



CIRCULAR

NSE/LARD/BDR/CIR1/17/03/08

8 March 2017

DEALING MEMBERS' DISCLOSURE OBLIGATIONS

Dealing Members are hereby reminded of their disclosure obligations to The Exchange, as provided under various provisions of the Rulebook of The Exchange, 2015 (Dealing Members' Rules). Specifically, Dealing Members are reminded of their disclosure obligations under the Rules reproduced below:

Rule 1.14 of the Rulebook of The Exchange, 2015 (Dealing Members' Rules) which provides that:

Rule 1.14: Disclosure Obligation

“Every Dealing Member is required to deal with The Exchange in an open and cooperative manner, and shall disclose any matter relating to the operations of the firm on which The Exchange would reasonably expect notice. The foregoing obligation shall be in addition to all financial disclosures to The Exchange.”

In a bid to enhance effective supervision of Dealing Members of The Exchange and to maintain a transparent, fair and efficient market The Exchange hereby requires Dealing Members to provide it with information regarding the following:

1. CSCS Account details of all proprietary accounts maintained by the Firm, including the Firm's accounts domiciled in other Dealing Member Firms;
2. CSCS Account details of all Discretionary Managed Accounts maintained by the Firm;
3. Names of all Authorized Dealing Clerks and their CSCS Account details in the Firm and in other Dealing Member Firms;
4. CSCS Account details of its Clients who are insiders of any Issuer listed on The Exchange.

With regard to the request set forth in 1 and 2 above, please note the provisions of Rule 9.13(b) of the Rulebook of The Exchange, 2015 (Dealing Members' Rules) which provides as follows:

Rule 9.13: Anti-Money Laundering and Combating the Financing of Terrorism

(b) [Dealing Members shall] disclose to The Exchange on a quarterly basis and in a format to be prescribed by The Exchange all proprietary accounts held by it whether directly or indirectly and with other stockbroking firms.



With regard to our request set forth in 3 above, please note the provisions of Rule 9.13(c) of the Rulebook of The Exchange, 2015 (Dealing Members' Rules) which provides as follows:

Rule 9.13: Anti-Money Laundering and Combating the Financing of Terrorism

(c) Authorized clerks shall disclose to their Senior Management, all personal securities accounts held whether directly or indirectly and to declare the nature of interest in the securities.

With regard to our request set forth in 4 above, please note the definition of Insider as provided under Section B of Listing Requirements– Definitions, Rulebook of The Exchange, 2015 (Issuers' Rules):

Section B - Definitions

"Insider" means an individual:

- a: who is connected with the company during the preceding six months in one of the following capacities:
 - i. a director of the company or a related company;*
 - ii. an officer of the company or a related company;*
 - iii. an employee of the company or a related company;*
 - iv. a person involved in a professional or business relationship with the company as above;*
 - v. a shareholder who owns five per-cent (5%) or more of any class of securities, or any person who can be deemed to be an agent of any of the above listed persons; and*
 - vi. members of the audit committee.**

- b. who by virtue of having been connected with the company as mentioned in paragraph "a" has obtained unpublished price sensitive information in relation to the securities of the company.*

Dealing Members are also required within five (5) trading days to provide updates to The Exchange whenever there are changes to the above information.

Kindly note that this information should be submitted electronically to The Exchange via market_surveillance@nse.com.ng not later than 30 June 2017.

Should you have any questions or require clarification about the above directive, please do not hesitate to revert to the Market Surveillance and Investigation Department.

Please be guided accordingly.

Olufemi Shobanjo,
Head, Broker Dealer Regulation