



## APPENDIX 2 - CIRCULARS

### APPOINTMENT OF DIRECTORS OF LICENSED DEALING MEMBERS/STOCKBROKERS TO BOARDS OF PUBLIC COMPANIES

**CIRCULAR NUMBER: SEC/CIR/OO1/2002**

#### Preamble

The Commission considers that it is not in the interest of the investing public for directors or executive officers of Licensed Dealing Members (LDMs) to be appointed as directors of listed and other companies as such an appointment could give rise to conflict of interest, insider trading, and other types of market manipulation.

Consequently, it directs as follows:-

- (i) henceforth, no director or executive officer of a licensed operator shall concurrently serve on the board of a public company (listed or unlisted)
- (ii) no public company shall accept the appointment of any person who is a director or executive officer of a licensed operator
- (iii) any director or executive officer of a licensed operator currently serving on the board of a public company (listed or unlisted) shall take steps to resign as a director of that company by the 15th of July 2002, and hereafter notify the Commission accordingly.



### Sanctions

The Commission will sanction any licensed operator or any officer or director of such licensed operator and a public company who violates the above directives.

## **DISTRIBUTION**

- 1. ALL PUBLIC COMPANIES (LISTED AND UNLISTED)**
- 2. GHANA STOCK EXCHANGE**
- 3. LICENSED OPERATORS**

**Dated May 31, 2002.**