



PRESS RELEASE

PR. No. 258/2020

EXPULSION FROM MEMBERSHIP OF THE GHANA STOCK EXCHANGE - LIBERTY SECURITIES LIMITED (LSL) AND FIRST ATLANTIC BROKERAGE LIMITED (FABL)

The Ghana Stock Exchange (GSE) has expelled Liberty Securities Limited and First Atlantic Brokerage Limited from membership of the Exchange.

Their expulsion means that they cease to be Licenced Dealing Members (LDM) of the Exchange and are also precluded from:

- a. executing trades on the market;
- b. providing advisory services to clients on capital market issues; and
- c. holding in lien or in trust clients' accounts or their security holdings.

The decision of the Exchange to expel the membership of LSL and FABL is in view of their violation of the following market rules:

First Atlantic Brokerage Limited:

- a. Operating without an Authorised Dealing Officer for more than three months, contrary to Rule 6(j) of the GSE Dealing Membership Rules;
- b. Low liquidity position – the financial status of the company shows a significant deterioration in its operations, resulting in successive negative returns which have eroded shareholders' funds.

Rule 78 of the GSE Dealing Membership Rules requires a member of the Exchange to comply with the prevailing requirements of the Securities and Exchange Commission in respect of capital, liquidity, reports and returns. FABL is in breach of regulation 22 of the SEC Regulations, 2003 (L.I. 1728), which requires a Broker-Dealer to maintain at any given time, minimum liquid fund amounting to at least 20% of the aggregate indebtedness of the Broker-Dealer; and

- c. Inactivity on the market due to the lack of an ADO to execute trades.

Liberty Securities Limited:

- a. Operating without an Authorised Dealing Officer for more than three months, contrary to Rule 6(j) of the GSE Dealing Membership Rules;
- b. Low net shareholders' fund balance and low liquidity position; and
- c. Inactivity on the market due to the lack of an ADO to execute trades.

The Exchange assures all existing clients of LSL and FABL that there are procedures for existing clients registered with both LDMs to transfer their security accounts and security holdings to any LDM of their choice. A help desk or a correspondence officer will be communicated by each LDM to respond to clients' issues.

Issued at Accra, this
18th Day of June 2020.

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Distribution:

1. All LDMs
2. General Public
3. Listed Companies
4. Central Securities Depository
5. Registrars
6. Custodians
7. Securities and Exchange Commission
8. GSE Council Members
9. GSE Notice Board

For enquiries, contact:

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