



PUBLIC NOTICE

THE CAPITAL MARKETS ACT (CAP 485A)

REQUEST FOR STAKEHOLDER AND PUBLIC FEEDBACK ON THE DRAFT CAPITAL MARKETS (WHISTLEBLOWER) REGULATIONS

Compensation of Whistleblowers was introduced under the Capital Markets Act (the Act) to incentivize individuals to report possible capital markets laws violations to the Capital Markets Authority (the Authority). **Section 18 (2A)** of the Act provides that the Authority may reward any person who provides new and timely information on the violation of capital markets laws leading to a successful recovery of sums of money arising from that violation.

Pursuant to section 18(2B), the Authority has developed draft Whistleblower Regulations which aim to promote ethical behaviours within the capital markets by incentivizing individuals to pro-actively report misconduct within the capital markets. Further, the Regulations intend to foster the Authority's mandate to protect investors from unfair, improper or fraudulent practices and to nurture fair and efficient capital markets as well as provide an opportunity for the Authority to receive information that can assist in investigations.

The Regulations as shall be read with the Act provides for the reward for Whistleblower, persons eligible for the reward, forms of reporting, information required, protection for Whistleblower and payment of rewards among others.

In accordance with **Section 12A(3) of the Act**, the Authority now invites stakeholders and the general public to submit comments on the proposed Capital Markets (Whistleblower) Regulations, available on www.cma.or.ke.

Kindly submit your comments by **30th April 2021** to:

The Chief Executive
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