

**NATIONAL TREASURY
NASIONALE TESOURIE****No. R. 457****5 June 2015****SECOND PUBLICATION OF DRAFT REGULATIONS MADE UNDER SECTIONS 5(1)
AND 107(2) OF THE FINANCIAL MARKETS ACT, 2012 (ACT NO.19 OF 2012)**

The Minister of Finance, in accordance with the requirements of section 107(2) of the Financial Markets Act, 2012 (Act No.19 of 2012) ("the Act"), hereby publishes draft regulations made under section 5(1) and section 107(2) of the Act, for a second round of public consultation.

The draft regulations were initially published on 4 July 2014 for a first round of public consultation, and a two month period was provided within which any comments on the published draft regulations are to be submitted. Subsequently, the comments received were reviewed and a second draft of the regulations has been compiled, taking into account those comments received.

The second draft of the Ministerial regulations intends to provide for the following matters:

- Prescribes OTC derivatives providers (ODPs) as the "regulated person" in terms of section 5(1)(b);
- Requirements for the regulation of unlisted securities in terms of section 5(1)(a);
- The assets and resources applicable for an applicant of for an exchange licence in terms of sections 8(1)(a);
- Requirements for assets and resources applicable for an applicant of a central securities depository licence and a licensed central securities depository in terms of section 28(1)(a);
- The assets and resources and the requirements and functions of a clearing house that is a central counterparty in terms of sections 48(1)(a) and 107(1)(b);
- Requirements for assets and resources applicable for an applicant for a trade repository licence in terms of 55(1)(a);
- Requirements with which a central securities depository must comply for approval of an external central securities depository as a participant in terms of section 107(1)(b);
- The security services to be provided by an external central securities depository and the functions and duties that may be exercised by an external central counterparty or external trade repository in terms section 5(1)(c) and 107(1)(b); and
- Application and transitional arrangements in terms of section 110(5).

Written comments can be submitted via email to financial.policy@treasury.gov.za with the subject title **FMA: Ministerial regulations**. The deadline for submission is **6 July 2015**.

Copies of the policy document and the draft regulations can be found on the National Treasury website at: <http://www.treasury.gov.za>.