



CMA CIRCULAR NO.10/2016

DATE: OCTOBER 17th, 2016
TO: ALL LICENSEES
RE: EXEMPTION FROM THE MARKET CERTIFICATION AND COMPETENCY STANDARDS PURSUANT TO REGULATION 19(3) OF THE CAPITAL MARKETS (CORPORATE GOVERNANCE) (MARKET INTERMEDIARIES) REGULATIONS, 2011

Reference is made to the circular dated November 6th, 2015 on the above subject matter. The Authority wishes to inform the market that Stage One of the certification program, the Introduction to International Securities and Investments (IISI) Kenya Module has been ongoing since the launch in April of 2016 while Stage Two, the Regulations and Market Practice Module went live on August 21st, 2016. The deadline for employees to comply with Stage One Module is January 4th, 2017 while the deadline to comply with Stage Two Module is August 21st, 2017.

Regulation 19(3) of the Capital Markets (Corporate Governance) (Market Intermediaries) Regulations, 2011 (**the Regulations**) were enacted on October 14, 2011 and came into effect on 14 October 2012. The regulations provide that the management of a market intermediary shall ensure that *all employees have and document an appropriate training programme based on the needs of the market intermediary and the requirements of the Authority*. Persons who have undertaken a comparative program may apply to the Authority for exemption.

In this regard, please be advised that the qualifications that are exempt from Stage One, the Introduction to International Securities and Investments (IISI) Kenya, which covers a broad overview of international and local aspects of finance and capital markets include the Certified Financial Analyst (CFA), Financial Risk Manager (FRM) and Institute of Certified Investment and Financial Analysts (ICIFA). It should be noted however that even those with the aforementioned professional qualifications will still be expected to sit and pass Stage Two of certification, which is the Regulations and Market Practice Module that covers specific regulatory and conduct of business aspects in detail specific to Kenya.

Individuals who are able to evidence 10 years of experience prior to January 4th, 2017 will be entitled to exemption from the entire program but will be required to attend Continuous Professional Development (CPD) training sessions in future. Please visit our website at www.cma.or.ke for more information on the modalities of preparing for and taking the exams.

Yours sincerely

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CHIEF EXECUTIVE