



REGULATORY SANDBOX POLICY GUIDANCE NOTE

Annex A

Application Form

Thank you for your interest in the Capital Markets Authority's Regulatory Sandbox. The Regulatory Sandbox is intended to allow for testing of innovative products, solutions and services that have the potential to deepen or broaden the Kenyan capital markets.

Eligible firms may participate in the Regulatory Sandbox if they meet the criteria set in this Policy Guidance Note.

This application form is intended to assist the Authority in understanding your innovative product, solution or service and to help the Authority determine whether you qualify for participation in the Regulatory Sandbox.

The completed application form, along with all required supporting documentation, must be submitted to the Authority. If the Authority has questions or require additional information, the Authority will contact you within fourteen working days.

**Regulatory Sandbox
Application Form**

1. General Information

Name of firm	
Full names of all owners/founders and key management personnel	
Business address	
Phone number	
Website URL (<i>if available; if password protected, please provide relevant access details</i>)	
Contact person: Name Title Telephone number Email address	

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Telephone number Email address	
Is your business or any affiliated business (or their owners/founders or employees) currently registered, licensed, or supervised by the Capital Markets Authority? If yes, please provide details.	
Is your business, any affiliated business (or their owners/founders or employees) currently involved in an active dispute or enforcement action within the mandate of the Capital Markets Authority? If yes, please provide details.	
Is your business or any affiliated business (or their owners/founders or employees) currently registered, licensed, or supervised by any other financial services authority in Kenya or other jurisdiction? If yes, please provide details.	
Is your business or any affiliated business (or their owners/founders or employees) currently operating under any regulatory exemption granted by the Authority or any other authority in Kenya or other jurisdiction? If yes, please provide details. Please describe the nature and scale of your current operations in Kenya.	

2. Details of the Sandbox Proposal

Additional information may be provided as supporting documents

Describe your innovative product, solution or service. Attach a business model or project synopsis.	
Describe the technology and/or methodology that will be used to offer your product, solution or service.	

<p>Explain how your product, service, or solution will foster or accelerate the development of the Kenyan capital markets.</p>	
<p>Identify the type of customers and/or investors you will target to participate in the Regulatory Sandbox test.</p>	
<p>How do you intend to acquire and engage clients?</p>	
<p>Identify any other businesses or partners or institutions that you are working with or plan to work with if you are selected to participate in the Regulatory Sandbox.</p> <p>Describe the business strategy or plan to deploy the product, solution or service in the broader Kenya marketplace after exiting the Regulatory Sandbox.</p> <p>Explain why your product, solution or service would benefit from participation in the Regulatory Sandbox.</p>	
<p>Identify the specific legal and regulatory requirements prescribed by the Authority that would need to be varied or waived in connection with a Regulatory Sandbox test of your product, solution or service.</p> <p>If you think your product, solution or service raises new or complex regulatory concerns, please describe.</p>	
<p>Describe the current stage of development of your product, solution or service. If the product is not sufficiently developed to offer to customers, what is the anticipated development path and timeline for live testing?</p> <p>Describe the key investor protection, market stability and any other risks associated with</p>	

<p>your product, solution or service and how you have or intend to address those risks.</p> <p>Describe your plan for exiting from the Regulatory Sandbox.</p> <p>If you are successful, what is your plan for offering your product, service or solution on broader scale within Kenya?</p>	
<p>If you are unsuccessful, what is your plan for winding down the firm and addressing investor's interests or developing an alternative approach?</p>	
<p>Briefly describe or attach short bios on your key personnel's technology or financial industry experience.</p>	
<p>Please describe the financial resources, including any venture funding or potential funding, you intend to use to develop and test your product, service, or solution in the Sandbox.</p>	

3. Testing Criteria

<p>Describe the use case that you are proposing to test in the Regulatory Sandbox.</p>	
<p>Describe in detail the testing program you propose, including:</p> <ul style="list-style-type: none">(a) test objectives and intended outcomes;(b) test parameters to measure the success of the test objectives/outcomes;(c) control boundaries for the test, including, inter alia, customer type and number, and transaction size and total exposure limit;(d) customer acquisition plan for the test;(e) customer communication plans and templates, including sample risk disclosures for the live-test;(f) key testing milestones and timelines;(g) anticipated duration; and(h) an exit strategy for customers upon completion or discontinuation of the live test.	
<p>Describe the proposed control program and safeguards for a live test, including:</p> <ul style="list-style-type: none">(a) measures to monitor and ensure compliance with the safeguards to be established for the test;(b) measures to mitigate risks and impact to customers arising from any test failures;(c) reliance on other test partners (such as regulated financial institutions) to monitor or mitigate regulatory risks;(d) measures to handle customer inquiries, after-test services and complaints in a fair and effective manner; and(e) any programs for compensating customers who may have suffered damage as a result of participating in the test.	

I/WE.....
..... declare that all information given
in this application and in the attached documents is true and correct.

Dated this day of 20.....

Signed –

Name

Position

Name

Position

4. Attachments

Please attach:

- 4.1.Certified copies of all incorporation documents
- 4.2.Certified list of directors and shareholders
- 4.3.CVs for all founders and/or key management personnel
- 4.4.Testing Plan
- 4.5.Safeguards Plan (risk management plan)

5. Submission

The application form and any supporting documentation must be submitted electronically to the Authority. All application materials will remain confidential, although the Authority may disclose data on the number and types of firms that have applied to participate in the Sandbox.

If you have questions during the application and review process, you may contact the Authority at

Embankment Plaza, 3rd Floor, Longonot Road, Upperhill P.O. Box 74800-00200, Nairobi

Email: sandbox@cma.or.ke & src@cma.or.ke
