

thousand and a minimum liquidity margin of not less than 10% of prescribed minimum net capital. Rule 28 and 29, Accounting and Financial Requirements Rules.

6. Fitness and properness of an applicant

- Satisfactory character references must be obtained From referees
- Satisfactory vetting received from Zambia Police, Drug Enforcement Commission, Bank of Zambia, Anti-Corruption Commission and Pensions and Insurance Authority or other law Enforcement Agencies
- For renewals, applicant must have

conducted its business for previous year in accordance with requirements of Securities Act, i.e. no outstanding inspection findings or, adverse reports from LuSE (for members of LuSE) with respect to, handling of customer complaints, segregation of customer assets, accounting for the use of customer money, payments from customer bank account, etc.

7. Payment of compensation fund levy. [Refer to Securities (Licensing Fees and levies) (Amendment) Rules SI No.82 of 2013]

8. When considering to apply for a license, kindly refer to the checklist relating to the type of license that you are applying for.

### VISION

To stimulate the expansion and grow the capital market in order to make a sustainable and significant contribution to the economic development of Zambia.

### MISSION

To promote and maintain an organised, accessible, transparent, and diversified capital market in Zambia.

### VALUES

**RELIABILITY:** It aims to be a reliable supervisor of the Zambian capital market.

**IMPARTIALITY:** It aims to be an impartial supervisor of the Zambian capital market.

**DEPENDABILITY:** It pledges to be dependable at all circumstances.

**COMMITMENT:** It pledges to reflect unsurpassed levels of commitment to the capital market and all players in it.

**RESPONSIVENESS:** It pledges swift and timely responsiveness to the needs of the capital market and all the players in it.

For more information on the Registration process, please contact:

**SECURITIES AND EXCHANGE COMMISSION**

Plot 3827, Parliament Road, Olympia.

P.O. Box 35165, Lusaka - Zambia.

+260 211 227 012

+260 211 226 386

+260 211 226 911

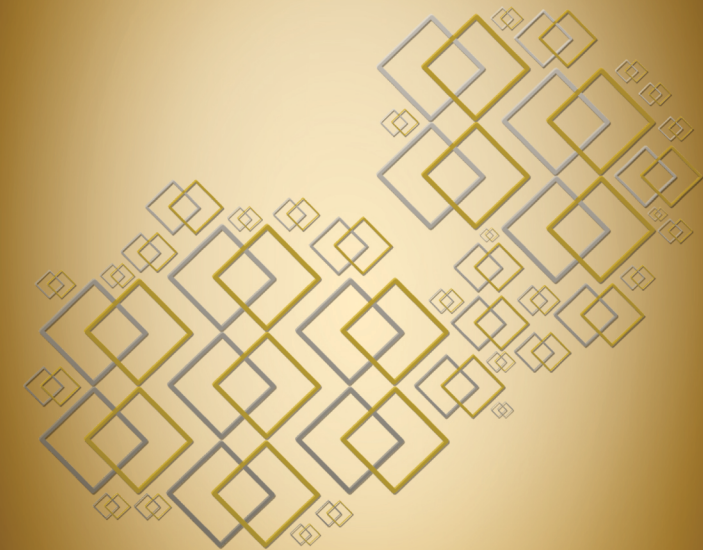
Fax: +260 211 225 443

info@seczambia.org.zm

www.seczambia.org.zm



**SECURITIES AND EXCHANGE COMMISSION**  
*Protecting Investors in the Capital Markets*



# LICENSE APPLICATIONS

## GUIDE





## TYPES OF LICENSES GRANTED BY THE SECURITIES AND EXCHANGE COMMISSION

---

All persons carrying on securities business in Zambia are required to be licensed. There are five types of licenses that may be granted by the Securities and Exchange Commission.

These are:

### 1. DEALERS LICENSE

For firms engaged in stock broking, corporate finance arrangement, transfer agency, custodial services, treasury management, underwriting securities etc.

### 2. DEALERS REPRESENTATIVES LICENSE

For individuals working for a dealer in a front-line function.

### 3. INVESTMENT ADVISERS LICENSE

For companies or individuals offering investment advice in any capacity as fund managers, asset managers, pension fund managers, etc. (Companies with a dealer's license are exempt from applying for an Investment Advisers license should they seek to engage in investment advisory services).

### 4. INVESTMENT ADVISERS REPRESENTATIVES LICENSE

For companies or individuals offering investment advice in any capacity as fund



managers, asset managers, pension fund managers, etc.

### 5. INVESTMENT ADVISERS REPRESENTATIVE LICENSE

Individuals working for an investment adviser in a front line function.

### 6. LICENSE FOR STOCK EXCHANGES

For companies operating a stock exchange.

## CHECKLIST FOR APPLICATION

---

1. To be licensed, a formal application must be made to the Securities and Exchange Commission. If approved, the license is granted for a renewable period of one year.

Below is a brief outline of the core-requisite for each type of license:

- Formal application made on a prescribed

- form (Second Schedule, Securities Act) must be filled in a sealed envelope and delivered to the Commission, together with any necessary annexure:

- Dealer's License: Form 2

- Investment Adviser's License (company): Form 3

- Investment Adviser's License (individual): Form 4

- Renewal of Dealer's or Investment Adviser's License: Form 5

- Representative License: Form 6

- Renewal of Representative License: Form 7

2. The application must be accompanied by prescribed License fee. [Refer to Securities (Licensing Fees and levies) (Amendment) Rules SI No.82 of 2013].

3. Applications must be accompanied by a detailed Statement of assets and liabilities signed by the applicant (Individuals) or copies of the audited last balance sheet and Profit and loss account (if any) incorporating the results of the last financial year (company).

4. Copy of the report of the company's auditors on the Financial report.

5. Determine compliance as to capital adequacy in terms of Securities (Accounting and Financial Requirements) rules.

- Every license shall at all time in its business maintain a net capital of not less than K50.

