



EXPOSURE OF PROPOSED AMENDMENTS OF THE RULES AND REGULATIONS OF THE COMMISSION

Major Amendment

1. Proposed amendment to Schedule I (Registration Fees, Minimum Capital Requirements, Securities and Others)

Sundry Amendment

2. Proposed amendment to Rule 398 (3) (x)- Rules Relating to Share Buy-back

Details of the proposal are:

Major Amendment

1. Proposed amendment to Schedule I (Registration Fees, Minimum Capital Requirements, Securities and Others)

Legend: Additions are underlined; Deletions are struck through

Proposed Amendment

Major Amendment

A1 Renewal Fees

The renewal fees for Capital Market Operators shall be 5% of the existing Registration Fees, payable to the Commission every year not later than January 31st.

***Justification:** Flowing from the appeal from Stakeholders and in line the regulatory mandate of fostering development in the market, the Commission noted the need for the reduction of its renewal fees from 25% to 5% to serve as a relief to existing CMOs and not to further stiffen the market.*

Sundry Amendment

2. Proposed amendment to Rule 398 (3) (x)- Rules Relating to Share Buy-back

Full text of the Existing Rule:

Every company acquiring its own shares shall comply with the following:



(x) The shares bought back shall be cancelled in accordance with the procedure set out in CAMA.

Proposed Amendment:

(x) The shares bought back may be cancelled or held as treasury shares subject to the conditions set out in CAMA 2020.

Justification: *The amendment will bring the existing rule in consonance with the provisions of CAMA 2020 which allows for shares bought back to be held by the company as treasury shares.*