



"ENSURING INVESTOR PROTECTION"

## **SECURITIES AND EXCHANGE COMMISSION**

### **PUBLIC NOTICE ON AMENDMENT OF GUIDELINES ON MARKET LEVIES (NOTICE NO. SEC/PN/001/09/2017)**

The Securities and Exchange Commission (hereinafter referred to as "SEC") is the statutory body mandated by the Securities Industry Act 2016 (Act 929) to promote the orderly growth and development of an efficient, fair and transparent securities market in which investors and the integrity of the market are protected.

The core functions of the Commission include the maintenance or surveillance over activities in the securities industry to ensure orderly, fair and equitable dealings in securities, the licensing of all market operators and collective investment schemes (unit trusts and mutual funds), the examination and approval of invitations to the public, and most important of all the protection of investors.

It would be recalled that the SEC earlier in the year issued Guidelines for Market Levies for the year 2017 referred to as SEC/GUI/001/01/2017 (herein after referred to as "the Principal Guideline") which affected Funds under Management.

The SEC pursuant to Sections 15 and 209 (2) of the Securities Industry Act, 2016 (Act 929) has amended the Guidelines with a new Guideline referred to as SEC/GUI/002/09/2017 published on the Commission's website. The new Guideline suspends the application of the principal Guideline to Funds under management captured in paragraph 6 of the Principal Guideline until further notice. This suspension takes effect from 1<sup>st</sup> July 2017.

This suspension has been influenced by the need to remove any disincentive to asset owners and create an even playing field for all market operators. The expectation is that this will boost funds under management and translate into more activity in the capital market.

For the avoidance of doubt, the collection of market levy on funds under management prior to 1<sup>st</sup> July 2017 is not affected by this amendment. All the other levies: Market Operators Levy, Transaction Levy and Depository Levy still remain in full force and effect with the consequences of Section 209(4) of Act 929.

**BY ORDER OF THE  
SECURITIES & EXCHANGE COMMISSION.**

Dated the 22<sup>nd</sup> day of September 2017