



## MARKET NOTICE

### APPROVAL OF ALTX FEES AND PENALTIES RULES, 2021

ALTX East Africa Ltd (**ALTX**) would like to inform investors that the Capital Markets Authority (**CMA**) approved the ALTX FEES AND PENALTIES RULES, 2021 (**the rules**) on 20<sup>th</sup> May 2021. The rules are drawn up under Section 24 of the Capital Markets Authority Act Cap 84 and Section 10 (3) of the Securities Central Depository Act.

Effective 30<sup>th</sup> July 2021, all prior fee rules will be superseded by the Altx Fees and Penalties Rules, 2021.

All activity on the ALTX platform is now subject to the approved rules which include the following provisions:

- Part I: Membership Fees
- Part II: Trading Fees
- Part III: Auctions
- Part IV: Guarantee Funds
- Part V: Listing Fees (Equity listing fees, Bond Listing fees, Exchange Traded Funds fees, Depository Receipt fees)
- Part VI: Depository, Transaction and Trade Cancellation Fees
- Part VIII: Miscellaneous Provisions

Investors are advised to take note of the following key changes

Trading Fees:

#### BROKERED EQUITY TRADES

Rule 7: ALTX East Africa Ltd will host brokered equity trades on its platform. ALTX East Africa Ltd will charge a maximum fee of **2.1% per side** (buy side and sell side) participating in a trade.

#### BROKERED BOND TRADES

Rule 8: ALTX East Africa will charge a maximum fee of **2.0% per side** (buy side and sell side) participating in the trade.

#### DIRECT MARKET ACCESS EQUITY TRADES

Rule 11: ALTX East Africa shall host un-brokered orders in trades initiated by investors using ALTX' Direct Market Access mode and will charge a total fee of **1.5% per mobile side** of the trade.



#### DIRECT MARKET ACCESS DEBT TRADES

Rule 13: ALTX East Africa shall host un-brokered orders in trades initiated by mobile account holders and will charge a total fee of **1.5% per mobile side** of the trade.

Rule 14: If the mobile order is met by a brokered order, one side of the trade will be charged trading fees at the level in Rule 8.

#### TRADING IN DERIVATIVES, EXCHANGE TRADED FUNDS, DEPOSITORY RECEIPTS

Rule 16: Exchange Traded Funds traded on ALTX East Africa Ltd. will be charged in accordance with the fees associated with the underlying asset as stipulated in rules 7-14 above.

Rule 17: Depository Receipts traded on ALTX East Africa Ltd will be charged in accordance with the fees associated with the underlying asset as stipulated in rules 7-14 above.

#### Account Maintenance Fees

Rule 35. Every account opened on ALTX shall be charged USD 6.00 account maintenance fee per year. This fee shall be paid by deducting the portion of the fee accrued on a daily basis from transactions below UGX 1,000,000, from interest or dividends received by ALTX Clearing Ltd, from the client's holdings or, for those executing large trades, any outstanding sum on the annual fee deducted from the first trade above UGX 1,000,000.

#### Transaction Fees

Rule 36: Every transaction on ALTX shall be charged USD 0.1 (USD 0.05 per side) to be distributed equally between ALTX East Africa Ltd and ALTX Clearing Ltd.

ALTX remains committed to providing investors with the most affordable and innovative investment options on the market.

### **Management**