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FINANCE & BANKING ALERT

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LAST MINUTE INSTRUCTIONS FOR APPLICANTS SEEKING A LICENCE AS AN OVER-THE-COUNTER DERIVATIVES PROVIDER

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The first index is applicable only to banks that are registered under the Banks Act, 1990. The bank must complete [Index 1](#) with the information of the division or unit of the bank that will be conducting the OTC derivatives business on behalf of the bank.

The second index must be completed by all non-bank ODPs seeking a licence. Such non-bank applicants are also required to complete a [capital adequacy form](#), which must be submitted as a supporting document with [Index 2](#). Banks are not required to complete Index 2 in addition to Index 1, or the separate capital adequacy form.

Attached to the indices are two further application forms, one which requires the details of the members of the controlling

body of the ODP or its senior managers, and the second, which requires details of the ODP itself. These application forms state that they have incorporated Annexure 1 to Form FM6, B and C of the FSCA's Conduct Standard 1 of 2018 – Criteria for Authorisation of OTC Derivative Providers (Conduct Standard 1). Accordingly, applicants do not, in addition to completing the application forms attached to their relevant index, also have to complete annexes B and C to Conduct Standard 1.

The FSCA has also released an [instruction document](#), which states that applicants are required to submit two hard copies of their application, together with scanned versions on two separate memory sticks, as well as proof of payment of the application fee. The current application deadline is 14 June 2019, and the FSCA has stated that late applications will not be accepted.

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Bridget King and James Peart

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