



LESOTHO

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LEGAL NOTICE

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LEGAL NOTICE NO. 84 OF 2023

**Central Bank (Collective Investment Schemes) (Amendment)
Regulations, Rectification of Errors Notice, 2023**

Pursuant to section 62 of the Interpretation Act, 1977¹, I,

RAPELANG MOTSIELOA

Attorney-General make the following notice:

Citation and commencement

1. This notice may be cited as the Central Bank (Collective Investment Schemes) (Amendment) Regulations, Rectification of Errors Notice, 2023 and shall come into operation on the date of publication in the Gazette.

Rectification of Errors

2. The Central Bank (Collective Investment Schemes) (Amendment) Regulations, 2023² is rectified by -

- (a) deleting the heading and substituting the words “Disclosure and information on investment choices” as the heading; in regulation 15(6);
- (b) deleting -
 - (i) the word “affected” between the words “amendments” and “pursuant” and substituting the word “effected” in regulation 15(7);
 - (ii) the word “affected” between the word “the” and “amendments” and substituting “effected” in regulation 15(7); and
- (c) attaching the attached schedules.

DATED:

**RAPELANG MOTSIELOA
ATTORNEY-GENERAL**

NOTE

1. L.N. No. 14 of 1977
2. L.N. No. 77 of 2023

SCHEDULE A
(Regulation 4)

APPLICATION FOR LICENSING OF AN ASSET MANAGER

Proposed Asset Manager

To be completed and submitted as part of the Application for Licensing of an Asset Manager in terms of Regulation 4 of the Collective Investment Schemes Regulations, 2018.

The Governor

1. I, the undersigned being the *Chairman/Chief Executive Officer, of
.....
.....
.....
(hereinafter referred to as the “Company”), duly authorised thereto, hereby apply for the registration of the said Company as an asset manager to carry on the business of managing collective investment schemes.

2. The present head-office of the aforesaid Company is situated at:
 - (a) (registered office)
 - (b) (postal address)
 - (c) (street address)
 - (d) (telephone number)
 - (e) (e-mail address)

3. The Company has been incorporated or registered in Lesotho as a
.....(nature of corporate personality) and the registration number of the Company is

4. The Company if Licensed as an asset manager will have its principal office at
 - (a) (postal address)
 - (b) (street address)
 - (c) (telephone number)

and its chief executive officer will be (name)
of (address)

5. The place of business of the Company in Lesotho will be

..... (postal address)
..... (street address)
..... (telephone number)

6. The Company intends carrying on asset management business under the name
and applies for Licensing as an asset manager under this name.

7. The Company has unimpaired paid-up capital of not less than M2,000,000 (*see Regulation 11 (1)*).

The Company has deposited an amount of the unimpaired paid-up capital with
.....
..... of
..... (name and address of a Financial Institution as defined in the Financial Institutions Act of 2012 as may be amended from time to time.

8. I submit with this application

- (a) a certified copy of the memorandum and articles of association or such similar documents relating to its *affairs*.
- (b) the names, addresses and occupations, qualifications, detailed signed curriculum vitae of directors of the Company, and the name and address (in the case of a foreign institution) of one person resident in Lesotho who is authorised to accept any notice required to be served upon the Company.
- (c) a statement duly certified by an auditor that the relevant capital requirements specified in Regulation 11 (1) of the Collective Investment Schemes Regulation 2018 have been complied with by the Company, including relevant financial statements for the company describing the source of funding signed by the company's board of directors and auditors.

- (d) The description of the applicant's organisation, business plan for the applicant projected for a minimum of three years describing the business the applicant intends to conduct (*see Regulation 4 (f)*).
- (e) a statement showing qualifications and experience in fund management business of the executive officers of the applicant (*see Regulation 29*).

9. Notification is made for the appointment of (name) of

- (a) (postal address)
 (b) (street address)
 (c) (telephone number)
 (d) (e-mail address)

as auditor of the Company, whose qualifications are

 (*See the definition of "auditor" in regulation 2 of the regulations*).

10. The Company does not carry on or intend to carry on simultaneously with asset management business any other business which is not asset management business.

11. Proof of payment of application fee of is enclosed with this application.

12. The Company's financial year ends on

13. I hereby declare that the above particulars and information contained in the attached enclosures are true and correct to the best of my knowledge and belief. I further declare that I am aware of and fully conversant with the provisions of Regulations 4 of the Collective Investment Schemes Regulations 2018.

Dated and signed at this day of 20.....

..... Chief Executive Officer

Witnesses:

- 1.
- 2.

SCHEDULE B
(Regulation 4)

APPLICATION FOR LICENSING OF AN ASSET MANAGER

PART A - Proposed Custodian

To be completed and submitted as part of the Application for Licensing of an Asset Manager in terms of Regulation 4(b) of the Collective Investment Schemes Regulations, 2018.

- 1. Name of proposed Custodian
.....
.....
.....

- 2. Company Registration Number..... (Include copy of certificate of incorporation)

- 3. Registered Office
 - (a) (registered office)
 - (b) (postal address)
 - (c) (street address)
 - (d) (telephone number)
 - (e) (e-mail Address)
 - (f) (website address - if applicable)

- 4. Total number of Directors

- 5. Names and address of Directors
 - 1 5
 - 2 6

3..... 7.....

4..... 8.....

6. I hereby declare that the above particulars and information contained in the attached enclosures are true and correct to the best of my knowledge and belief. I further declare that I am aware of and fully conversant with the provisions of Regulation 4 of the Collective Investment Schemes Regulations 2018.

Dated and signed at this day of 20.....

..... Chief Executive Officer

Witnesses:

1.

2.

PART B - Proposed Trustee

To be completed and submitted as part of the Application for Licensing of an Asset Manager in terms of Regulation 4(c) of the Collective Investment Schemes Regulations, 2018.

1. Name of proposed Trustee

.....
.....
.....
.....

2. Company Registration Number.....(Include copy of certificate of incorporation)

3. Registered Office

(g) (registered office)

(h) (postal address)

(i) (street address)

- (j)(telephone number)
- (k) (e-mail Address)
- (l) (website address - if applicable)

4. Total number of Directors

5. Names and address of Directors

1..... 5.....

2..... 6.....

3..... 7.....

4..... 8.....

6. I hereby declare that the above particulars and information contained in the attached enclosures are true and correct to the best of my knowledge and belief. I further declare that I am aware of and fully conversant with the provisions of Regulations 4 of the Collective Investment Schemes Regulations 2018.

Dated and signed at this day of 20.....

..... Chief Executive Officer

Witnesses:

1.

2.

SCHEDULE C
(Regulation 5)

APPLICATION FOR LICENSING OF A COLLECTIVE INVESTMENT
SCHEME

Proposed Collective Investment Scheme

To be completed and submitted as part of the Application for Licensing of an Asset Manager in terms of Regulation 5 of the Collective Investment Schemes Regulations, 2018.

The Governor

1. Name of the Collective Investment Scheme
.....
.....
2. Address of the Asset Manager of the Scheme:
 - (a) (registered office)
 - (b) (postal address)
 - (c) (street address)
 - (d) (telephone number)
 - (e) (email address)
3. Contact person(s):
 - (a) (name and designation)
 - (b) (telephone number)
 - (c) (email address)
4. Proof of payment of application fee of is enclosed with this application.
5. Launch : Date and Place
.....
.....
6. Investment Objectives

.....
.....

7. Currency denomination

.....
.....

8. Minimum initial subscriptions (both monthly and lump sum)

.....
.....

9. Fee Structure

.....
.....

10. Valuation of assets: daily/weekly/other

.....
.....

11. Distribution of Income: Monthly/Quarterly/other

.....
.....

12. Is this scheme quoted on any securities exchanges? If ‘yes’ provide detail

13. I hereby declare that the above particulars and information contained in the attached enclosures are true and correct to the best of my knowledge and belief. I further declare that I am aware of and fully conversant with the provisions of Regulations 5 of the Collective Investment Schemes Regulations 2018.

.....
Chief Executive Officer (Asset manager)

Witnesses:

1.

2.

SCHEDULE D
(Regulation 6(a))

APPLICATION FOR LICENSING OF A COLLECTIVE INVESTMENT
SCHEME CORPORATE AGENT

Proposed Collective Investment Scheme Corporate Agent

To be completed and submitted as part of the Application for Licensing of a Collective Investment Scheme Agent in terms of Regulation 6 of the Collective Investment Schemes Regulations, 2018

The Governor

1. I, the undersigned being the *Chairman/Chief Executive Officer, of
.....
.....
(hereinafter referred to as the “Company”), duly authorised thereto, hereby apply for the licensing of the said Company as a Collective Investment Schemes agent to carry on the business of providing brokerage services to registered collective investment schemes.

2. The present head-office of the aforesaid Company is situated at:
 - (a) (registered office)
 - (b) (postal address)
 - (c) (street address)
 - (d) (telephone number)
 - (e) (e-mail address)

3. The Company has been incorporated or registered in Lesotho as a
..... (nature of corporate personality) and the registration number of the Company is.....

4. The Company if registered as a Collective Investment Schemes agent will have its principal office at
 - (a) (postal address)
 - (b) (street address)
 - (c) (telephone number)

and its chief executive officer will be..... (name)
of (address)

5. Names and address of Directors

1 5

2 6

3 7

4 8

6. Names and addresses and holdings of shareholders

.....
.....
.....
.....

7. The Company intends carrying on Collective Investment Schemes agency business under the name
..... and applies for license as a Collective Investment Schemes agent under this name.

8. I submit with this application the following:

- (a) a certificate that a contract to act for and on behalf of a licensed asset manager exists and that the asset manager accepts responsibility for the acts performed by the agent;
- (b) copies of Memorandum and Articles of Association
- (c) Copy of professional indemnity policy Details
 - (i) Name of Insurer.....
 - (ii) Amount of Indemnity.....
 - (iii) Date of commencement of cover.....
 - (iv) Date of expiry of cover.....
 - (v) Premium payment receipt

9. Proof of application fee of is enclosed with this application.

10. I hereby declare that the above particulars and information contained in the attached enclosures are true and correct to the best of my knowledge and belief. I further declare that I am aware of and fully conversant with the provisions of Regulation 6 of the Collective Investment Schemes Regulations 2018.

Dated and signed at this day of
20.....

.....Chief Executive Officer

Witnesses:

1.....

2.....

SCHEDULE E
(Regulation 6(a))

APPLICATION FOR LICENSING OF A COLLECTIVE INVESTMENT
SCHEME INDIVIDUAL AGENT

Proposed Collective Investment Scheme Individual Agent

To be completed and submitted as part of the Application for Licensing of a Collective Investment Scheme Agent in terms of Regulation 6 of the Collective Investment Schemes Regulations, 2018

The Governor

1. I, the undersigned, (name) of
..... (postal address)
..... (street address)
..... (telephone number)
..... (e-mail address)

hereby apply for the licensing as a Collective Investment Schemes agent to carry on the business of providing agency services to registered collective investment schemes.

2. I declare that I
- (a) have attained the age of 18 years;
 - (b) am resident in Lesotho
 - (c) hold the following educational qualifications:
 - (i)
 - (ii)
 - (iii)
 - (d) I am accredited agent of the following registered Collective Investment Schemes:
 - (i)
 - (ii)
 - (iii)

(e) have been trained for a minimum period of 3 months in asset management business and/or have been appointed an collective investment scheme agent prior to the date of commencement of the Collective Investment Scheme Regulations, 2018.

3. Proof of payment of application fee of are enclosed with this application.

4. I declare that the above particulars and the information provided in the enclosures hereto are to the best of my knowledge and belief correct. I further declare that I am aware of and fully conversant with the provisions of Regulation 6 of the Collective Investment Schemes Regulations, 2018.

Dated and Signed at thisday of 20.....

.....Chief Executive Officer

Witnesses:

1.....

2.....

**SCHEDULE F
(Regulation 34(2 (b)))**

**COLLECTIVE INVESTMENT SCHEME RETURNS OF AN ASSET
MANAGER AND COLLECTIVE INVESTMENT SCHEMES**

To be completed and submitted as part of the Application for reporting requirements of an asset manager and Collective Investment Schemes in terms of Regulation 34 (2) (b) of the Collective Investment Schemes Regulations, 2018.

Please fill only the applicable fields.

STATEMENT OF COMPREHENSIVE INCOME - INVESTMENT

1. Year ended	Previous Quarter	Current Quarter
----------------------	-------------------------	------------------------

2. Income

Interest income

Dividends

Fees

Realized capital gains or loss

Unrealized capital gains or loss

Other (specify)

Total Income**3. Investment expenses**

Professional Fees

Fund Management fees

Custody Fees

Transaction costs

Administrative Expenses

Bank charges

Other (specify)

Total Expenses**4. Tax**

Income tax

Net Income (Investment)

Chief Executive Officer

Date:

STATEMENT OF FINANCIAL POSITION

1. Year ended	Previous Quarter	Current Quarter
----------------------	-------------------------	------------------------

2. Assets		
------------------	--	--

Investment property		
---------------------	--	--

Plant and equipment		
---------------------	--	--

Investments		
-------------	--	--

Contributions and other receivables		
-------------------------------------	--	--

Accrued income		
----------------	--	--

Cash and cash equivalents		
---------------------------	--	--

Deferred Tax		
--------------	--	--

Other (specify)		
-----------------	--	--

Total Assets		
---------------------	--	--

3. Liabilities		
-----------------------	--	--

Accounts Payable		
------------------	--	--

Other (specify)		
-----------------	--	--

Net Assets		
-------------------	--	--

4. Capital and Reserves		
--------------------------------	--	--

Capital Value of portfolio		
----------------------------	--	--

Retained/Undistributed Income		
-------------------------------	--	--

Reserve 2		
-----------	--	--

Reserve 3		
-----------	--	--

Chief Executive Officer		
-------------------------	--	--

Date:		
-------	--	--

SCHEDULE G
(Regulation 34 (2)(c))

PORTFOLIO HOLDINGS AND ASSET ALLOCATION OF A COLLECTIVE INVESTMENT SCHEMES

To be completed and submitted as part of the Application for reporting requirements of an asset manager and Collective Investment Schemes in terms of Regulation 34 (2) (c) of the Collective Investment Schemes Regulations, 2018.

(A) PORTFOLIO HOLDINGS

1. Quarter ended
2. Portfolio Holdings

Instrument	Market Value	Percentage of Total
-------------------	---------------------	----------------------------

Security 1

Security 2

Security 3

.....

.....

Security t

Total assets

Chairperson

Date:

Principal Officer

Date:

(B) TOP TWENTY INVESTORS

1. Quarter ended
2. Name of the Collective Investment Scheme
3. Top Twenty Investors

Client Name	Market Value	Percentage of Total
--------------------	---------------------	----------------------------

Investor 1

Investor 2

Investor 3

 Investor 20

Total assets

Chief Executive Officer
 Date:

(C) ASSET ALLOCATION

1. Quarter ended
2. Name of the Collective Investment Scheme
3. Asset Allocation

Asset Class	Lesotho	CMA (excluding Lesotho)	Other (specify)
Money market instruments			
Fixed income securities			
Listed Equity			
Private Equity			
Property			
Other (specify)			

Total assets

Chief Executive Officer
 Date:

SCHEDULE H
(Regulation 44)

**SCHEDULE OF PROHIBITED PROMOTION AND MARKETING
ACTIVITIES**

To be completed and submitted as part of the Application for reporting requirements of an asset manager and Collective Investment Schemes in terms of Regulation 41 of the Collective Investment Schemes Regulations, 2018.

Conditional selling – No person shall be permitted to sell participation in a collective investment scheme contingent on the purchase or sale of another product, or other consideration.

Inducement – No person shall induce a prospective member to participate in a collective investment scheme by way of providing the prospective member any consideration of value.

Coercion – No person shall coerce any person to participate in a collective investment scheme.

Comparative marketing – No person shall make comparative references to competing collective investment scheme in their promotion and marketing activities.

**SCHEDULE I
SCHEDULE OF FEES**

	Initial Application Fee	Annual License Fee
Asset Manager	M12500.00	M6250.00
Collective Investment Scheme	M5000.00	M2500.00
Collective Investment Scheme Agent-Corporate	M5000.00	M2500.00
Collective Investment Scheme Agent-Individual	M2500.00	M1000.00
Trustee	M12500.00	M6250.00
Custodian	M12500.00	M6250.00

**SCHEDULE J
Regulations 5(2)**

**REPORTING OBLIGATIONS FOR FOREIGN COLLECTIVE
INVESTMENT SCHEMES**

To be completed and submitted as part of the reporting requirements for a foreign fund in terms of Regulations 5 (2) of the Collective Investment Schemes Regulations, 2018.

(A) DOMESTIC INVESTORS

1. Quarter ended
2. Name of the Foreign Fund
3. Number of Lesotho Investors
4. Total Assets Accrued to Lesotho Investors
5. Top Twenty Investors

Client Name	Market Value	Percentage of Lesotho total
Investor 1		
Investor 2		
Investor 3		

.....
.....

Investor 20

Total assets

Principal Officer

Date:

(B) ASSET ALLOCATION

1. Quarter ended
- 2.
3. Asset Allocation

Asset Class	CMA	Other (specify)
Money market instruments		
Fixed income securities		
Listed Equity		
Private Equity		
Property		
Other (specify)		

Total assets

4. I submit with this information, the quarterly factsheet.

Principal Officer

Date: