



UGANDA SECURITIES EXCHANGE
Fees, charges and penalties
Rules 2012

UGANDA SECURITIES EXCHANGE
FEES, CHARGES AND PENALTIES RULES 2012

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UGANDA SECURITIES EXCHANGE
FEES, CHARGES AND PENALTIES RULES 2012
*(Under Section 25 of the Capital Markets Authority Act, Cap 84 and
regulation 13 (vii) of the Capital Markets Authority (Establishment of Stock Exchanges)
Regulations 1996, Statutory Instrument No. 54 of 1996).*

PART I – APPLICATION AND DEFINITIONS

1. Application

- (1) This document forms part of the Rules and Regulations of the Uganda Securities Exchange.
- (2) These Rules shall apply to all members and listed entities.
- (3) These Rules shall repeal and replace any of the provisions of the Securities Exchange Rules currently in force relating to any fees, charges or penalties.

2. Interpretation

- (1) The terms, words and phrases defined in, and the provisions of the Capital Markets Authority Act, Cap 84, (including the rules and regulations made under it), and in the Memorandum and Articles of Association of Uganda Securities Exchange Limited apply to these Rules.
- (2) Unless inconsistent with the context, the singular includes the plural.
- (3) Headings are purely for reference purposes and shall not be taken into account in the interpretation of the Rules.

3. Definitions

In these Rules, unless the context otherwise requires-

"Authority"	means the Capital Markets Authority established under Cap. 84 Laws of Uganda;
"Act"	Refers to the Capital Markets Authority Act Cap. 84, Laws of Uganda as amended;
"Additional listing"	Means a listing resulting from a rights issue, a capitalization issue or a script (bonus) issue;
"Compensation Fund"	Means the compensation fund established under the Capital Markets Authority Act Cap. 84, Laws of Uganda;
"cross listing"	The listing of securities on the USE which securities are already listed on another stock exchange;
"Currency point"	Is equivalent to Uganda shillings twenty thousand;
"East African Community"	Any States that have joined or have been affiliated to the East African Community (EAC);
"Governing Council"	means the Board of Directors of Uganda Securities Exchange Limited also referred to as the "Council" in Section 1 of the Act and these Rules;
"Listed entity"	Also referred to as "listed company" shall mean a company whose securities have been admitted to the Official list of the USE;
"Member"	Means a Member firm of the Uganda Securities Exchange Limited;
"Securities"	

Exchange”

Means the Uganda Securities Exchange.

PART II – FEES AND CHARGES RELATING TO MEMBERSHIP

4. Membership fees

The following fees shall apply with respect to the following instances relating to a member or membership of the Securities Exchange:

	Instance	Fee payable	Old fee
(1)	Application for membership to the Securities Exchange	200 currency points	50 cp
(2)	Entrance to membership	5,000 currency points	750 cp
(3)	Annual membership	125 currency points	100 cp

5. Cash Guarantee

Members of the Securities Exchange shall be required to furnish a cash guarantee amounting to 5,000 currency points for purposes of assuring their settlement obligations.

6. Payment of membership fees

- (1) All membership fees, with the exception of application to membership fee and entrance fee, shall be payable in advance not later than the 10th day of January of each calendar year.
- (2) The membership application fee must accompany an application for membership and shall not be refundable in the event of an unsuccessful application.
- (3) Following admission to membership, a member will be required to pay an entrance fee as prescribed by the Exchange.

PART III – PENALTIES RELATING TO MEMBERSHIP

7. Penalties for members

Members of the Securities Exchange shall be liable to pay the following penalties in the following instances:

	Instance	Penalty payable	Old pen.
(1)	Late payment of the annual fees or charges above including but not limited to annual membership fees and floor trader permits	50 currency points	50 cp

8. Payment of penalties

All penalties relating to membership shall be payable immediately upon receipt of a demand note and shall accrue a daily fine of 20 currency points on each day after the due date stated in the note until payment in full.

PART IV – FEES RELATING TO LISTING

9. Listing fee for the Main Investment Market Segment (MIMS)

The following fees shall apply with respect to listing on the Main Investment Market Segment of the Securities Exchange:

	Instance	Fee / charge payable	Old fee
(1)	Application for listing	200 currency points	50 cp
(2)	Re-submission of application for listing	50 currency points	25 cp
(3)	Initial listing	0.2% of the value of the securities to be listed subject to a minimum of 200 currency points	0.2% of the value of securities to be listed subject to a minimum of 200 currency points and a maximum of 2,000 currency points
(4)	Additional listing	0.2% of the market capitalization of the additional securities to be listed	0.1% of the value of securities to be listed subject to a minimum of 100 currency points and a maximum of 1,000 currency points
(5)	Annual listing	0.05% of market capitalization of the issuer subject to a minimum of 200 currency points and a maximum of 5,000 currency points. * The annual listing fee will be calculated on the basis of a 12 month average market capitalization	0.05% of market capitalization of listed securities subject to a minimum of 200 currency points and a maximum of 1,500 currency points. * The annual fee will be calculated on the basis of a 12 month average market capitalization

10. Payment of listing fee for the Main Investment Market Segment (MIMS)

(1)The application to list(on the MIMS) shall be accompanied by the application for listing fee.

(2)A re-submission of the application for listing shall be accompanied by the re-submission of application for listing fee.

(3)The initial listing fee shall be payable upon receipt of a letter of admission to the official list.

(4)The additional listing fees above shall be payable upon an application to list additional securities.

(5)The annual listing fees above shall be payable not later than the 10th day of January of each calendar year.

11. Listing fee for the Growth Enterprise Market Segment (GEMS)

The following fees shall apply with respect to listing on the Growth Enterprise Market Segment of the Securities Exchange:

	Instance	Fee / charge payable
1)	Application for listing	100 currency points
2)	Any re-submission of application for listing	50 currency points
3)	Initial listing	0.1% of the value of securities to be listed
4)	Additional listing	0.1% of the market capitalization of the additional securities to be listed
5)	Annual listing	0.05% of market capitalization of the issuer subject to a maximum of 1000 currency points * The annual fee will be calculated on the basis of a 12 month average market capitalization

12. Payment of listing fee for the Growth Enterprise Market Segment (GEMS)

(1) The application to list(on the GEMS) shall be accompanied by the application for listing fee.

(2)A re-submission of the application for listing shall be accompanied by the re-submission of application for listing fee.

(3)The initial listing fee shall be payable upon receipt of a letter of admission to the official list.

(4)The annual listing fees above shall be payable not later than the 10th day of January of each respective year.

13. Listing fee for the Fixed Income Securities Market Segment (FISMS)

The following fees shall apply with respect to listing on the Fixed Income Securities Market Segment of the Securities Exchange for fixed income securities other than Government securities:

	Instance	Fee / charge payable
1)	Application for listing	200 currency points
2)	Any re-submission of application for listing	50 currency points
3)	Initial listing	0.1% of the value of the securities to be listed subject to a minimum of 200 currency points
4)	Additional listing	0.1% of the market capitalization of the additional securities to be listed subject to a minimum of 50 currency points

5)	Annual listing	0.025% of market capitalization of the outstanding listed securities subject to a minimum of 150 currency points
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14. Listing fee for Government Bonds

The following fees shall apply with respect to listing of Government securities:

	Instance	Fee / charge payable	Old fee
1)	Application for listing	200 currency points	150 cp
2)	Any re-submission of application for listing	50 currency points	25 cp
3)	Initial listing	0.1% of the value of the securities to be listed subject to a minimum of 250 currency points and a maximum of 500 currency points	0.1% of the value of securities to be listed subject to a minimum of 250 currency points and a maximum of 2,000 currency points with the exception of Government bonds which shall be subject to a minimum of 200 currency points and a maximum of 500 currency points
4)	Re-opening	0.1% of the value of the securities to be listed subject to a minimum of 250 currency points	Nil
5)	Annual listing	0.025% of market capitalization of the outstanding listed securities subject to a minimum of 250 currency points	0.025% of market capitalization of listed outstanding securities subject to a minimum of 150 currency points and a maximum of 1,500 currency points with the exception of Government bonds which shall be subject to a minimum of 100 currency points and a maximum of 500 currency points.

15. Payment of listing fee for the Fixed Income Securities Market Segment (FISMS)

- (1) The application to list (on the FISM|) shall be accompanied by the application for listing fee.

- (2) A re-submission of the application for listing shall be accompanied by the re-submission of application for listing fee.
- (3) The initial listing fee shall be payable upon receipt of a letter of admission to the official list.
- (4) The additional listing fees above shall be payable upon an application to list additional securities.
- (5) The annual listing fees above shall be payable not later than the 10th day of January of each respective year.

16. Listing fees and charges for cross listings from within the East African Community

The following fees shall apply with respect to cross listings from within the East African Community:

	Instance	Fee payable	Old fee
1)	Application for listing	200 currency points	50 cp
2)	Any re-submission of application for listing	50 currency points	25 cp
3)	Initial listing in the case where the cross listing is not accompanied by a local float of securities for the Ugandan market	0.1% of the market capitalization of the applicant	All securities listed on the USE as a secondary listing from companies domiciled in the East African Community shall pay an initial listing fee of 0.0 1% of the market capitalization of securities to be listed subject to a maximum of 500 currency points and a minimum of 200 currency points
4)	Initial listing in the case where the cross listing is accompanied by a local float of securities for the Ugandan market valued at not less than US\$ 5 million in market capitalization	0.025% of the market capitalization of the local float	All securities listed on the USE as a secondary listing from companies domiciled in the East African region shall pay an initial listing fee of 0.1% of the market capitalization of securities to be listed subject to a maximum of 500 currency points and a minimum of 200 currency points.
5)	Initial listing in the case where the cross listing is accompanied by a local float of securities for the Ugandan	0.05% of the market capitalization of the local float	“

	market valued at between 0\$ and US\$ 5 million in market capitalization		
6)	Annual listing in the case where there is no local float	0.025% of full market capitalization	
7)	Annual listing in the case where the local float of securities on the Ugandan market is valued at US\$5 million in market capitalization	0.00625% of the market capitalization of the issuer subject to a minimum of 5000 currency points	All securities listed on the USE as a secondary listing from companies domiciled in the East African community shall pay an annual listing fee of 0.025% of the market capitalization of the securities listed subject to a maximum of 1,000 currency points and a minimum of 150 currency points
8)	Annual listing in the case where the local float of securities on the Ugandan market is valued at less than US\$ 5 million in market capitalization	0.0125% of the market capitalization of the local float subject to a maximum of 2500 currency points	“
9)	Additional listing fees	0.2% of the market capitalization of the additional securities to be listed subject to a minimum of 1000 currency points	0.1% of the market value of additional securities to be listed subject to a minimum of 100 currency points and a maximum of 1,000 currency points

17. Listing fees and charges for cross listings from without the East African region

The following fees shall apply with respect to cross listings from without the East African Community:

	Instance	Fee payable	Old fee
1)	Application for listing	1,000 currency points	1000 cp
2)	Any re-submission of application for listing	500 currency points	500 cp
3)	Initial listing in the case where cross listing is not accompanied by a local float of securities for the Ugandan market	0.1% of the market capitalization of the applicant subject to a minimum of 5,000 currency points.	0.1% of the market capitalization of the securities to be listed subject to a maximum of 7,500 currency points and a minimum of 5,000 currency points.
4)	Initial listing in the case where the cross listing is accompanied	0.05% of the market capitalization of the local	

	by a local float of securities for the Ugandan market valued at not less than US\$ 25 million in market capitalization	float of the applicants subject to minimum of 10,000 currency points	
5)	Annual Listing in the case where the cross listing is not accompanied by a local float of securities for the Ugandan market	0.025% of the market capitalization of the issuer subject to a minimum of 1,000 currency points	0.025% of the market capitalization of the securities listed subject to a maximum of 2,000 currency points and a minimum of 1000 currency points.
6)	Annual listing in the case where the cross listing is accompanied by a local float of securities for the Ugandan market valued at not less than US\$ 25 million in market capitalization	0.00625 of the market capitalization of the local float subject to a minimum of 5,000 currency points	
7)	Additional listing fees	0.2% of the market capitalization of the additional securities to be listed subject to a minimum of 2000 currency points	

18. Payment of fees for cross listings

- (1) The application to cross list on the Securities Exchange shall be accompanied by the application for listing fee.
- (2) A re-submission of the application for cross listing shall be accompanied by the re-submission of application for listing fee.
- (3) The initial and additional cross listing fees above shall be payable upon receipt of a letter of admission to the official list.
- (4) The annual listing fees for cross listed entities as designated above shall be payable not later than the 10th day of January of each respective year.

PART V – PENALITIES RELATING TO LISTING

19. Penalties for listed companies

Companies listed on the Securities Exchange shall be liable to pay the following penalties in the following instances:

	Instance	Fee payable	Old fee
1)	Upon late payment of listing fees	500 currency points	None
2)	Upon late submission of audited annual accounts	500 currency points	Maximum penalty of 100 currency points in the event that the default

			persists for a period of 30 calendar days. Maximum penalty of 200 currency points if not received within 90 days after default
3)	Upon late submission of interim results (semi annual accounts)	500 currency points	Maximum penalty of 50 currency points in the event that the default persists for a period of 30 calendar days Maximum penalty of 100 currency points if not received within 90 days after default
4)	Upon late notification of events	250 currency points	Maximum penalty of 10 currency points if more than 30 days elapse between the occurrence of the event and the date the announcement is made An additional penalty of 1 currency point per calendar day of default

20. Payment of penalties

All penalties relating to listing shall be payable immediately upon receipt of a demand note and shall accrue a daily fine of 20 currency points on each day after the due date stated in the note until payment in full.

21. Special provision relating to the listed entities

Listed entities shall be liable to action under any other relevant Rules of the Securities Exchange after 5 days of default in addition to the penalties in Rule 19 above.

PART VI – CHARGES RELATING TO TRADING

22. Charges relating to equity trades

The following commissions shall be charged by the following parties in relation to equity trades:

	Party	Commission payable	Old fee
1)	Broker	1.7% of the value of the trade	Fixed at 1.7%
2)	USE	0.14% of the value of the trade	0.14%
3)	CMA	0.14%	0.14%
4)	Compensation fund	0.02% of the value of the trade	0.02%
5)	SCD	0.1% of the value of the trade	0.1%
	Total (maximum)	2.1%	2.1%

23. Charges relating to bond trades

The following commissions shall be charged by the following parties in relation to bond trades:

	Party	Commission payable	Old fee
1)	Broker	0.031825% of the value of the trade	0.0625%
2)	USE	0.015675% of the value of the trade	None
3)	CMA	0%	None
4)	Compensation fund	0.00125% of the value of the trade	None
5)	SCD	0.00125% of the value of the trade	None
	Total (maximum)	0.05%	0.0625%

PART VII – FEES RELATING TO THE SECURITIES CENTRAL DEPOSITORY (SCD)

24. SCD fees

The following fees shall apply to the following parties with respect to SCD operations:

	Instance	Fee payable	Old fee
1)	Appointment of SCD Agent in the case where the applicant is a member of the Securities Exchange	50 currency points	same
2)	Appointment of SCD Agent in the case where the applicant is not a member of the Securities Exchange	125 currency points	same
3)	SCD annual subscription	50 currency points	Same
4)	Statements issued on the request of an account holder	Nil	Same
5)	Upon withdrawal of securities	0.75 currency points	0.75 currency points
6)	Upon recording, releasing or foreclosing of pledges	2 currency points	same
7)	Prompt trades	0.5 currency points	Same

25. SCD penalties

The following parties shall suffer the following penalties with respect to SCD operations:

	Instance	Fee payable	Old fee
1)	Broker's failure to allocate trades on T+3	0.14% of the value of the trade on the day after the due date and 50 currency points on each day of	A daily fine of 0.14% of the value of the transaction until the situation is rectified by 12:00 noon on T + 3.

		default until allocation	50 currency points for any transaction
2)	Settling participant's failure to avail adequate funds for settlement on its settlement account by 3:30 p.m. on T+4	200 currency points on the day after the due date and suspension from trading until rectification of the situation	Penalty of 100 currency points and suspension until the penalty is fully paid.

PART VIII – GENERAL AND MISCELLANEOUS PROVISIONS

26. General penalties relating to members

The members of the Securities Exchange shall be liable to pay the following general penalties with respect to the following instances:

	Instance	Fee payable	Old fee
1)	Failure to make full payments of monies due to clients in a timely manner	100 currency points	100 currency points
2)	Breaching of any provisions of the Rules or Codes of the Securities Exchange including provisions for which no specific penalty has been prescribed	500 currency points	150 currency points

27. Payment of penalties

All penalties in the Rule above shall be payable immediately upon receipt of a demand note and shall accrue a daily fine of 20 currency points on each day after the due date stated in the note until payment in full.

28. Amendment of these Rules

- (1) These Rules may be amended from time to time as may be agreed by the Governing Council.
- (2) No amendment to these Rules shall come into force unless and until it has been approved by the Authority.
