



BDR/CIR/BD/11/14

CIRCULAR TO ALL DEALING MEMBERS

November 13, 2014

EXECUTION OF CLIENT MANDATES

Further to our circular dated 25th March, 2013 with reference **BDR/CIR/GOI/03/13** on the 'Prohibition of Pre Signed Blank Mandates', it has come to our attention that some employees of Dealing Members sign mandates on behalf of their clients.

Dealing Members are advised to refer to Article 93 of the Rules and Regulations Governing Dealing Member Firms which states that "a Dealing Member shall obtain confirmed orders from its clients before placement of an order on the system and shall keep records of same upon completion or otherwise".

Furthermore, Article 95(b) states that "a Dealing Member shall not access a client's account without a confirmed order or mandate".

All Dealing Members are therefore required to desist from this fraudulent practice as it is not only a violation of the Rules and Regulations Governing Dealing Members but it is also against the general ethics and conduct expected from Dealing Members.

Note that appropriate regulatory sanctions will be enforced going forward.

Please be guided accordingly.

Olufemi Shobanjo

Head, Broker Dealer Regulation