acted fraudulently, dishonestly, unprofessionally, dishonourably or in breach of a fiduciary duty;

- (b) has at any time prior to the date of application been found guilty by any professional or financial services industry body (whether in the Republic of South Africa or elsewhere) of an act of dishonesty, negligence, incompetence or mismanagement;
- (c) has at any time prior to the date of application been denied membership of any body referred to in sub-paragraph (b) on account of an act of dishonesty, negligence, incompetence or mismanagement;
- (d) has at any time prior to the date of application—
 - (i) been found guilty by any regulatory or supervisory body (whether in the Republic of South Africa or elsewhere); or
 - (ii) had its authorisation to carry on business refused, suspended or withdrawn by any such body,on account of an act of dishonesty, negligence, incompetence or mismanagement;
- (e) has at any time prior to the date of application, had any licence granted by any regulatory or supervisory body referred to in subparagraph (d) suspended or withdrawn by such body on account of an act of dishonesty, negligence, incompetence or mismanagement; or
- (f) has at any time prior to the date of application been disqualified or prohibited by any court of law (whether in the Republic of South Africa or elsewhere) from taking part in the management of any company or other statutorily created, recognised or regulated body, irrespective whether such disqualification has since been lifted or not.

(4) An applicant, director or senior manager must in the application be candid and accurate and must of own accord disclose all facts or information at the disposal of, or which may be accessible to the applicant, director and senior manager and which may be relevant for purposes of a decision by the registrar that the applicant, director or senior manager complies or does not comply with subparagraph (1).

(5) An applicant must submit its application with completed Annexure B and C in respect of each of its directors or senior managers.

3. Competency

(1) An applicant must satisfy the registrar that its directors or senior managers have the competency to undertake the relevant duties and functions, and where appropriate, detailed knowledge of the structure, purpose and risks of the securities associated with the duty or function.

(2) To demonstrate competence, a director or senior manager involved in carrying out the duties and functions must act in a knowledgeable, professional and efficient manner.

(3) Without prejudice to the generality of subparagraph (1), in determining a person's competence, the registrar may have regard to including, but not limited to the following matters:-

- (a) the person's past performance or expertise in the nature of the business being conducted;

- (b) the person's skills and experience to understand, operate and manage the regulated activities and financial affairs; and
- (c) the person's technical knowledge and ability to perform prescribed duties for which he or she is engaged, including recognised professional qualifications and membership of relevant professional institutions.

(4) A market infrastructure must comply with the following conditions, in addition to any other conditions imposed by the registrar in terms of the Act (if any) as indicated on the applicant's licence when granted:-

- (a) maintain a register of directors and senior managers, which must be regularly updated;
- (b) promptly inform the registrar when an appointment of a director or senior manager is terminated, and the reason therefor;
- (c) complete Annexure B where a new director or senior manager is appointed, and promptly submit it to the registrar;
- (d) annually submit a written statement to the registrar wherein continued compliance with this Notice with respect to each director and senior manager is confirmed.

4. Operational ability

An applicant must have and be able to maintain the operational ability to fulfil the responsibilities imposed by the Act on market infrastructures, including at least the following:-

- (a) a fixed business address in the Republic of South Africa;
- (b) adequate access to communication facilities including at least a full-time telephone or cell phone service, and administrative facilities, including electronic, typing and document duplication facilities;
- (c) adequate storage and filing systems for the safe-keeping of records, business communications and correspondence; and
- (d) an account with a registered bank in South Africa.

5. Financial soundness of applicants

(1) An applicant must not be under liquidation or provisional liquidation, or subject to business rescue proceedings as contemplated in the Companies Act, 2008, or have made arrangements with creditors, filed for bankruptcy or filed for winding-up.

(2) The assets of an applicant (excluding goodwill and other intangible assets) must exceed the applicant's liabilities (excluding loans validly subordinated in favour of all other creditors).

(3) An applicant must maintain current assets which are at least sufficient to meet current liabilities.

(4) An applicant must not be subject to any judgment debt or award that remains outstanding or has not been satisfied within a reasonable period.

(5) An applicant must provide the registrar with a satisfactory credit reference.

6. Financial soundness of directors and senior managers

(1) A director or senior manager of a market infrastructure must not be an unrehabilitated insolvent or subject to debt review as contemplated by the National Credit Act, 2005 (Act No. 34 of 2005).

(2) A director or senior manager of a market infrastructure must not be subject to any judgment debt or award that remains outstanding or has not been satisfied within a reasonable period.

(3) A director or senior manager of a market infrastructure must provide the registrar with a satisfactory credit reference.

7. Short title and commencement.

This Notice comes into operation on the same date on which the Act comes into operation.

ANNEXURE A**GENERAL INFORMATION ON COMPLETION OF QUESTIONNAIRES AS CONTAINED IN ANNEXURES B AND C****A. Instructions for completion and submission**

1. The questionnaires in Annexure B and C must be properly completed and Annexure D must be signed by all applicants who have completed either Annexure B or C. Questions must be answered either in full or indicated not applicable ("n/a"). The signatory(ies) of the questionnaires must be duly authorised to furnish the information.
2. The questionnaires in Annexure B and C must be completed in respect of directors and senior managers as indicated therein.
3. The format of the questionnaire or the wording of questions may not be changed. However, this document may be reproduced.
4. Answers may be in handwriting or in typewriting.
 - 4.1. If the questionnaire is completed electronically (a) the solid lines in those areas provided for answers must be deleted before the answers are typed or alternatively the overtype mode whilst the answers are typed must be used; and (b) rows may be inserted where insufficient space is provided for answers.
 - 4.2. If the questionnaire is completed in writing and the space provided is not sufficient, the detail may be provided on a separate page, duly cross-referenced to the relevant question. Please indicate the number of any supplementary sheets attached to Annexures B and C.
 - 4.3. If the questionnaire submitted contains any changes to typed or written information, such changes must be duly signed.
5. Applications must be submitted to the Registrar of Securities Services at one of the following addresses

P O Box 35655
Menlo Park
0102

41 Matroosberg Road
Riverwalk Office Park
Block B
Ashlea Gardens Ext 6
0081

Facsimile: (012) 346-6533

ANNEXURE B

**QUESTIONNAIRE TO BE COMPLETED IN RESPECT OF DIRECTORS AND SENIOR MANAGERS
OF AN APPLICANT**

**1. Personal details of the director or senior manager in respect of which this questionnaire is
being completed:**

1.1. Surname and title:

1.2. Full first name(s):

1.3. Any previous surname(s) or first name(s):

1.4. Indicate the proposed position to be held, e.g. director or managing director:

1.5. Effective date of appointment:

1.6. Residential address and telephone number:

1.7. Postal address:

1.8. Previous residential address(es) during the previous 5 years:

1.9. Nationality

Date of birth: _____

Place of birth: _____

Identity Document number (attach a certified copy): _____

Passport number (attach a certified copy): _____

Expiry date: _____

Country of issue: _____

1.10. Nationality and indicate how it was acquired (e.g. birth, naturalisation or marriage):

1.11. Professional qualification(s), the year(s) when, and the institution(s) at which, this was acquired (may be provided in separate sheet):

1.12. Attach completed Personal Credential Verification Forms for purposes of the background screening of each director or senior manager. The forms are obtainable on application.

1.13. Attach detailed curriculum vitae.

2. General details in respect of an individual.

2.1. State in what capacity you are completing this document, i.e. as a current or prospective director (executive or non-executive) or senior manager. State full job title and describe the particular duties and responsibilities:

2.2. Record of significant shareholding history (including indirect holdings) over at least the last five years (including those holdings which provided you a significant influence over the operations and affairs of the entity)

3. Specific test to assess fitness and probity

If the answer to a question is 'yes' please provide details with proper referencing.

3.1 Have you ever been found guilty in any civil or criminal proceedings by a court of law (whether in the Republic of South Africa or elsewhere) of having acted fraudulently, dishonestly, unprofessionally, dishonourably or in breach of a fiduciary duty?

3.2 Have you been found guilty by any professional or financial services industry body (whether in the Republic of South Africa or elsewhere), of an act of dishonesty, negligence, incompetence or mismanagement?

3.3 Have you been denied membership of anybody referred to in question 3.2 above on account of an act of dishonesty, negligence, incompetence or mismanagement?

3.4 Have you been found guilty by any regulatory or supervisory body (whether in the Republic of South Africa or elsewhere) on account of an act of dishonesty, negligence, incompetence or mismanagement?

3.5 Have you had your authorisation to carry on business refused, suspended or withdrawn by any such body on account of an act of dishonesty, negligence, incompetence or mismanagement?

3.6 Have you had any licence granted by any regulatory or supervisory body referred to questions 3.4 and 3.5 above, suspended or withdrawn by such body on account of an act of dishonesty, negligence, incompetence or mismanagement?

3.7 Have you at any time prior to the date of application been disqualified or prohibited by any court of law (whether in the Republic of South Africa or elsewhere) from taking part in the management of any company or other statutorily created, recognised or regulated body, irrespective whether such disqualification has since been lifted or not.

3.8 Have you ever been or are you currently an unrehabilitated insolvent or subject to debt review as contemplated by the National Credit Act, 2005 (Act No. 34 of 2005)?

3.9 Have you ever made any arrangements or composition with your creditors, filed for bankruptcy, been adjudged bankrupt, had your assets sequestered, or been involved in proceedings relating to these?

3.10 Have you ever been or are you currently subject to any judgment debt or award that remains outstanding or has not been satisfied within a reasonable period?

3.11 Have you ever been a senior officer or director of a company or a shareholder of a company or been in a position to exercise influence in the company that:

(a) Has been the subject of any adverse judgment or award, in the Republic of South Africa or elsewhere, which remains outstanding or was not satisfied within a reasonable period?

(b) Has, in the Republic of South Africa or elsewhere, made any arrangements or composition with its creditors, filed for business rescue, filed for bankruptcy, been adjudged bankrupt, had assets repossessed or liquidated, or been involved in proceedings relating to any of the foregoing?

ANNEXURE C**QUESTIONNAIRE TO BE COMPLETED IN RESPECT OF AN APPLICANT****1. Details of the Entity and Operational Ability**

1.1 Entity Name:

1.2 Registration Number:

1.3 Any other name under which the business is conducted and where is it used:

1.4 Registered address, website address and email address:

1.5 Postal address:

1.6 Telephone and facsimile numbers of the applicant:

1.7 Name, Physical and, postal addresses and telephone numbers of the applicant's bank

1.8 Name, Physical and, postal addresses and telephone numbers of the applicant's auditor

1.9 Confirmation that the applicant has adequate access to communication facilities including at least a full-time telephone or cell phone service, and administrative facilities, including electronic, typing and document duplication facilities

1.10 Confirmation that the applicant has adequate storage and filing systems for the safe-keeping of records, business communications and correspondence

2. Specific test to determine the financial soundness of the applicant:

If any answers to any of these questions is 'yes' please provide details on separate pages or in the space provided with proper referencing

2.1 Provide confirmation that the assets of an applicant (excluding goodwill and other intangible assets) must exceed the applicant's liabilities (excluding loans validly subordinated in favour of all other creditors).

2.2 Confirm that the applicant maintains current assets which are at least sufficient to meet its current liabilities.

2.3 Has the applicant been subject to any judgment debt or award that remains outstanding or has not been satisfied within a reasonable period?

2.4 Has the applicant ever been or currently is under liquidation or provisional liquidation, or subject to business rescue proceedings as contemplated in the Companies Act, 2008, or has the applicant ever made or has made arrangements with creditors, filed for bankruptcy or filed for winding-up.

ANNEXURE D**DECLARATION**

I, the undersigned, (insert full first name(s) and surname) hereby certify that, to the best of my knowledge, the information given in answers to the above questions are true, complete and accurate and not misleading in any respect.

I undertake that, as long as I continue to be a director or senior manager of the market infrastructure, I will notify the registrar of any material changes to, or changes affecting the completeness or accuracy of the answers to the questions above as soon as possible, but in no event later than 21 days from the day that the change comes to my attention.

I hereby authorise the Financial Services Board, and its duly authorised verification agent, to request or confirm any personal information as well as any other information that I have provided in support of my application to any personal data holders (including but not limited to the South African Police Service, the Government of the Republic of South Africa, industry bodies and associations, employers and any educational, training, credit bureau and fraud prevention organisations) for the purpose of verifying my personal credentials and records.

Credential verification types include, but are not limited to, educational qualifications, professional membership, employment history, employment references including industry employment registers, consumer credit, criminal records, driver's licence, and fraud prevention checks.

I authorise the personal data holders (including but not limited to the aforesaid institutions) to furnish information regarding my credentials, whether claimed or not, to the Financial Services Board and its duly appointed verification agent. I unconditionally indemnify the Financial Services Board, its verification agent and the personal data holders against any liability that may result from furnishing information in this regard.

Position held:

SIGNATURE

DATE

Documents to be submitted

- a certified copy of the RSA identity document, or Passport;
- completed and signed Personal Credential Verification Forms;
- the curriculum vitae;
- the credit reference for the applicant;
- the credit reference of the director or senior manager;
- the signed declaration; and
- the other documents, if any, mentioned in questions in support of the information contained in this document. (Please indicate the pages of each enclosure and the number of the question to which the enclosure relates).

BOARD NOTICE 98 OF 2013**FINANCIAL SERVICES BOARD****FINANCIAL MARKETS ACT, 2012****PRESCRIBED FEES**

I, Dube Phineas Tshidi, Registrar of Securities Services, hereby determine under section 108(1) of the Financial Markets Act, 2012 (Act No.19 of 2012), the prescribed fees as set out in the Schedule.



DP TSHIDI
REGISTRAR OF SECURITIES SERVICES

SCHEDULE**1. Definition**

In this Notice, "**the Act**" means the Financial Markets Act, 2012 (Act No.19 of 2012), and any word or expression to which a meaning has been assigned in the Act, bears the meaning so assigned to it.

2. Fees

The following fees must be paid to the registrar by the persons, at the times and in respect of the matters indicated in the subparagraphs below:

- (a) On lodging of an application for a market infrastructure licence, payable by the applicant concerned, a fee of R450 000.
- (b) On lodging of an application for the recognition of an external market infrastructure, payable by the applicant concerned, a fee of R450 000.
- (c) On lodging of an application for the registration of an over-the-counter derivative provider, payable by the applicant concerned, a fee of R50 000.
- (d) On lodging of an application for the registration of a change of name, or the amendment of the terms and conditions of a licence of a market infrastructure, payable by the applicant concerned, a fee of R550.
- (e) On lodging of an application for the registration of a change of name, or the amendment of the terms and conditions of registration of an over-the-counter derivative provider, payable by the applicant concerned, a fee of R550.
- (f) On making a request for a certified copy of a document evidential of the licensing of a market infrastructure, or registration of an over-the-counter derivative provider, or evidential of the matters referred to in subparagraph (b), payable by the applicant concerned, a fee of R550.

- (g) On lodging of an application for the approval of a nominee, payable by the applicant concerned a fee of R4 300.
- (h) On lodging of an application for the approval of demutualisation of an exchange, central securities depository or independent clearing house, payable by the applicant concerned a fee of R48 400.
- (i) On lodging of an application for the approval of an amalgamation, merger, transfer or disposal of the business of market infrastructures payable by the applicant concerned, a fee of R48 400.
- (j) On lodging of an application for the approval of an acquisition of shares or any other interest in a market infrastructure in terms of sections 67(3),68(4) or 68(5) of the Act, payable by the applicant concerned, a fee of R5 000.
- (k) On lodging of an application for the approval of inclusion of securities issued by an exchange in its own list, payable by the applicant concerned, a listing and documentation inspection fee in terms of the listing requirements of the exchange.
- (l) Where an exchange has included securities issued by it in its own list, the exchange must pay the annual listing fee in terms of the listing requirements of the exchange.

3. Manner of payment of fees

Fees referred to in paragraph 1 are payable by means of a cheque or money transfer in favour of the Financial Services Board.

4. Interest in respect of overdue fees

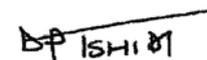
Fees that are not paid when they are payable in terms of paragraph 1, carry interest at a rate per annum equal to the prevailing prime overdraft rate payable by the Financial Services Board.

5. Commencement

This Notice comes into operation on the same date on which the Act comes into operation.

BOARD NOTICE 99 OF 2013**FINANCIAL SERVICES BOARD****FINANCIAL MARKETS ACT, 2012****PENALTIES TO BE IMPOSED BY THE REGISTRAR**

I, Dube Phineas Tshidi, Registrar of Securities Services, hereby determine under section 97(1) of the Financial Markets Act, 2012 (Act No.19 of 2012), the fines which the registrar may impose on a regulated person as set out in the schedule.



DP TSHIDI

REGISTRAR OF SECURITIES SERVICES

SCHEDULE**1. Definition**

In this Notice, "**the Act**" means the Financial Markets Act, 2012 (Act No.19 of 2012), and any word or expression to which a meaning has been assigned in the Act, bears the meaning so assigned to it.

2. Penalty to be imposed

The fine which the registrar may impose on a regulated person for failure to submit to the registrar within a period specified in terms of the Act, any statement, report, return or other document or information required to be submitted in terms of the Act, will be an amount not exceeding R100 000, 00 for every day during which the failure continues.

3. Commencement

This Notice comes into operation on the same date on which the Act comes into operation.

BOARD NOTICE 100 OF 2013**FINANCIAL SERVICES BOARD****FINANCIAL MARKETS ACT, 2012****MATTERS TO BE REPORTED ON BY AUDITOR OF A REGULATED PERSON**

Under section 91(2)(b) of the Financial Markets Act, 2012 (Act No.19 of 2012), I, Dube Phineas Tshidi, Registrar of Securities Services, hereby determine the matters to be reported on by an auditor of a regulated person, as set out in the Schedule.



D P TSHIDI
REGISTRAR OF SECURITIES SERVICES

SCHEDULE**1. Definition**

In this Notice, “**the Act**” means the Financial Markets Act, 2012 (Act No.19 of 2012), and any word or expression to which a meaning has been assigned in the Act, bears the meaning so assigned to it.

2. General Matters

In addition to the reporting requirements prescribed by section 91(2)(a) of the Act, an auditor of a regulated person must report on whether securities which, according to the relevant accounting records-

- (a) have been entrusted to the regulated person; or
- (b) for which the regulated person is accountable to any person,

are in the possession of the regulated person, or a custodian, and whether confirmations or statements of holdings have been obtained from the persons who maintain the record of ownership of such securities.

3. Matters in respect of an authorised user

In addition to the matters prescribed in paragraph 2, the auditor of an authorised user must report on whether the authorised user complies with –

- (a) section 21 of the Act which relates to the maintenance and operation of a trust account; and
- (b) section 22 of the Act and the exchange rules made under section 17(2)(p) of the Act which relates to the maintenance and operation of a separate securities account.

4. Matters in respect of a participant

In addition to the matters prescribed in paragraph 2, the auditor of a participant must report on whether the participant complies with–

- (a) the requirements of the depository rules and the Act regarding the maintenance of securities accounts; and
- (b) the depository rules relating to the reconciliation of securities accounts to the central securities account kept by the central securities depository.

5. Cessation of business

The auditor of a regulated person must report, within three months of the date on which the regulated person ceased to do business, on whether the regulated person had complied with the requirements contained in paragraphs 7(2)(b) and 7(2)(c) of the registrar's notice dealing with accounting records to be maintained by a regulated person.

6. Commencement

This Notice comes into operation on the same date on which the Act comes into operation.

BOARD NOTICE 101 OF 2013**FINANCIAL SERVICES BOARD****FINANCIAL MARKETS ACT, 2012****REPORT BY A MARKET INFRASTRUCTURE TO THE REGISTRAR**

Under section 69 of the Financial Markets Act, 2012 (Act No.19 of 2012), I, Dube Phineas Tshidi, Registrar of Securities Services, hereby determine, in the Schedule, the information that must be contained in the annual report of a market infrastructure.



D.P TSHIDI
REGISTRAR OF SECURITIES SERVICES

SCHEDULE**1. Definition**

In this Notice, "**the Act**" means the Financial Markets Act, 2012 (Act No.19 of 2012), and any word or expression to which a meaning has been assigned in the Act, bears the meaning so assigned to it.

2. Information that must be contained in the annual report of a market infrastructure

A market infrastructure must submit to the registrar within four months after its financial year-end an annual report that must contain the following information:

- (a) a list of members of the controlling body of the market infrastructure and any changes thereto over the last financial year;
- (b) a list of members of the executive or management committee of the market infrastructure and any changes thereto over the last financial year;
- (c) a list of authorised users, participants, clearing members as the case may be of the market infrastructure and any changes thereto over the last financial year;
- (d) a report signed by the chairperson and chief executive officer reviewing the operations of the market infrastructure over the last financial year;
- (e) an auditor's report on the annual financial statements;
- (f) a summary of market information which must reflect the salient features of the trading, settlement or other activities, as applicable, of the market infrastructure;
- (g) a report detailing the market infrastructure's initiatives and plans to implement the recommendations of the most recent King Code on Corporate Governance;

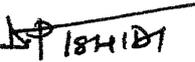
- (h) a status report on the consumer education initiatives, if any, of the market infrastructure;
- (i) a status report on the market infrastructure's initiatives, if any, in the Southern African Development Community region;
- (j) a report on operational risk mitigation, operational integrity and related issues;
- (k) a list of the securities services that have been authorised and that are regulated by the exchange, central securities depository or independent clearing house in respect of authorised users, participants or clearing members;
- (l) a report on the number, nature and status of complaints lodged against it by authorised users, participants or clearing members in terms of the exchange rules, depository rules or clearing house rules, as applicable, during the last financial year; and
- (m) the results of the annual assessment of the market infrastructure contemplated in section 62(b) of the Act.

3. Commencement

This Notice comes into operation on the same date on which the Act comes into operation.

BOARD NOTICE 102 OF 2013**FINANCIAL SERVICES BOARD****FINANCIAL MARKETS ACT, 2012****REPORTING OF TRANSACTIONS IN LISTED SECURITIES**

Under section 25(2) of the Financial Markets Act, 2012 (Act No.19 of 2012), I, Dube Phineas Tshidi, Registrar of Securities Services hereby determine the requirements, as set out in the Schedule, for the reporting of transactions in listed securities concluded outside of an exchange.


D P TSHIDI

REGISTRAR OF SECURITIES SERVICES

SCHEDULE**1. Definitions**

In this Schedule, "Act" means the Financial Markets Act, 2012 (Act No.19 of 2012), and any word or expression to which a meaning has been assigned in the Act bears the meaning so assigned to it.

2. Information required

A financial institution that concludes a transaction in listed securities outside of an exchange resulting in a change of beneficial ownership of those securities must submit in respect of such transaction the information required in terms of Form A to the registrar.

3. Manner in and time within which reports must be rendered

A financial institution must send, within one business day after a transaction referred to in paragraph 2 has been concluded, Form A, duly completed, dated and signed by the Chief Executive Officer of the financial institution or his or her delegated officer, to the Registrar of Securities Services at one of the following addresses:

P O Box 35655
Menlo Park
0102

41 Matroosberg Road
Riverwalk Office Park
Block B
Ashlea Gardens Ext 6
0081

Facsimile: (012) 346-6533

4. Commencement

This Notice comes into operation on the same date on which the Act comes into operation.

FORM A**Reporting of transactions in terms of section 25(2) of the Financial Markets Act, 2012 (Act No. 19 of 2012) in listed securities concluded outside of an exchange**

Reporting financial institution

Counterparty

From reporting party perspective Buy

Sell

Detail of reporting financial institution:

Name and title of dealer

Business address

Telephone number

Facsimile number

Electronic mail address

Detail of listed security traded

Name of the listed security traded

The security code

Name of the exchange on which
the security is listedThe price at which the transaction
was effected

The quantity traded

Date of transaction

Time of transaction

Signed:

Capacity:

Date:

BOARD NOTICE 103 OF 2013**FINANCIAL SERVICES BOARD****FINANCIAL MARKETS ACT, 2012****CONDITIONS APPLICABLE TO THE AMALGAMATION, MERGER, TRANSFER OR DISPOSAL OF
MARKET INFRASTRUCTURES**

Under section 64(1)(b)(iii) of the Financial Markets Act, 2012 (Act No.19 of 2012), I, Dube Phineas Tshidi, Registrar of Securities Services hereby determine the Conditions set out in the Schedule, with which a market infrastructure must comply in case of an amalgamation, merger, transfer or disposal.



D P TSHIDI

REGISTRAR OF SECURITIES SERVICES

SCHEDULE**1. Definitions**

In these conditions "**the Act**" means the Financial Markets Act, 2012 (Act No.19 of 2012), and any word or expression to which a meaning has been assigned in the Act, bears the meaning so assigned to it.

2. Application for approval of amalgamation, merger, transfer or disposal

If an application is made for the approval-

- (a) in terms of section 64(1)(a)(i) of the Act for an amalgamation or merger referred to in Chapter 5 of the Companies Act that involves a market infrastructure as one of the principal parties to the amalgamation or merger; or
- (b) in terms of section 64(1)(a)(ii) of the Act for any transfer or disposal of more than 25% of the assets, liabilities or assets and liabilities of a market infrastructure to another person;

the application must be submitted to the registrar by the entities involved in the amalgamation or merger ("amalgamating parties" or "merging parties") or the entities involved in the transfer or disposal ("transferor" and "transferee"/ parties to the disposal) on Form FM 3 accompanied by –

- (a) the information specified in Annexure 1 to Form FM 3; and
- (b) the documentation, statements and undertakings specified in Annexure 2 to Form FM 3 in support of the information supplied in Annexure 1.

3. Address

Applications must be submitted to the Registrar of Securities Services at one of the following addresses:

P O Box 35655
Menlo Park
0102

41 Matroosberg Road
Riverwalk Office Park
Block B
Ashlea Gardens Ext 6
0081

4. Commencement

This Notice comes into operation on the same date on which the Act comes into operation.

FORM FM 3

FINANCIAL MARKETS ACT, 2012

(Delete what is not applicable)

Application for approval under section 64(1)(b)(iii) of the Financial Markets Act, 2012 (Act No.19 of 2012), of the amalgamation / merger / transfer / disposal of market infrastructures

The Registrar of Securities Services

1. I, the authorised representative of the amalgamating parties / merging parties/ transferor and transferee / parties to the disposal hereby, on behalf of said parties, apply for approval of the amalgamation / merger / the transfer / disposal of the assets and liabilities of ("transferor" / party to the disposal) to..... (transferee / party to the disposal).

2. The prescribed application fee of is enclosed.

3. The place at which the business of the amalgamated entity / merged entity / transferee/ party to the disposal will be carried on is.....

4. The trading method or facility by means of which the business of the amalgamated entity / merged entity/ transferee/ party to the disposal will be carried on is

Signed at on this day of 20 ...

.....
Authorised representative

Witnesses:

1.....

2.....

ANNEXURE 1 TO FORM FM 3**Information required for amalgamation, merger, transfer or disposal of market infrastructures**

(Only furnish information if information previously furnished will change as a result of the transfer, disposal, amalgamation or merger, or if the information in question was not furnished previously).

1. Administrative information

- (a) The postal, physical and electronic mail addresses, and head office of the amalgamated entity's / merged entity's / transferee's / party to the disposal at which it will receive all documents for the purpose of this application.
- (b) The telephone and facsimile numbers of the amalgamated entity / merged entity / transferee / party to the disposal and the name of its Chief Executive Officer.
- (c) A list that reflects the full names, addresses and telephone numbers of persons, if any, who alone or with associates will exercise control over the amalgamated entity / merged entity / transferee / party to the disposal in terms of section 67(2) of the Act, as at the date of this application.
- (d) A list which reflects the names, physical and postal addresses, telephone and facsimile numbers of the –
 - (i) bank;
 - (ii) auditor; and
 - (iii) attorney,

of the amalgamated entity / merged entity / transferee / party to the disposal.

2. Details of –

- (a) the expected constitution, structure and ownership of the amalgamated entity / merged entity / transferee / party to the disposal, including its memorandum of incorporation or other founding documentation and any agreement between the amalgamated entity / merged entity / transferee / party to the disposal, its owners or other persons relating to its constitution or governance;
- (b) all business to be conducted by the amalgamated entity / merged entity / transferee/ party to the disposal, whether or not a regulated activity;
- (c) any persons providing corporate finance advice or similar services (such as reporting accountants) to the amalgamated entity / merged entity / transferee/ party to the disposal;
- (d) any relevant functions in relation to regulated business to be outsourced or delegated, with copies of relevant agreements;
- (e) information technology systems and or arrangements for their supply, management, maintenance, upgrading, and security;

- (f) the business continuity plans and disaster recovery plans in the event of disruption to the business of the amalgamated entity / merged entity / transferee/ party to the disposal;
- (g) internal controls, risk management principles and procedures and insurance cover;
- (h) internal arrangements to safeguard confidential or privileged information and for handling conflicts of interest; expected changes in monitoring and enforcing compliance with its rules in case of exchanges, central securities depositories or independent clearing houses;
- (i) arrangements for recording transactions effected by, or cleared through, the facilities of the amalgamated entity / merged entity / transferee/ party to the disposal;
- (j) arrangements for detecting and preventing market abuse, including arrangements for complying with money laundering legislation; and
- (k) the competitors and prospective competitors of the amalgamated entity / merged entity/transferee/party to the disposal.

ANNEXURE 2 TO FORM FM 3

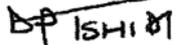
Documentation, statements and undertakings to be provided, if applicable, in support of the information supplied in Annexure 1

1. A *curriculum vitae* in respect of each member of the controlling body of the amalgamated entity / merged entity /transferee/party to the disposal indicating his or her relevant experience and training.
2. A statement signed by each member of the controlling body to the effect that he or she knows of no reason why he or she should not fulfil his or her term of office as a member of the controlling body.
3. A copy of –
 - (a) the latest audited annual financial statements of the amalgamating parties / merging parties / transferor and transferee / parties to the disposal as at their latest financial year-end if in existence for more than a year; and
 - (b) the budgeted income statement, balance sheet and cash flow statement of the amalgamated entity / merged entity / transferee / party to the disposal for a three year period prior to the date of the latest annual financial statements.
4. A statement signed by the chief executive officer of the amalgamated entity / merged entity / transferee / party to the disposal specifying the critical assumptions made in the preparation of the amalgamated entity's /merged entity's / transferee's / party to the disposal's budgets and, in particular, the sources where the amalgamated entity / merged entity / transferee / party to the disposal will derive any further funding as outlined in terms of its business plan.
5. Where arrangements have been made for the funding of any temporary shortfall in available cash resources, the chief executive officer must provide a statement setting out the extent and terms of the commitment.

-
6. A copy of the amalgamated entity's / merged entity's / transferee's / party to the disposal's registration certificate certified by the Companies and Intellectual Property Commission, where applicable.
 7. Copies of the quarterly management accounts for the current financial year of the amalgamating parties / merging parties / transferor and transferee / parties to the disposal.
 8. Details of its business plan for the first three years of its operations as an amalgamated entity / merged entity / transferee / party to the disposal.
 9. Adequacy of management and human resources
 - (a) An explanation of the management structure of the amalgamated entity / merged entity/transferee/party to the disposal including the names of the individuals and qualifications, responsible for the major functional areas and the number of personnel employed in each functional area.
 - (b) A *curriculum vitae* in respect of each member of the management of the amalgamated entity / merged entity/transferee/party to the disposal who is responsible for a major functional area, which indicates his or her relevant experience and training.
 10. The applicant must demonstrate that the fit and proper requirements as prescribed by the registrar are met by the applicant, its directors and senior management.

BOARD NOTICE 104 OF 2013**FINANCIAL SERVICES BOARD****FINANCIAL MARKETS ACT, 2012****REQUIREMENTS APPLICABLE TO THE GRANTING OF A MARKET INFRASTRUCTURE LICENCE**

Under sections 7(3)(a), 7(3)(c)(iv), 8(2)(c), 27(3)(a), 27(3)(c)(iii), 28(2)(c), 47(3)(a), 47(3)(c)(ii), 48(2)(c), 54(3)(a), and 54(3)(c)(ii) of the Financial Markets Act, 2012 (Act No.19 of 2012) , I, Dube Phineas Tshidi, Registrar of Securities Services, hereby determine the Requirements as set out in the Schedule, applicable to the granting of an exchange, central securities depository, clearing house or trade repository licence.



D P TSHIDI
REGISTRAR OF SECURITIES SERVICES

SCHEDULE**1. Definition**

In these Requirements “**the Act**” means the Financial Markets Act, 2012 (Act No. 19 of 2012), and any word or expression to which a meaning has been assigned in the Act, bears the meaning so assigned to it.

2. Application for a licence

An application for a licence in terms of the Act must comply with the following-

A person who applies for an exchange, central securities depository, clearing house or trade repository licence must submit to the registrar a written application on Form FM 1 accompanied by –

(i) the information specified in Annexure 1 to Form FM 1; and

(ii) the information required in respect of members of the controlling body of the applicant specified in Annexure 2 to Form FM 1.

3. Address

Applications must be submitted to the Registrar of Securities Services at one of the following addresses

P O Box 35655
Menlo Park
0102

41 Matroosberg Road
Riverwalk Office Park
Block B
Ashlea Gardens Ext 6
0081

4. Commencement

This Notice comes into operation on the same date on which the Act comes into operation.

FORM FM 1

FINANCIAL MARKETS ACT, 2012 (ACT NO. 19 OF 2012)

Application under section 7(3), 27(3), 47(3) and 54(3) of the Financial Markets Act, 2012 (Act No. 19 of 2012) for an exchange, central securities depository, clearing house or trade repository licence, respectively

The Registrar of Securities Services

1. I....., the chief executive officer of the
 (hereunder) referred to as the applicant),
 being specifically authorised thereto by the controlling body of the applicant, apply on behalf of the
 applicant for the issue of a/an (tick appropriate block) –

- exchange licence under section 7 of the Act;
- central securities depository licence under section 27 of the Act;
- associated clearing house licence under section 47 of the Act;
- independent clearing house licence under section 47 of the Act; or
- trade repository licence under section 54 of the Act.

2. The prescribed application fee of is enclosed.
 3. The place at which the business of the applicant will be carried on is

Signed at on this day of 20 ...

.....
 Chief Executive Officer

Witnesses:

- 1.....
- 2.....

ANNEXURE 1 TO FORM FM 1**Information which, if applicable to the applicant in question, must be contained in an application for an exchange, central securities depository, clearing house, or trade repository licence**

1. The following administrative information must be provided:

- (a) The postal, physical and electronic mail addresses of the applicant's registered address or head office at which it will receive all documents for the purpose of this application.
- (b) the telephone and facsimile numbers of the applicant and the chief executive officer.
- (c) a list which reflects the full names, addresses and telephone numbers of persons, if any, who alone or with associates will exercise control over the applicant contemplated in section 67(2) of the Act.
- (d) a list which reflects the full names of the members of the controlling body of the applicant, and a statement signed by each member to the effect that he or she knows of no reason why he or she should not serve his or her term of office as a member of the controlling body.
- (e) a list which reflects the names, physical and postal addresses, telephone and facsimile numbers of –
 - (i) the bank;
 - (ii) the auditor; and
 - (iii) the attorney,of the applicant.

2. A copy of the founding documents of the applicant which regulates at least the following:

- (a) The structure of the applicant;
- (b) the objects of the applicant;
- (c) the powers of the applicant;
- (d) the composition and functions of the controlling body;
- (e) the procedures for election or appointment of members of the controlling body, their terms of office, and when membership may be terminated;
- (f) the procedures for the calling of meetings of people who hold ownership interests in the applicant;
- (g) the voting powers of people who hold ownership interests in the applicant;

- (h) the appointment of auditors; and
- (i) the procedures for the dissolution of the applicant.

3. Adequacy of financial resources

- (a) If the applicant has been in existence for more than a year, a copy of its audited annual financial statements as at its latest financial year-end.
- (b) a copy of the budgeted income statement, balance sheet and cash flow statement for a three year period from the date of the latest financial statements.
- (c) a schedule illustrating the funding provisions for anticipated supervisory responsibilities over the budgetary period.
- (d) a statement signed by the chief executive officer of the applicant specifying the critical assumptions made in the preparation of budgets and the sources from which the applicant will derive its funding.
- (e) where arrangements have been made for the funding of any temporary shortfall in available cash resources, a statement must be provided by the party or parties concerned setting out the extent and terms of their commitment.

4. Adequacy of management and human resources

- (a) An explanation of the management structure of the applicant including the names of the individuals responsible for the major functional areas and the number of personnel employed in each functional area.
- (b) a *curriculum vitae* in respect of each member of the management of the applicant who is responsible for a major functional area, which indicates his or her relevant experience and training.
- (c) a projection of management and staff requirements for the period covered by the budgets referred to in paragraph 3(b).
- (d) a statement by the chief executive officer of the applicant confirming that –
 - (i) all authorised users, participants, external central securities depositories or other persons, or clearing members of an independent clearing house, as applicable, of the applicant have been evaluated and, on the information available, found to be of good character and integrity; and
 - (ii) on the information available, all authorised users, participants, external central securities depositories or other persons, or clearing members of an independent clearing house comply with the minimum capital adequacy requirements determined by the applicant in its rules.

5. The business plan of the applicant, which has been approved by the controlling body and which deals at least with the following matters:

- (a) The planned development of the information technology systems and infrastructure of the applicant and arrangements for their supply, management, maintenance, upgrading and security;
- (b) the planned approach to qualifying, quantifying and managing risk within the applicant;
- (c) plans to ensure the integrity of the market and its authorised users, participants, external central securities depositories or other persons or clearing members of an independent clearing house;
- (d) the surveillance procedures, which have been established to ensure the compliance by authorised users, participants, external central securities depositories or other persons or clearing members of an independent clearing house with the proposed rules and directives of the market infrastructure and the requirements of the Act and the resources of the applicant available to perform this function;
- (e) procedures to be followed to effectively discipline authorised users, participants, external central securities depositories or clearing members of an independent clearing house of the applicant who fail to comply with the rules of the market infrastructure;
- (f) security procedures to ensure the integrity of the systems for recording transactions and the maintenance of records, the capacity of these systems in relation to the budgeted number of transactions and the back-up resources available in the event of a systems failure;
- (g) reports and publications to be made available to the investing public, with the inclusion of price sensitive information, and the manner in which such information will be disseminated;
- (h) the effective and efficient clearing and settlement of transactions effected through the applicant and the management of settlement risk;
- (i) the corporate governance principles that will be implemented;
- (j) details of the persons who have or will provide corporate finance advice or similar services to the applicant, if applicable;
- (k) whether any unregulated business will be carried on by the applicant; and
- (l) whether or not it is intended to list the securities of the applicant.

6. Details of compensation funds of market infrastructures-

- (a) Details of insurance or other warranty, such as a compensation or guarantee fund, to provide compensation to clients of authorised users, participants, external central securities depositories or clearing members of an independent clearing house of the market infrastructures.

(b) In respect of compensation funds, a copy of the pro forma policy document, the manner of funding, and the rules of the fund (where applicable).

7. A report from the auditor of the applicant to the effect that adequate systems and procedures are in operation relating to risk reduction, particularly by means of processing, physical, logical security, back-up and contingency controls.

8. The applicant for an exchange, central securities depository or independent clearing house licence must subject to the requirement prescribed by the Minister, provide sufficient proof that it has assets and resources in the Republic to perform its functions and duties as set out in the Act.

9. The applicant for a market infrastructure licence must, where applicable, provide details of arrangements to be implemented in order to comply with section 62 of the Act.

10. The applicant must supply any other information, which the registrar may reasonably require.

Additional information, which must be contained in an application for an exchange licence

1. A copy of the proposed rules of the applicant, approved by the controlling body of the applicant.

2. A copy of the proposed listing requirements of the applicant, approved by the controlling body of the applicant.

3. The name of a licensed independent clearing house or associated clearing house to be appointed by the exchange to provide clearing house functions to the exchange, or, if it has not appointed a clearing house to clear transactions on behalf of the exchange, details of the infrastructure for the clearing of transactions effected through the exchange.

4. Details of the functions to be provided by the exchange.

5. Details pertaining to the settlement and custody and administration functions to be provided to the exchange.

6. Details of additional business or function not provided for in section 10 of the Act.

7. Details pertaining to the trading method or facility by means of which the business of the exchange will be carried on.

8. The range of securities proposed to be listed on the exchange.

9. The range of investors, both local and foreign, expected to invest through the exchange.

10. The benefits to such investors of investing through the exchange.

11. The extent and manner of publication of prices of listed securities.

12. The arrangements in place for the supervision of authorised users so as to ensure compliance with the Financial Intelligence Centre Act, 2001.

13. The arrangements in place for the efficient and effective monitoring of compliance by issuers of securities listed on the exchange with that exchange's listing requirements.
14. The arrangements in place to effectively and efficiently manage the material risks associated with the operation of an exchange.
15. Details pertaining to the effective and reliable infrastructure to facilitate the trading of securities listed on the exchange.
16. The arrangements in place for the efficient and effective surveillance of all transactions effected through the exchange and for the supervision of authorised users so as to identify possible market abuse and ensure compliance with the exchange rules, exchange directives and the Act.
17. The governance arrangements in place that are clear and transparent, promote the safety and efficiency of the exchange, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.
18. The arrangements in place for effective and efficient security and back-up procedures to ensure the integrity of the records of transactions effected through the exchange.
19. The arrangements in place for the effective and efficient clearing and settlement of transactions effected through the exchange and for the management of settlement risk.
20. A report by an independent party, agreed to by the registrar, confirming that the applicant has -
 - (a) adequate systems, procedures and policies in place including a business continuity plan, a disaster recovery plan, as well as the necessary service level agreements with third parties before the exchange related operations commence; and
 - (b) adequate disaster recovery hardware and related facilities located off-site.

Additional information, which must be contained in an application for a central securities depository licence

1. A copy of the proposed rules of the applicant, approved by the controlling body of the applicant.
2. Details pertaining to the method or facility by means of which the business of the central securities depository will be carried on.
3. An auditor's report, confirming that the applicant has adequate systems, procedures and policies in place to protect the information, data, records and documents relating to securities accounts and the affairs of participants against any unauthorised access, alteration, destruction or dissemination.
4. A report by an independent party, agreed to by the registrar, confirming that the applicant has appropriate information technology in place to effectively handle electronic settlement, and communication including –
 - (a) a secure electronic messaging system;

- (b) interface specifications;
 - (c) formally completed documentation, including a business continuity plan, a disaster recovery plan, as well as the necessary service level agreements with third parties before the central securities depository related operations commence; and
 - (d) adequate disaster recovery hardware and related facilities located off-site.
5. The range and type of custodial functions proposed.
 6. The benefits to investors of using the custodial functions of the central securities depository.
 7. The frequency and format of custodial balance statements to participants, external central securities depositories or other persons.
 8. The range and type of functions to be provided by the central securities depository.
 9. The range and type of securities in respect of which those functions are to be provided by the central securities depository.
 10. The arrangements in place for the efficient and effective monitoring of compliance by participants with the depository rules.
 11. Details of the infrastructure necessary for the sustained operation of a central securities depository in terms of the Act.
 12. The arrangements in place to manage operational risk associated with the operation of a central securities depository.
 13. The arrangements in place to provide for the settlement of transactions and for the management of settlement risk.
 14. The governance arrangements in place, that are clear and transparent, promote the safety and efficiency of the central securities depository, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.
 15. The arrangements in place for security and back-up procedures to ensure the integrity of its records.

Additional information, which must be contained in an application for an associated clearing house licence

Particulars of the applicant's proposed appointment by an exchange, which must include at least the following:

1. Name of the exchange.
2. Letter of proposed engagement by the exchange.

3. An auditor's report confirming that the applicant has adequate systems, procedures and policies in place to protect the information, data, records and documents relating to the functions performed by the clearing house and the affairs of clearing members against any unauthorised access, alteration, destruction or dissemination.
4. The range and type of functions to be provided by an associated clearing house.
5. The range and type of securities in respect of which those functions are to be provided by an associated clearing house.
6. The benefits to investors of using the associated clearing house.
7. The arrangements in place to ensure compliance with the requirements prescribed by the registrar for clearing or settlement of transactions in securities or both.
8. The arrangements in place for an effective and reliable infrastructure to facilitate the clearing of securities cleared by the clearing house.
9. The arrangements in place to manage the material risks associated with the operation of a clearing house.
10. The governance arrangements in place, that are clear and transparent, promote the safety and efficiency of the clearing house, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.
11. The arrangements in place for security and back-up procedures to ensure the integrity of the records of transactions cleared, settled or cleared and settled through the clearing house.
12. A report by an independent party, agreed to by the registrar, confirming that the applicant has -
 - (a) adequate systems, procedures and policies in place including a business continuity plan, a disaster recovery plan, as well as the necessary service level agreements with third parties before the clearing house related operations commence; and
 - (b) adequate disaster recovery hardware and related facilities located off-site.

Additional information which must be contained in an application for an independent clearing house licence

1. A copy of the proposed rules of the applicant, approved by the controlling body of the applicant.
2. Details pertaining to the method or facility by means of which the business of the independent clearing house will be carried on.
3. An auditor's report confirming that the applicant has adequate systems, procedures and policies in place to protect the information, data, records and documents relating to the provision of relevant functions and the affairs of clearing members against any unauthorised access, alteration, destruction or dissemination.

4. A report by an independent party, agreed to by the registrar, confirming that the applicant has appropriate information technology in place to effectively handle the electronic clearing and settlement services and communication including –

(a) a secure electronic messaging system;

(b) interface specifications;

(c) formally completed documentation, including a business continuity plan, a disaster recovery plan, as well as the necessary service level agreements with third parties before the independent clearing house related operations commence;

(d) adequate disaster recovery hardware and related facilities located off-site.

5. The range and type of functions to be provided by the independent clearing house.

6. The range and type of securities in respect of which those functions are to be provided by the independent clearing house.

7. A list of clearing members, where applicable.

8. The benefits to investors of using the independent clearing house.

9. The arrangements in place to ensure compliance with the requirements prescribed by the registrar for clearing or settlement of transactions in securities or both.

10. The arrangements in place for an effective and reliable infrastructure to facilitate the clearing of securities cleared by the clearing house.

11. The arrangements in place to manage the material risks associated with the operation of a clearing house.

12. The arrangements in place for the efficient and effective monitoring of all transactions cleared through the clearing house and for the supervision of clearing members so as to ensure compliance with the clearing house rules.

13. The governance arrangements in place, that are clear and transparent, promote the safety and efficiency of the clearing house, and support the stability of the broader financial system, other relevant public interest considerations, and the objectives of relevant stakeholders.

14. The arrangements in place for security and back-up procedures to ensure the integrity of the records of transactions cleared, settled or cleared and settled through the clearing house.

15. An applicant for independent clearing house licence that is a central counterparty must comply with the requirements as prescribed by the Minister applicable to a clearing house that is a central counterparty.

Additional information, which must be contained in an application for a trade repository licence

1. Details of the functions and services to be provided by the trade repository.

2. The range and type of securities in respect of which those functions and services will be performed.
3. An auditor's report confirming that the applicant has adequate systems, procedures and policies in place to protect the information, data, records and documents reported to and maintained by the trade repository against any unauthorised access, alteration, destruction or dissemination.
4. Details pertaining to the method or facility by means of which the business of the trade repository will be carried on.
5. A report by an independent party, agreed to by the registrar, confirming that the applicant has appropriate information technology in place to effectively handle the reported transaction data including-
 - (a) a secure electronic messaging system;
 - (b) interface specifications;
 - (c) formally completed documentation, including a business continuity plan, a disaster recovery plan, as well as the necessary service level agreements with third parties before the trade reporting related operations commence;
 - (d) adequate disaster recovery hardware and related facilities located off-site.
6. Details of its objective, non-discriminatory and publicly disclosed requirements for access and participation.
7. The arrangements in place for reliable and secure systems with adequate and scalable capacity for the sustained operation of a trade repository.
8. The arrangements in place to identify sources of operational and business risks and adopt processes and procedures to mitigate and manage those risks.
9. An applicant for a trade repository licence must comply with the regulations applicable to the licensing of trade repositories as prescribed by the Minister.

ANNEXURE 2 TO FORM FM 1

Information required in respect of members of controlling body of exchange, central securities depository, trade repository or clearing house

An application for a licence must be accompanied by the following information in respect of members of the controlling body of the applicant:

1. a *curriculum vitae* in respect of each member of the controlling body indicating the nature and extent of the member's qualifications and experience in the business operated by the applicant and the names of three referees.

2. the information required in terms of the Determination of Fit and Proper Requirements for Market Infrastructures.
 3. an indication if proceedings referred to in paragraphs (3)(a) to (f) and paragraph 5 of Determination of Fit and Proper Requirements for Market Infrastructures are pending.
 4. full details of any fact which may have an impact on the evaluation by the registrar of the good character and integrity of a member of the controlling body.
-

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