

ALTX East Africa Limited

In 2014, ALTX East Africa Limited (ALTX) received approval from the Capital Markets Authority (CMA) to operate as a Securities Exchange in Uganda. However, following an inspection conducted by the CMA, several significant breaches of the regulatory framework were identified.

In March 2018, the CMA initiated formal engagements with ALTX and issued directives for corrective action based on the findings of the inspection report. Key issues identified included: An unfavorable going concern status, Unsupported related-party transactions, An inadequate accounting system, Commingling of revenues between ALTX and its affiliated entity, ALTX Clearing Limited (the Depository), Absence of mandatory structures such as the Fidelity Fund and the Investor Compensation Fund, Inadequate staffing, Other irregularities, including inconsistencies in share capital and unsubstantiated rental expenditures

Despite being given sufficient time and opportunity to address these issues, ALTX failed to comply with the CMA's directives. After following due process and allowing the company to be heard, the CMA proceeded to impose an administrative sanction. In November 2019, the CMA officially withdrew and revoked ALTX East Africa Limited's approval to operate as a Securities Exchange in Uganda.