



CLARIFICATION ON ALLOWANCES PAID TO CMA BOARD MEMBERS

The attention of the Capital Markets Authority has been drawn to an article on Page 6 in the Business Daily of 12 March 2018, which wrongfully and negligently indicates that independent Board Members of the Authority earn a sitting allowance of Ksh48,250 for attending Board meetings.

We would like to clarify that the Authority pays Board Members a sitting allowance of Ksh20,000 per meeting, a monthly honoraria of Ksh80,000 for the Chairman, while other members earn monthly retainer fees of Ksh70,000. These allowances are paid as approved by the National Treasury and the State Corporations Advisory Committee.

In line with its commitment to upholding sound corporate governance and transparency, the Authority has in its Annual Report for the 2016/17 Financial Year provided complete disclosure on the attendances of Board Members to all Board and Committee meetings including disclosures where members have attended Board Committee Meetings as co-opted Members as a consequence of vacancies in the Board's constitution.

The financial statements of the Authority have been reviewed in all years by the Auditor General and have consistently received clean opinions further bringing into question the intentions and reliability of the article published.

The Board of the Authority takes great exception to the misleading and misrepresentative story published and looks forward to the early publication of a correction and retraction of the same.