

## THE SECURITIES ACT

### FSC Rules made by the Financial Services Commission under section 93 of the Financial Services Act and section 155 of the Securities Act

1. These Rules may be cited as the Securities (Brokerage Fees for Turnaround Trades) (Amendment) Rules 2021.
2. In these Rules, “principal rules” means the Securities (Brokerage Fees for Turnaround Trades) Rules 2013.
3. The principal rules are amended by –

(a) in rule 2 –

(i) by deleting the following definitions –

(A) CDS; and

(B) SEM

(ii) by inserting in the appropriate alphabetical order the following new definitions –

(A) “Clearing & Settlement Facility” means a clearing & settlement facility licensed under the Securities Act 2005;

(B) “Securities Exchange” means a securities exchange facility licensed under the Securities Act 2005.

(iii) by deleting in the definition of “trade” or “transactions”, the words “the Automated Trading System of the SEM” and replacing same by the words “trading platform of a Securities Exchange.”

(b) by deleting rule 3 and replacing same by –

#### **3. Brokerage Fee**

(1) The brokerage fee claimed by an investment dealer from its client shall be a fair amount with regard to the value of the consideration of the transaction, after taking into consideration factors such as costs, fees payable to the securities exchange, the clearing and settlement facility and the Commission.

(2) Every investment dealer shall publish its maximum brokerage fee prominently on its website disclosing the information prescribed in the schedule to these Rules.

The Chief Executive reserves the right to require the maximum brokerage fee to be revised downwards if, in the opinion of the Chief Executive, it is excessive

(3) The amount payable to the Commission shall be 0.005% of the value of the consideration of the relevant transaction.

(c) in **PART I** of the **SCHEDULE**, by deleting from the table, the following columns –

- (i) Investment Dealer;
- (ii) SEM;
- (iii) CDS; and
- (iv) Total brokerage fee claimed for apportionment.

(d) in **PART II** of the **SCHEDULE**, by deleting from the table, the following columns –

- (i) Investment Dealer;
- (ii) SEM;
- (iii) CDS; and
- (iv) Total brokerage fee claimed for apportionment.

4. These Rules shall come into operation on xx

Made by the Financial Services Commission on xx