1. Citation

These rules may be cited as the Securities (Brokerage Fees for Exchange Traded Funds on Foreign Underlyings) Rules 2013.

2. Interpretation

“Act” means the Securities Act 2005;

“Clearing and Settlement Facility” has the same meaning as in the Act;

“Commission” has the same meaning as in the Act;

“debt security” includes debentures, debenture stock, loan stock, bonds, convertible bonds or other similar instruments;

“Exchange Traded Funds” means fully funded and unleveraged securities listed on a securities exchange that track the performance of a specified security or other asset or group of assets which include indices, commodities, currencies or any other asset acceptable to the securities exchange;

“foreign underlying” means a security or group of securities issued by a foreign issuer or an asset or group of assets held in a foreign jurisdiction, including indices, commodities and currencies that are not listed on a securities exchange in Mauritius;

“investment dealer” has the same meaning as in the Act;

“securities exchange” has the same meaning as in the Act.

3. Brokerage Fee

(1) Every investment dealer licensed under the Act shall, after the completion of a transaction in Exchange Traded Funds on foreign underlyings on a securities exchange, recover from its client –
(a) brokerage fee at the rate specified in the fifth column of Part I of the Schedule where the foreign underlying of the Exchange Traded Fund is a security, other than a debt security;

(b) brokerage fee at the rate specified in the fifth column of Part II (a) of the Schedule where the foreign underlying of the Exchange Traded Fund is a debt security and the value of the transaction exceeds or equals to Rs 75,000; or

(c) the amount of brokerage fee specified in the fifth column of Part II (b) of the Schedule where the foreign underlying of the Exchange Traded Fund is a debt security and the value of the transaction is less than Rs 75,000.

(2) The brokerage fee referred to in paragraph (1) shall be applicable to all transactions in Exchange Traded Funds on foreign underlyings.

(3) The brokerage fee claimed by an investment dealer under these rules from its client shall be apportioned among the investment dealer, the securities exchange, the Commission and the Clearing and Settlement Facility as specified in the Schedule.

[Amended by GN No. 244 of 2019]

4. Commencement

These Rules shall come into operation on 15 July 2013.

Made by the Financial Services Commission on 10 July 2013.
SCHEDULE
(Rule 3)

PART I

For transactions where the foreign underlying of the Exchange Traded Fund is a security other than a debt security

<table>
<thead>
<tr>
<th>Investment Dealer</th>
<th>Securities exchange</th>
<th>The Commission</th>
<th>Clearing and Settlement Facility</th>
<th>Total brokerage fee claimed for apportionment</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of transaction value</td>
<td>% of transaction value</td>
<td>% of transaction value</td>
<td>% of transaction value</td>
<td>% of transaction value</td>
</tr>
<tr>
<td>0.21</td>
<td>0.07</td>
<td>0.014</td>
<td>0.056</td>
<td>0.35</td>
</tr>
</tbody>
</table>

[Amended by GN No. 244 of 2019]

PART II (a)

For transaction value on Exchange Traded Funds with debt securities as foreign underlyings which exceeds or equals to Rs 75,000

<table>
<thead>
<tr>
<th>Investment Dealer</th>
<th>Securities exchange</th>
<th>The Commission</th>
<th>Clearing and Settlement Facility</th>
<th>Total brokerage fee claimed for apportionment</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of transaction value</td>
<td>% of transaction value</td>
<td>% of transaction value</td>
<td>% of transaction value</td>
<td>% of transaction value</td>
</tr>
<tr>
<td>0.0725</td>
<td>0.0125</td>
<td>0.0025</td>
<td>0.0125</td>
<td>0.10</td>
</tr>
</tbody>
</table>

[Amended by GN No. 244 of 2019]
PART II (b)

For transaction value on Exchange Traded Funds with debt securities as foreign underlyings which is less than Rs 75,000

<table>
<thead>
<tr>
<th>Investment Dealer</th>
<th>Securities Exchange</th>
<th>The Commission</th>
<th>Clearing and Settlement Facility</th>
<th>Total brokerage fee claimed for apportionment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs 55</td>
<td>Rs 9</td>
<td>Rs 2</td>
<td>Rs 9</td>
<td>Rs 75</td>
</tr>
</tbody>
</table>

[Amended by GN No. 244 of 2019]