



"Ensuring Investor Protection"

SECURITIES AND EXCHANGE COMMISSION



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DIRECTIVE TO SECURITIES EXCHANGES AND DEPOSITORIES ON CHANGES TO MARKET INFRASTRUCTURE

DIRECTIVE NUMBER: SEC/DIR/01/2017

1. The Securities and Exchange Commission (SEC) issues this Directive pursuant to sections 3(i) and 48 (1) of Part II of the Securities Industry Act, 2016, Act 929,
2. The directive concerns the involvement and consultation with the Commission when changes to market infrastructure are being undertaken,
3. Given that such changes in market infrastructure impact the entire securities market thereby compelling market operators to adapt their systems to accommodate the changes,
4. All securities exchanges and depositories shall submit to the Commission:
 - a) proposed changes to market infrastructure that they intend to execute,
 - b) an impact analysis report on how the changes may affect other areas of the securities market, including milestones to be achieved,
 - c) a stakeholder consultation report that provides details on inputs made by various stakeholders,
 - d) a periodic report after key milestones have been completed,
 - e) a final report that provides details on key success factors, unexpected events that may have occurred, timelines on when the unexpected events shall be resolved, results of tests conducted by market operators, the proposed go-live date after the completion of the changes, among others.

For the purposes of this Directive, Market Infrastructure is defined as "all components that play a major role in the overall IT-enabled operations of an institution, and the securities markets at large."

Non-compliance with this Directive shall compel the Commission to apply the provision of Section 48 (2) of the Securities Industry Act, 2016, Act 929.

SIGNED

**ALEXANDER WILLIAMS
AG. DIRECTOR-GENERAL**

DATED: 26TH APRIL 2017