

## **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 Exchange Traded Funds on Foreign Underlyings) (Amendment) Rules 2021.
2. In these Rules, “principal rules” means the Securities (Brokerage Fees for Exchange Traded Funds on Foreign Underlyings) Rules 2013.
3. The principal rules are amended by –
  - (a) in rule 3 –
    - (i) by deleting paragraph (1) and replacing same by –
      - (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 which 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.
    - (ii) by deleting paragraph (3); and
    - (iii) by inserting the following new paragraphs –
      - (4) Every investment dealer must publish its maximum brokerage fee prominently on its website, disclosing the information prescribed in the schedule to these Rules;
      - (5) 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;
      - (6) The amount payable to the Commission shall be remain the same value of the consideration of the relevant transaction.
      - (7) The brokerage fee claimed by an investment dealer from its client shall be disclosed to its client together with the amounts payable to the investment dealer, the securities exchange, the clearing and settlement facility and the Commission in respect of the relevant transaction.
4. These Rules shall come into operation on xx.

Made by the Financial Services Commission on xx.