

**Form I**  
**(RULE 3)**  
**SECURITIES ACT, 2010**  
**SECURITIES EXCHANGES RULES, 2013**  
**APPLICATION FOR APPROVAL AS A LICENCED SECURITIES EXCHANGE**

**Notes:**

1. Please read the explanatory notes and questions carefully before completing the application form.
2. 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 signatories to this application.
3. Where there is an asterisk (\*), please delete whichever is inapplicable.
4. Please tick (✓) in the relevant boxes where appropriate.
5. This application 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.
6. This application must be accompanied by the following:
  - (i) certified true copies of the applicant’s articles and memorandum of association, certificate of incorporation and constitution with all subsequent amendments;
  - (ii) certified true copies of the applicant’s business rules and listing rules, if applicable; and
  - (iii) a bank draft made payable to “Financial Services Regulatory Authority” for the application fee prescribed under Rule 4 of the Securities Exchanges Rules 2013.

**I. NAME OF APPLICANT**

.....  
Application is hereby made for approval under section 12 of the Securities Act, 2010 as a licensed exchange.

**II. INFORMATION ON THE APPLICANT**

1. Provide the following corporate information:

(a) address, telephone number and facsimile number of the principal place at which the business of the applicant is/is to be\* carried on:

Address	Telephone number	Facsimile number

(b) e-mail address of the applicant’s internet web page (if applicable):

e-mail address	internet web page (if applicable)

(c) registered office, address and country:

.....

(d) form of company (demutualised; publicly listed, etc.):

.....

(e) date and place of incorporation:

.....

(f) if different from the name of the applicant, the proposed name(s) of the markets to be operated by the applicant:

.....

(g) proposed trading hours of the markets to be operated by the applicant:

.....

(h) the applicant’s authorised and paid-up capital, including relevant details of shares issued or to be issued (e.g. types, number and issue price):

.....

(i) attach an organisation chart showing the key officers and employees of the applicant, and their reporting lines.

.....

(j) attach an organisation chart showing the applicant and its relationships with its related company or companies.

.....

2. Provide relevant information on the applicant’s business plans and operations, including-

- (a) detailed information on the securities that will be traded on the applicant's markets;  
.....
- (b) the prospective categories of participants (e.g. clearing and trading participant, trading participant, dealing participant, client participant, etc.);  
.....
- (c) the nature of prospective participants or investors who may use, invest in or participate in the securities traded on the markets operated by the applicant in Swaziland (e.g. institutional, expert, retail, etc.);  
.....
- (d) any affiliation between the applicant and the prospective participants, such as common owners, directors or officers;  
.....
- (e) the manner in which the different categories of prospective participants and investors would access the applicant's markets;  
.....
- (f) the applicant's operations with respect to operating its markets (provide transaction flowcharts or diagrams, where relevant), proposed revenue sources, and projected volume and value of transactions that would be conducted on the applicant's markets;  
.....
- (g) any other relevant information which may help in processing this application.  
.....

3. Provide relevant supporting documents or information showing the applicant's-

- (a) information on key officers and employees (including names, addresses, relevant experience, qualifications, etc.);  
.....
- (b) systems and procedures governing entry, execution, reporting, clearance, and settlement of transactions effected through the applicant's market facilities;  
.....
- (c) business rules and listing rules, if applicable;  
.....

(d) measures to inform investors of the peculiar risks arising from its market operations, including risk disclosure statements, if any, relating to its market operations;

.....

(e) risk management systems, including procedures relating to internal audit, internal controls, security, and the granting of credit;

.....

(f) business continuity plan and system capacity planning procedures; and

.....

(g) human resources, including information on the staffing levels of key functions, such as market control, market surveillance, compliance, member rule, etc.).

.....

4. Describe and demonstrate, with supporting documents or information, how the applicant will-

- (a) satisfy each of the general obligations applicable to licensed exchanges under Section 13 of the Securities Act, 2010;
- (b) comply with the requirements of the Securities Act and the Securities Exchanges Rules, 2013;
- (c) have adequate means for supervising its officers, employees and participants; and
- (d) have adequate means to deal with any conflicts of interest that may arise.

5. If the applicant or any of its related companies are operating similar market(s) in any other jurisdiction, provide relevant information such as-

(a) the name(s) of such market(s);

.....

(b) the name(s) of such jurisdiction(s);

.....

(c) the name(s) of any supervisory authority, including any self-regulatory organisation, that exercises oversight over the applicant or its related companies in these jurisdictions;

.....

(d) evidence of the applicant's authorisation to operate a market in these jurisdictions, including a copy of any conditions imposed on the applicant's market operations in these jurisdiction(s);

- .....
- (e) documentation that would allow the Registrar to consider if the requirements and supervision that the applicant is subject to are sufficiently equivalent to the requirements and supervision to under the Securities Act, 2010, e.g. a summary of the laws, legislation, rules and rules applicable to the applicant in these jurisdiction(s).
- .....

6. If applicable, provide the name of any person, other than the applicant, that will be involved in managing or operating material aspects of the applicant's operations on behalf of the applicant. Provide a description of the role and responsibilities of each person to which the applicant has delegated or outsourced its operations.
7. Give an outline of the applicant's plans with regard to the operation and expansion of its business in Swaziland and abroad, if applicable, over the next 3 to 5 years. The outline should include financial projections on the resources available to maintain the market facilities.
8. If applicable, provide description(s) of the applicant's business (es), other than the operation of the proposed market.
9. If applicable, provide the name(s) and description(s) of any related company to the applicant that is operating in Swaziland as a bank, insurer or licenced person under the Act.
10. Attach certified true copies of the most recent auditor's report, audited balance-sheet, and audited profit and loss account, by whatever name called. In addition, attach a report by the directors of the applicant stating whether, from the date of the most recent auditor's report, audited balance sheet and audited 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 circumstance adversely affecting the applicant's operation or the value of its assets;
  - (c) the current assets appear in the books at values which are believed to be realisable 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 any changes in reserves or any unusual factors affecting the profit of the applicant and its subsidiaries.

### **III. INFORMATION ON CHIEF EXECUTIVE OFFICER AND DIRECTORS**

Complete and attach Form II on “Information on Chief Executive Officer and Directors” for the purpose of completing this Part.

### **IV. INFORMATION ON SHAREHOLDERS AND SUBSIDIARIES**

Complete and attach Form III on “Information on Shareholders and Subsidiaries” for the purpose of completing this Part.

### **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 individual substantial shareholders, corporate substantial shareholders (including the corporate’s related companies), or any director or chief executive officer of the applicant-
  - (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 self-regulatory 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;
- 
- (i) contravened or abetted another person in breach of any laws or rules, business rules or codes of conduct, whether in Swaziland or elsewhere;
  - (j) been the subject of any investigations or disciplinary proceedings or been issued a warning or reprimand by FSRA, any other regulatory authority, an operator of a market or clearing facility, any professional body or government agency, whether in Swaziland or elsewhere;
  - (k) been refused a fidelity or surety bond, whether in Swaziland or elsewhere;
  - (l) demonstrated an unwillingness to comply with any regulatory requirement or to uphold any professional and ethical standards, whether in Swaziland or elsewhere;
  - (m) been untruthful or provided false or misleading information to FSRA or been uncooperative in any dealings with FSRA or any other regulatory authority in any jurisdiction.

## **COMPETENCE AND CAPABILITY**

- 2 Has the applicant or any of its substantial shareholders, whether the shareholder is an individual or a company (including the company's related companies), or any director or chief executive officer of the applicant-
- (a) 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) its directors or equivalent persons, chief executive officer or equivalent person, the persons that it employs, authorises or appoints to act on its behalf, in relation to its conduct of the activity regulated

under the Securities Act, where applicable, have satisfactory educational qualification or experience, whether in Swaziland or elsewhere;

**Financial Soundness**

- 3. Within the past 10 years, has the applicant or any of its substantial shareholders, whether the shareholder is an individual or a company (including the shareholders' related companies), or any director or chief executive officer of the applicant-
  - (a) been or is 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. Set out any additional information that is relevant or material to this application.

**VII. 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) are true and correct.

Signature\_\_\_\_\_

Signature\_\_\_\_\_

Name of Director\_\_\_\_\_

Name of Director/Secretary\*\_\_\_\_\_

Date (dd/mm/yy)\_\_\_\_\_

Date (dd/mm/yy)\_\_\_\_\_

