



**SECURITIES AND EXCHANGE COMMISSION
ZAMBIA**

MARKET GUIDANCE NOTE NO. 1 OF 2014

**CONDUCT BY LOCAL AND FOREIGN UNLICENSED ENTITIES ACTING AS
DEALERS, INVESTMENT ADVISORS AND REPRESENTATIVES IN
TRANSACTIONS RELATING TO CAPITAL MARKETS**

- 1.0 The Securities and Exchange Commission (“the Commission”) has a statutory mandate to promote and encourage high standards of investor protection and integrity in the Capital Markets in order to foster confidence in the markets by the public as a whole. Pursuant to its mandate to protect investors and ensure orderly Capital Markets, the Commission will, with immediate effect, not allow any foreign based or local person, company or entity to offer investment advisory services or operate, in any other manner, in the Zambian Capital Markets without the requisite license from the Commission.
- 2.0 The relevant licensing requirements are set out under Part IV of the Act which clearly stipulates that persons or entities who act as Dealers, Investment Advisors or Representatives need to be licensed by the Commission before undertaking any work or performing any functions that may fall within the ambit of dealing, investment advisory or representation relating to securities business.
- 3.0 The Commission will, pursuant to the provisions of the Securities Act, Cap. 354 of the Laws of Zambia (“the Act”), not tolerate local or foreign based persons, companies or entities acting as representatives, investment advisors or are engaged in dealing in securities when they are not holders of a representative’s, investment advisor’s or dealer’s license respectively. The Act requires market players to be licensed with the Commission for them to perform these functions.
- 4.0 Therefore, any local or foreign person or entity doing business in the Republic of Zambia or who engages in one or more activities characteristic of Dealers, Investment Advisors or Representatives described above and is not licensed with the Commission is hereby directed to comply with the prescribed legal provisions set out herein.

For any clarifications please contact the Commission on the following numbers 260-211-227012/222368 or email: info@seczambia.org.zm

Issued on 4th September, 2014

Phillip K. Chitalu
ACTING SECRETARY AND CHIEF EXECUTIVE