

**Form 3**  
**THE SECURITIES ACT, 2010**  
**LICENSING RULES, 2013**  
**APPLICATION FOR AN EXEMPT DEALER'S LICENCE**  
**(Rule 6)**

**Notes:**

1. Please read the explanatory notes and questions carefully before completing the application form.
2. An exempt dealer means a person who carries on a business of dealing in securities only through the holder of a dealer's licence for his or her own account. The definition, in section 2 of the Act, also includes any person acting in the capacity of a manager or trustee or custodian under a collective investment scheme approved under Part VI of the Act; any bank licensed under the Financial Institutions Act, 2005; any public statutory corporation constituted under any law in Swaziland; or, an investment adviser whose dealing in securities is solely incidental to his carrying on the business of managing a portfolio of securities on behalf of a client. An applicant under Section 31 (8) must therefore prove that it qualifies to be considered.
3. All questions must be answered. If a question is not applicable, please mark "N.A." in the space provided. Should there be insufficient space for your answers, please attach annex (es) which should be identified as such and signed by the signatory to this application.
4. Where there is an asterisk (\*), please delete whichever is inapplicable.
5. Please tick (✓) in the relevant boxes where appropriate.
6. This application form is to be signed by 2 directors or a director and the secretary of the applicant, and must be accompanied by the relevant documents requested in the various parts of this application.
7. This application should be accompanied by the following:
  - (a) application(s) for the appointment of chief executive officer and/or director using Form 7;
  - (b) a cheque, made out to "The Financial Services Regulatory Authority" for the non-refundable application fee prescribed under Rule 4 of The Licensing Rules, 2013.

**I. APPLICATION IS HEREBY MADE FOR A LICENCE TO DEAL IN  
SECURITIES BY AN EXEMPT DEALER**

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*(Full name of applicant)*

Indicate the area(s) which qualify the applicant to apply:

- (a) Investment adviser  
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- (b) Manager under an approved collective investment scheme  
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- (c) Trustee under an approved collective investment scheme  
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- (d) Custodian under an approved collective investment scheme  
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- (e) A bank licensed under the Financial Institutions Act, 2005  
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- (f) A public statutory corporation constituted under any law in Swaziland  
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**II. INFORMATION ON THE APPLICANT**

1. Provide-

- (a) the address and telephone number of the principal place at which the business of the applicant is to be carried on. Please provide email address and applicant's internet web page, where applicable.  
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- (b) the address of the registered office of the applicant.  
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- (c) the date and place of incorporation of the applicant.  
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- (d) the authorized and paid-up capital of the applicant, including relevant details of shares issued or to be issued (e.g. type, number and issue price). If the capital does not meet the base capital requirement under the Capital Adequacy Standards Rules, 2013, the applicant must provide a written undertaking to the Registrar that the applicant will increase its capital to satisfy the base capital requirement upon approval of the licence application by the Registrar.  
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2. State the principal business carried out or proposed to be carried out by the applicant, including the manner in which and type of customers with whom the applicant proposes

to conduct business with respect to the area of activity applied for. Give an outline of the plans of the applicant with regard to the expansion of its business in Swaziland and in the region over the next 3 to 5 years.

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3. Provide an organization chart showing all directors and key officers of the applicant, and their reporting lines.

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4. Provide details of key officers (including names, addresses, relevant experience, qualifications, etc.) and key internal control procedures to satisfy the Authority that the applicant will be able to comply on an on-going basis with the requirements of the Act and that the applicant has adequate means of supervising its employees and representatives.

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5. Where the applicant is not or will not be a member company of the Swaziland Stock Exchange, state whether or not there are or will be in force, arrangements covering any failure by it to account for money or investment, or fraud, including-

(i) the name, description and address of the person who is to make good the liability in the event of such failure or fraud;

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(ii) the terms and conditions upon which payments are to be made;

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(iii) any circumstances in which the right to any such payment would be excluded or modified;

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(iv) the limit, if any, on the amount of any such payment and how any such limit is calculated; and

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(v) any provisions for ensuring that the person whom the payment was intended to benefit would have a right thereto as against the creditors generally.

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6. Highlight potential areas of conflicts of interest and explain in detail how such conflicts will be resolved or mitigated.

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7. Attach the most recent audited balance-sheet and profit and loss account certified by a director or the secretary of the applicant to be a true copy of the most recent audited balance sheet and profit and loss account of the applicant together with a report by the directors of the applicant verifying as to whether, during the period from the date of certification of the most recent audited balance-sheet and profit and loss account to a date not earlier than 14 days before the date of the application-

- (a) the business of the applicant has, in their opinion, been satisfactorily maintained;
- (b) there has, in their opinion, arisen any circumstances adversely affecting the applicant's trading or the value of its assets;
- (c) the current assets appear in the books at values which are believed to be realizable in the ordinary course of business;
- (d) there are any contingent liabilities by reason of any guarantees given by the applicant or any of its subsidiaries, or by any other reason; and
- (e) there are, since the previous annual report, any changes in published reserves or any unusual factors affecting the profit of the applicant and its subsidiaries.

**III. INFORMATION ON DIRECTORS AND SHAREHOLDERS**

1. Furnish a list of all directors of the applicant, and state whether they are executive or non-executive appointments.

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2. Provide the details of the chief executive officer and each director of the applicant using Form 7.

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3. Provide details of the shareholders of the applicant as follows:

Name of shareholder	Percentage of shareholdings	Type of shares held	Date of acquisition (mm/yy)
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**IV. INFORMATION ON GROUP STRUCTURE, where applicable**

1. Provide the following information on the applicant’s parent company

- (a) name of the parent company;  
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- (b) date and place of incorporation;  
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- (c) address and telephone number of the principal place at which the business of the parent company is carried on;  
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- (d) brief history of the parent company, including any major acquisitions of, mergers or amalgamations with other companies. Include any former name(s) of the applicant and its parent company;  
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- (e) group structure of the parent company, giving the percentage equity interests held in the principal operating companies in the group and the country of incorporation of these companies;  
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- (f) business activities of the parent company and principal operating companies, including areas of specialization;  
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- (g) names of the chairman and other members of the board of directors of the parent company;  
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- (h) list of names and addresses of shareholders holding 25% or more of the total number of voting shares in the parent company. State the percentage shareholding interest of each of such shareholders, grouping together related shareholders, where possible;  
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- (i) if shares of the parent company are listed, the name(s) of the exchange(s) on which the shares are listed;  
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(j) a complete listing of the exchange membership(s) (including the type(s) of membership) held by the parent company; and

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(k) a certified copy of the most recent 3 years' audited balance-sheets and profit and loss accounts of the parent company (including consolidated accounts), together with the directors' report.

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2. Where any shareholder of the applicant is an individual holding 5% or more of the total number of voting shares, provide the name, address, date of birth, nationality, identity card number, PIN (for Swaziland permanent residents), passport number (for non-Swaziland citizens), occupation and information on the executive directorship in any company.

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3. If a person, not being a director or shareholder of the applicant, has the ultimate controlling interest in the applicant, or directly or indirectly exercises, or has the power to exercise, controlling influence over the management and policies of the applicant, provide details of such person including the name, address, date of birth, nationality, identity card number, PIN(for Swaziland permanent resident), passport number (for non-Swaziland citizen), occupation and information on the executive directorship in any company.

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**V. FIT AND PROPER CRITERIA**

If the answer to any of the following questions is in the affirmative, attach annexes and supporting documents, where appropriate, to provide all relevant particulars. If there is any doubt with respect to any part of this section, please provide all relevant information to demonstrate that the applicant and its shareholders are considered to be fit and proper persons.

**Honesty, Integrity and Reputation**

1. Within the past 10 years has the applicant or any of its shareholders, whether the shareholder is an individual or a company, (including the company's related companies)-
  - (a) been refused the right or restricted in its or his right to carry on any trade, business or profession for which a specific licence, registration or other authorisation is required by law in any jurisdiction;
  - (b) been issued a prohibition order under any Act administered by FSRA or has been prohibited from operating in any jurisdiction by any financial services regulatory authority or self-regulatory organisation;

- (c) been censured, disciplined, suspended or refused membership or registration by FSRA, any other regulatory authority, an operator of a market or clearing facility, any professional body, self-regulatory organisation or government agency, whether in Swaziland or elsewhere;
- (d) been the subject of any complaint made reasonably and in good faith, relating to activities that are regulated by FSRA, or a self-regulatory organisation under any law in any jurisdiction;
- (e) been the subject of any proceedings of a disciplinary or criminal nature or has been notified of any potential proceedings or of any investigation which might lead to those proceedings, under any selfregulatory organisation in any jurisdiction;
- (f) been convicted of any offence, or is being subject to any pending proceedings which may lead to such a conviction, under any law in any jurisdiction;
- (g) had any judgment (including a finding of fraud, misrepresentation or dishonesty) entered against the licensed person in any civil proceedings or is a party to any pending proceedings which may lead to such a judgment, under any law in any jurisdiction;
- (h) had any civil penalty enforcement action taken against it or him by FSRA, any other regulatory authority or a self-regulatory organisation under any law in any jurisdiction;

### **Competence and Capability**

2. Does the applicant or any of its shareholders, whether the shareholder is an individual or a company, (including the company's related companies),

- (a) have satisfactory past performance or expertise, having regard to the nature of the licensed person's proposed business or duties, as the case may be, whether in Swaziland or elsewhere;
- (b) have satisfactory educational qualification or experience, whether in Swaziland or elsewhere;
- (c) have satisfactory educational qualification or experience, whether in Swaziland or elsewhere, having regard to the nature of the duties he is to perform; and
- (d) have satisfied the requirements stipulated for authorised dealer representatives (ADR's), as may be applicable to the dealing staff.

### **Financial Soundness**

3. Within the past 10 years, has the applicant or any of its shareholders, whether the shareholder is an individual or a company (including the shareholders' related companies-

- (a) been unable to fulfil any of its or his financial obligations, whether in Swaziland or elsewhere;

- (b) entered into a compromise or scheme of arrangement with its or his creditors, being a compromise or scheme of arrangement that is still in operation, whether in Swaziland or elsewhere;
- (c) been subject to a judgment debt which is unsatisfied, either in whole or in part, whether in Swaziland or elsewhere.

**VI. OTHER INFORMATION**

1. State, where available, the ranking of the applicant; its shareholder(s); its related company(s); and the related company(s) of the shareholder(s) of the applicant, in the securities exchanges, of which they hold membership of any class or description, in terms of business volume, particularly in those lines of business the applicant, intends to carry on in Swaziland. If the ranking is not available, give an indication of the level of activity of the operations of the above-mentioned persons.
2. Set out any additional information that is relevant or material to this application.

**VII. REGISTER OF INTERESTS IN SECURITIES**

State the place at which the register of interests in securities referred to in Rule 21 of these Rules is to be kept or, if register is in electronic form, the place at which full access to register may be gained, where applicable.

- At principal place of business
- At a place of business where the applicant intends to engage in an activity specified in Part I (to specify the address):-----

**VIII. DECLARATION**

1. We are aware that section 66 of the Financial Services Regulatory Authority Act, 2010 relating to false statements made in applications:
2. We have read the Guidelines on Fit and Proper Criteria (the “Guidelines”) issued by FSRA and in submitting this form, we are satisfied that the applicant (including its officers, employees and substantial shareholders) are fit and proper persons based on the criteria stated in the Guidelines.
3. We declare that all information given in this application and in the attached annexes and forms (if any) is, to the best of our knowledge and belief, true and correct.

Signature\_\_\_\_\_

Signature\_\_\_\_\_

Name

Name

Director\_\_\_\_\_

Director/Secretary\*\_\_\_\_\_

