

INTERMEDIARY SERVICE PLATFORM PROVIDER CHECKLIST

Compliance with License Requirements

Part IV of the Capital Markets Act, Part VIII and the Fourth Schedule of the Capital Markets (Licensing Requirements) (General) Regulations 2025, Part V of the Capital Markets (Collective Investment Schemes) Regulations, 2023 and the Capital Markets (Corporate Governance) (Market Intermediaries) Regulations 2011

Intermediary Services Platform means a digital application or otherwise which facilitates aggregation, marketing and distribution of capital markets products and services other than a platform that is deployed by an existing licensed institution for the purpose of improving efficiency and excludes crowdfunding platforms;

Intermediary Services Platform Provider means a person who operates an intermediary service platform;

	Requirement	Met Y/N/N A	Comment
1.	Duly completed application Form (Form 1 set out in the First Schedule)		
2.	Certified copy of the Certificate of incorporation		
3.	Certified copy of Memorandum and Articles of Association,		
4.	Copy of CR12 and Beneficial Ownership Documents from Business Registration Services (BRS)		
5.	A statement of the audited financial statements for the preceding two years, where applicable, and unaudited financial statements for the period of the accounting year ending not earlier than six months prior to the date of application		
6.	Evidence of adequate capital for the efficient conduct of its business and operations;		
7.	Financial projections for 3 years		
8.	Financial year (January 1 st to 31 st December)		
9.	Written Agreement with a Licensed Intermediary which shall, at the minimum, set out the following— i) the roles and responsibilities of the parties including rights and duties of the parties; ii) the extent of liabilities of the parties to the agreement; iii) dispute resolution mechanisms;		

	Requirement	Met Y/N/N A	Comment
	iv) complaints handling procedures; and v) investor protection mechanisms		
10.	A business plan shall include- a) A full explanation of the capital markets-related business, its background (including its legal structure and creation) and what it is intending to do. b) The company's target market and clientele i.e., whether a firm has identified a specific business opportunity or customer base. Further the firm should identify and acknowledge the existing competition. c) The business model to be adopted by the company. Disclosure on how it will earn revenue whether by charging agency commission, management fee, profit sharing etc. and disclosure of how revenue is earned whether per transaction, per annum, percentage of transaction etc. d) The company's short- and long-term objectives Any long-term strategy and expansion plans. e) A clear view of the company's target market, key customers, distribution, products and pricing. f) The expected customer experience of the business from day one. g) Details of the company's intended investment strategies, fee and remuneration policies, governance framework (including the organizational structure) and key personnel h) The experience of the company's principals to undertake the proposed regulated activities it plans to conduct. i) The employment background, experience and relevant qualifications of all staff who will be performing significant influence-controlled functions and how this will help them with their role. j) Financial projections (income statement and statement of financial position) for three years, (these can be sent separately with the financial statements) including working capital requirements which should include the supporting		

	Requirement	Met Y/N/A	Comment
	rationale behind the key line items projected and a demonstration of when the business is expected to break even. k) Any other activity that the company may engage in reasonably could have a material impact on net capital within the first twelve months of business operations. N/B (This can however be sent separately with the financial statements). l) An analysis of any key third party relationships m) Exit arrangements in case the company wishes to discontinue business. Disclosure of how clients will be refunded and transfer of assets etc. n) The company's marketing strategy. o) Details of any outsourcing plans or other key operational matters.		
11.	Evidence of adequate office and human resources necessary for the efficient conduct of its business and operations		
12.	Details of Organization Structure and profiles of the directors, substantial shareholders, management and other key personnel who are fit and proper(Please note the names of incumbents to be included in the organogram)		
13.	Detailed information of the platform to be used including system capacity and security measures, its user terms and conditions and evidence of its functionality;		
14.	Business Continuity and Disaster Recovery Plan		
15.	Record Keeping Procedures including audit trail for daily operations to meet emergencies;		
16.	Adequate risk management framework that includes details of its fraud detection and prevention measures; and a risk matrix and mitigation measures		
17.	Complaints management policies and procedures that include details on complaint lodging, acknowledgment and resolution		
18.	Data protection policy		
19.	Please note to provide: i. Anti-Money Laundering policy, ii. Know your client procedures, and		

	Requirement	Met Y/N/N A	Comment
	iii. Counter financing of terrorism that are compliant with the AML/CFT Legal framework		
20.	Submission of a board charter that: i. Confirms the Board's responsibility for adoption of strategic plans, monitoring the operational performance, the determination of policies and processes that ensure the integrity of the market intermediary's risk management and internal controls. ii. Reserves specific powers to itself and delegates other matters to the management of a market intermediary iii. Provides a corporate code of conduct that addresses conflict of interest relating to directors and management which shall be regularly reviewed and updated as necessary. iv. Identifies the key risk areas that require regular monitoring		
21.	Details of staff 21.1 Details and qualifications, experience, and expertise of: i. the chief executive, and ii. key staff including; Chief Investment Officer, Chief Finance Officer, risk management officer, Internal Auditor, Chief Technology Officer, and Compliance Officer, that must be relevant to effectively manage or operate the business of an intermediary service platform provider 21.2 Please note the requirement for the chief financial officer, risk management officer, compliance officer and internal audit functions as per the Corporate Governance Regulations. 21.3 The internal auditor and chief financial officer must be members of ICPAK		

	Requirement	Met Y/N/N A	Comment
	and the internal auditor must not be the compliance officer)		
22.	Particulars of the proposed operating and information technology system		
23.	Data protection policy in line with the Data Protection Act, 2019		
24.	Clear separation of roles and responsibilities of the chairman and chief executive		
25.	Details of the independent External Auditor		
26.	Have a policy for appointment of employees		
27.	Two (2) letters of business reference		
28.	One (1) letter of bank reference.		
29.	Fit and Probity Assessment documents (For substantial shareholders(Fifteen percent holding), Directors and Key Personnel) i. Comprehensive Curriculum Vitae for directors and Key personnel, including updated email addresses of former employers and referees ii. Duly filled and executed Fit and Proper forms for Directors and Key personnel iii. Valid certified copies of Police Clearance Certificate for Director and key personnel issued within the last twelve months iv. National ID / Passport Bio Data page v. Passport photo vi. Credit reference Bureau certificate		
30.	Evidence that directors have undergone relevant training on corporate governance (provided that the market intermediary shall ensure that any person		

	Requirement	Met Y/N/A	Comment
	appointed as a director undergoes the training within six months of appointment)		
31.	Valid certified copies of Police Clearance Certificates for directors and key personnel.		
32.	Clear separation of roles and responsibilities of the chairman and chief executive		
33.	Have a policy for appointment of employees		
34.	Have a risk management framework in place		
35.	Two (2) letters of business reference		
36.	One (1) letter of bank reference.		
37.	Comprehensive Curriculum Vitae for Directors and Key Personnel.		
38.	Duly filled and executed Fit and Proper Form Directors and Key Personnel		
39.	Valid certified copies of Police Clearance Certificates for directors and key personnel.		
40.	Evidence of payment of Application fees of Kshs. 10,000 payable via E-Citizen		
41.	Submission of a complete application via E-Citizen and delivery of physical application at the Authority's offices		

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ⁱ The checklists issued by the Capital Markets Authority Kenya (CMA) are intended to provide clarity and assistance in navigating regulatory requirements. However, it is important to note that these checklists are not intended to serve as a substitute for reading and comprehending the regulations themselves. Individuals and entities subject to regulatory oversight should familiarize themselves with the applicable laws, rules, and regulations, and seek appropriate legal or professional advice as needed. The checklists provided by the Capital Markets Authority are meant to supplement, not replace, a thorough understanding of regulatory obligations.