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|---|---|
| <b>National Best Bid (NBB):</b>         | The highest quoted price a market participant is willing to pay for a particular security.  |
| <b>National Best Offer (NBO):</b>       | The lowest quoted price a market participant is willing to sell a particular security.  |
| <b>Primary Market Maker:</b>            | <del>any Market Maker who has been appointed by The NSE as the a foremost liquidity provider of a particular security and has undertaken to assume the role.</del>  |
| <b>Specified Security:</b>              | The security specified by <u>the</u> NSE as available for market making.  |
| <b>Supplemental Market Maker:</b>       | <del>any Market Maker who is appointed to act as a supplementary liquidity provider.</del>  |
| <b>General Principles:</b>              | The primary responsibilities of Market Makers are to maintain a fair and orderly market <u>in the securities they make market in</u> <del>in their securities of responsibility and generally to</del> , make a positive contribution to the functioning of the market, <del>Each Market Maker must</del> ensure that trading for the Market Maker's own account is <u>done with reasonable care and in a professional manner,</u> <del>and is consistent with promoting the integrity of the capital market.</del> <del>reasonable under the circumstances, is consistent with just and equitable principles of trading, and is not detrimental to the integrity of NSE or the market.</del> |
| <b><u>Market Making Regulations</u></b> | <u>This includes but is not limited to the Market Making Rules, guidelines, Circulars etc. that may be released by the NSE from time to time.</u>   |

#### **Rule 24.2: Appointment of Market Makers**

- ~~a. When NSE considers it to be in the interest of the market that liquidity in a specified security be improved, it may enter into agreements with Dealing Member firms, one of whom shall assume the role of a Primary Market Maker for such security and the rest shall assume the role of Supplemental Market Makers.~~
- ~~b. NSE shall determine the minimum and maximum number of Supplemental Market Makers for a specified security.~~  
A Primary Market Maker may act as Market Maker for more than one specified security.

#### **Rule 24.3: Allocation of Securities**

- ~~a. At inception, NSE will create baskets of securities using the following parameters: Market Capitalization, liquidity, Price, Growth vs Income. The baskets would be allotted to prospective Market Makers via blind draw.~~
- ~~b. For new issues, NSE shall, in consultation with the Issuer, appoint a Market Maker.~~
- ~~c. Where two or more Market Makers are contending for assignment of responsibility in respect of the same specified security, NSE shall, in consultation with the Issuer, break the tie using the following criteria:
 
  - ~~1. Financial resources available to the Market Maker;~~
  - ~~2. Experience, expertise and past performance as a Market Maker;~~
  - ~~3. Operational capability;~~
  - ~~4. Disciplinary history; and~~
  - ~~5. Existing relationship between the Issuer and Market Maker~~~~
- ~~d. A Primary Market Maker who is desirous of exchanging or transferring one or more specified securities to another market maker in exchange for consideration shall submit a proposal in writing to NSE for review and determination.~~
- ~~e. The Exchange shall publish and regularly update the list of Market Makers and relevant information relating to their activities.~~
- ~~f. The Exchange retains the right to re-allocate a security or the entire basket, depending on the performance of the Market Maker.~~

#### **Rule 24.24: Registration of Market Makers**

- a. An applicant who intends to be a Market Maker for a specified security shall ~~must be a Dealing Member of The NSE and~~ fulfil the following conditions:
  - ~~1. Have a subsisting registration with the SEC;~~
  - ~~2. Have a subsisting registration with the CSCS;~~
  - ~~1. 3. Have and maintain the minimum paid up capital requirements as determined by The Exchange from time to time; and~~
  - ~~2. 4. Have at least two (2) personnel with the requisite qualifications and experience as determined by The Exchange for trading the relevant security, who are Authorized Clerks of core stock broking experience of not less than five (5) years.~~
- b. In addition to the above conditions, an applicant shall also fulfil the following requirements:
  - 1. Have in place, facilities and personnel adequate for the expeditious and orderly functioning ~~carrying out~~ of its business of market making; and
  - 2. Have in place, a proper supervisory programme and a system of internal controls to ensure the following:
    - (a) Proper conduct of the business of market making;
    - (b) Proper undertaking of risk management;
    - (c) Proper management of conflict of interest; and
    - (d) Compliance with these Rules.

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### **Rule 24.3 5: Application Procedure**

- a. A firm desiring to be a Market Maker of the Exchange shall submit an application to The Exchange. An applicant is required to apply as a Market Maker in respect of each specified security that it intends to make market.
- b. The application shall include:
  1. Securities the applicant wishes to be a market maker for;
  2. Certificate of Incorporation, Memorandum & Articles of Association;
  3. Board of Directors/Management profile;
  4. Last three (3) years audited financial statements;
  5. Most recent balance sheet and capital computation;
  6. And any other documents as may be required by the exchange from time to time must comply with application procedures and submit the relevant information and documents as determined by The Exchange.
- c. ~~The Exchange may a~~ After giving an applicant appropriate notice and opportunity to be heard, The Exchange may exercise its discretion to reject an application to register as a Market Maker notwithstanding that such applicant satisfies the applicable qualification criteria set forth in its Market Making Regulations ~~ese Rules.~~
- d. If an application for approval as a Market Maker is refused rejected, no further application by the same Dealing Member applicant shall be considered within a period of the ninety (90) days immediately after the date of refusal rejection.
- e. The decision of The Exchange regarding Anan application applicant will shall be communicated to the applicant notified in writing. of the decision of The Exchange of its application.

### **Rule 24.4 6: Obligations and Exceptions**

Market Makers shall be required to meet obligations as communicated in the NSE Market Making regulations, including but not limited to The Exchange's Rules, Guidelines and Circulars (herein collectively referred to as 'Regulations' for the purposes of these Market Making Rules), issued from time to time. Specifically, a Market Maker shall:

- a. Continuously provide two-way quotes,
- b. Keep their quoted offer price above their bid price at a spread to be determined by The Exchange from time to time,
- c. Maintain a minimum quote size as specified by The Exchange from time to time,
- d. Maintain an executable quote in each security it is registered to make market in, for a period as specified that will be determined and communicated in the Market Making guidelines by The Exchange from time to time,
- e. Maintain a bid or offer that is at the best bid or offer for at least a specified portion of the trading day. The specified portion will be determined and communicated in the Market Making guidelines by The Exchange from time to time,

- f. Not have quotes that exceed a specified percentage away from the BBO for those times that they are not at the BBO. The specified percentage will be determined and communicated in the Market Making guidelines by The Exchange from time to time,
- g. Be subject to a minimum commitment period that will be required of Market Makers during which the Market Maker cannot voluntarily de-register. The minimum commitment period will be determined and communicated in the Market Making guidelines by The Exchange from time to time.

A Market Maker's obligation to maintain executable quotes shall not apply in case of a trading halt, suspension or pause and under the exception conditions specified in any of the NSE Market Making Regulations from time to time.

~~A Primary Market Maker shall fill order imbalances at the Opening and Closing auctions on any given day and will provide liquidity to reduce or eliminate imbalances.~~

- ~~a. A market maker in a specified security shall maintain a continuous two-sided quote during regular market hours that are within a certain percentage band of the National Best Bid and Offer (NBBO).~~
- ~~b. Quotes shall be equal to or better than the National Best Bid Offer (NBBO) for a minimum percentage of continuous trading time during the mandatory period, as stipulated by NSE, on a security by security basis.~~
- ~~c. A Market maker shall not quote outside the trading band for any given day.~~
- ~~d. The minimum /maximum trading band on any given trading day shall be as determined by the NSE.~~
- ~~e. Where there is wide price movements in a particular security for more than two (2) days, The Exchange may on the request of a market maker, suspend or vary the market maker's obligations.~~
- ~~f. A Market Maker is required to designate a trader within the firm for each security that has been assigned by NSE to such Market Maker, and~~
  - ~~A. Shall provide NSE with the names of all Designated Traders and their security assignments, and forthwith advise NSE of any change to such information.~~
  - ~~B. Notwithstanding the appointment of the Designated Traders, a Market Maker shall continue to be responsible for the market making obligations relating to the securities assigned to the firm.~~

#### **Rule 24.6: Exceptions**

~~Notwithstanding Rule 24.6, a market maker has no obligation to maintain executable quotes:~~

- ~~a. In a security during the opening auction or where an unscheduled intra-day auction has been triggered due to price monitoring breach.~~
- ~~b. A market maker's quoting obligations shall be suspended during a trading halt, suspension or pause, and shall not re-commence until after the first regular way transaction following that halt, suspension or pause. The quoting obligation will commence as soon as there has been a regular way transaction on the security.~~

- c. ~~A market maker is not expected to enter a quote based on the prior day's last sale at the commencement of regular trading hours if there is no National Best Bid ("NBB") or National Best Offer ("NBO").~~

#### **Rule 24.5 8: Continuing Obligations**

The following conditions and qualification criteria stated in these Rules shall apply to a Market Maker throughout the term of its registration, and its operation as a Market Maker, and it shall comply with the Rules and directives issued by The NSE from time to time in that regard:

- ~~a. The Market Maker shall comply with the qualification criteria stated in these Rules;~~
- a. ~~b.~~ The Market Maker shall notify The NSE of the following in writing not later than forty-eight (48) hours after discovery of the occurrence of any change:
1. ~~any change~~ in capital that causes the Market Maker to fall below the minimum ~~paid up~~ capital requirements;
  2. ~~any change~~ that would disqualify it as a Market Maker based on these Rules;
  3. ~~any change~~ in the place of business of the Market Maker;
  4. ~~change~~ in name of the Market Maker; and
  5. in the corporate structure of the Market Maker.
- b. ~~c.~~ The Market Maker is bound by and shall comply with these rules and directives and such rules and directives as may be issued by NSE from time to time.

#### **Rule 24.8: Benefits to Market Makers**

The Market Maker shall have the following benefits:

- ~~a. The privilege of determine the opening and closing price of the security where they act as Primary Market Maker.~~
- ~~b. Privilege to enjoy from a rebate scheme if they hit certain thresholds.~~

#### **Rule 24.6 10: Resignation**

- a. Where ~~if~~ a Market Maker wishes to resign from its role as a Market Maker of a specified security, it shall give a written notice to The NSE of its intention to resign not less than thirty (30) calendar days prior to the proposed date of resignation.
- b. ~~The Exchange may accept the Market Maker's resignation subject to any conditions imposed by The Exchange.~~

#### **Rule 24.7 11: Termination, Suspension or Restriction of Market Making Activity**

- a. The Exchange may automatically suspend or terminate a Market Maker or restrict its market making activities, upon the ~~happening~~ occurrence of all, or any of the following events:
1. The Market Maker has been wound up ~~whether on a voluntary basis or otherwise;~~
  2. A receiver/manager, provisional liquidator or liquidator has been appointed for the Market Maker;

3. The Market Maker fails to fulfil any of the requirements specified in any of the Market Making Regulations;
  4. The Market Maker ~~has had~~ ~~is convicted of any offence in or outside Nigeria or had~~ disciplinary action taken against it and its officers for breaches involving dishonesty or fraud in or outside Nigeria; or
  5. The Market Maker continuously breaches its obligations for a period determined by The Exchange (as communicated in the Market Making Regulations from time to time).
- b. The Exchange shall notify the SEC when it suspends, terminates, or restricts a Market Maker ~~dealing member~~ from market making activity, and shall state the reasons thereof.

**Rule ~~24.10-12~~: Bid and Offer Prices**

- a. ~~A Market Maker for a specified security must shall enter bid and offer prices into the NSE's trading facilities for the purpose of buying and selling of the specified security as follows:~~
  - i) ~~with a minimum presence as stipulated by the NSE;~~
  - ii) ~~within the maximum spread limit allowed stipulated by the NSE for the relevant security; and~~
  - iii) ~~must shall not be less than the minimum quantity limit allowed stipulated by The NSE.~~
- b. ~~The NSE may prescribe certain circumstances in which a Market Maker is exempted from entering bid and offer prices as required under the above Rule.~~

**Rule ~~24.11-13~~: Spread Maintenance**

- a. ~~Primary Market Makers shall maintain the spread goal agreed upon with the NSE in each of their securities of responsibility on a time weighted average basis security they are responsible for.~~
- b. ~~The NSE shall monitor the spreads on an ongoing basis, and assess the performance of Market Makers at its discretion on a monthly basis.~~
- c. ~~The Primary Market Maker shall notify NSE if for any reason it is unable to maintain its spread goal.~~

**Supplemental Market Makers**

**Rule 24.14: Preamble**

One of the major strategies embarked on by the Management of The Nigerian Stock Exchange as a means of increasing Investors' confidence, deepening the market and addressing lack of liquidity in the market is the introduction of the Supplemental Market Maker (SMM) program to support the existing Primary Market Maker (PMM) program.

**Rule 24.15: Applicability**

24.14 through 24.31 are applicable to all registered SMMs on the Nigerian Stock Exchange.

#### **Rule 24.16: Registration**

~~The Dealing member firm desirous of acting as SMM shall apply to The Exchange in writing. Any dealing member of The Exchange would be eligible to act as SMM provided the criteria laid down by The Exchange are met. These criteria include:~~

- ~~a. Must be a licensed Broker-Dealer on The NSE~~
- ~~b. Must be registered with SEC and CSCS as a Broker-Dealer~~
- ~~c. Must meet the minimum Capital requirement set for SMMs on a continuous basis~~
- ~~d. Experience, expertise and past performance in the market~~
- ~~e. Operational capability in terms of appropriate staffing, technology and risk management tools.~~
- ~~f. Disciplinary history~~
- ~~g. Applicant must be in good standing with SEC, NSE and CSCS.~~

#### **Rule 24.17: Allocation of Securities**

~~A Dealing member firm desirous of acting as SMM shall in addition to its application in writing select a minimum of ten (10) securities in order of preference from the securities listed on The Exchange. Where two or more firms select the same security, the following criteria shall be used in breaking the tie:~~

- ~~a. Net Liquid Capital~~
- ~~b. Experience in market making~~
- ~~c. Past Performance (volume and value traded)~~

#### **Rule 24.18: Obligations and Responsibilities of a SMM**

~~The SMM shall fulfil the following conditions to provide depth and continuity on The Exchange:~~

- ~~a. The SMM shall be required to provide a 2-way quote for minimum of sixty per cent (60%) of the time in a trading day, and a minimum percentage of the time at the national best bid and offer on a security by security basis;~~
- ~~b. The Execution of the order at the quoted price and quantity must be guaranteed by the SMM. In other words, the quotes must be firm;~~
- ~~c. The SMM will be eligible to change quotes even if no transaction has been executed at the displayed quote. In other words the quotes must be firm;~~
- ~~d. The SMM quote shall be provided in such a way that the quotes are not absent from the screen for more than fifteen (15) minutes at a time;~~
- ~~e. The SMMs may compete with the PMM for better quotes to the investors. Where the SMM outperforms the PMM four (4) months out of a continuous six (6) months period; the SMM shall have the right to apply to be upgraded to be the PMM for the security in question.~~
- ~~f. Once a Broker-Dealer's application for SMM is approved, the company has to start providing quotes within ten (10) trading days of registration.~~



- ~~g. Once registered as a SMM, the company has to mandatorily act in that capacity for a minimum of three (3) months.~~
- ~~h. The SMM is required to designate a Trader within the firm for each security that has been assigned by The Exchange to such SMM. A trader may make markets in more than one (1) security;~~
- ~~i. The SMM Firm shall provide The Exchange with the names of all Designated Traders and the security assignments, and forthwith advise The Exchange of any changes to such information within five (5) days of the change.~~
- ~~j. A SMM shall be allowed to deregister by giving one (1) month notice to The Exchange in writing of its intention to resign. The Exchange retains the discretion to accept the resignation immediately.~~

**Rule 24.19: Voluntary De-registration**

~~The SMM may be allowed to de-register voluntarily from a particular security provided it has fulfilled its obligations for a minimum period of three (3) months and a one (1) month notice is given to The Exchange.~~

**Rule 24.20: Compulsory De-registration**

~~If a SMM fails to fulfil its obligations as a SMM for more than five (5) consecutive trading days, it will automatically stand de-registered from that security and may not be permitted to act as a SMM for any security for a minimum period of three (3) months.~~

**Rule 24.21: Rights and Restrictions of SMM**

- ~~a. Rights: The SMM shall have the following rights:
 
  - ~~1. Right to short sell a security in the Covered Short Sale construct approved for PMMs.~~
  - ~~2. Right to enjoy from Exchange rebate scheme for SMMs if they hit certain thresholds.~~~~
- ~~b. Restrictions: The SMM shall NOT have the right to determine the opening and closing price of the security where they act as SMM. However they can participate in all auctions, including the opening and closing auctions.~~

**Rule 24.22: Dissemination of Information**

~~The Exchange shall disseminate a list of SMMs for the respective securities and their performance to the public via The Exchange's website.~~

**Rule 24.23: Number of Securities per SMM**

~~A SMM shall submit a list with a minimum of ten (10) securities. Additional securities shall be linked to the capital adequacy of the SMM.~~

**Rule 24.24: Number of SMMs per Security**

~~The Exchange shall appoint a PMM and up to two (2) SMMs per Security.~~

**Rule 24.8 25: Minimum Capital Requirement**

| Market Maker Type                                | Minimum Net Liquid Capital             |
|--|--|
| Supplemental Market Maker Only                   | N320m (N70m + N250m)                   |
| Existing Primary Market Maker – Equities         | N820m (N70m + N500m + N250m)           |
| Existing Primary Market Maker – Bonds            | N820m (N70m + N500m + N250m)           |
| Existing Primary Market Maker – Equities & Bonds | N1,320m (N70m + N500m + N500m + N250m) |

The Exchange minimum capital requirement shall be as stipulated by The Exchange in its Market Making Guidelines, Circulars, and Rules issued from time to time.~~reserves the right to demand additional capital based on the risk profile of the Market Maker.~~

**Rule 24.26: Liquidity Provider**

~~The Exchange shall in conjunction with the Central Bank of Nigeria explore the possibility of the Settlement Banks providing funds to the SMMs and creating corresponding lien on the shares held/traded by the Market Makers.~~

**Rule 24.27: Monitoring SMM Activities**

~~The Exchange shall monitor the activities of SMMs. Any violation of these requirements would be liable for punitive action to be taken by The Exchange.~~

**Rule 24.28: Risk Management and Technology Requirement**

~~The SMM shall have risk management tools that have facilities for measuring risks, reporting on trading activities and implementing proper financial controls. The Nigerian Stock Exchange expects the risk management tools/technology to have the following features in addition to others:~~

- ~~a. The technology should be able to compute Value at Risk (VAR), using any or all of the following methods:
 
  - 1. Historical Simulation,
  - 2. Monte Carlo simulation – using probability estimates,
  - 3. Mean variance approach.~~
- ~~b. Inventory of all borrowed securities, with appropriate administration data to manage borrowings, associated collaterals, corporate actions etc.~~
- ~~c. Stress Testing – to look at extreme market conditions.~~
- ~~d. The system must be able to mark to market at any time.~~
- ~~e. Alerts – automatic triggers based on specified risk levels.~~
- ~~f. Robust Database with the ability to store current and historical prices.~~

**Rule 24.9 29: Trading Technology**

~~The Nigerian Stock Exchange NSE intends to operate~~ a Straight-Through-Processing (STP) for the End to End (E to E) transactions on an End-to-End (E-to-E) basis. In order to implement the STP environment, the Broker-Dealer Market Maker’s internal systems will~~shall~~ be fully integrated with The Exchange’s systems, in order to enable~~ing~~ effective flow of market information that will facilitate and improve the decision making and trading process. The

~~Broker Dealer Market Maker's internal systems shall~~ ould support features which include the following:

- a. FIX-enabled Execution Management System,
- b. Real-time Market data,
- c. Secure and capable connectivity.

**Rule 24.30: PMMS as SMMs**

~~An existing PMM cannot be a SMM in a security in which the firm is appointed as PMM.~~

**Rule 24.31: Marketing Support**

~~An appointed SMM is expected to support The Exchange and other market participants in promoting the securities in which they make market.~~

**Fixed Income Market Making**

**Rule 24.32: Applicability**

~~Rules 24.32 through 24.43 are applicable to all registered Fixed Income Market Makers (FIMMs) on the Nigerian Stock Exchange.~~

**Rule 24.33: Registration**

~~The Dealing Member firm desirous of acting as a FIMM shall apply to The Exchange in writing. Any Dealing Member of The Exchange would be eligible to act as FIMM provided the criteria laid down by The Exchange are met: Criteria to qualify as a FIMM on the NSE:~~

- ~~a. Must be a licensed Broker Dealer,~~
- ~~b. Must be registered with SEC and CSCS,~~
- ~~c. Must meet the minimum net capital requirement,~~
- ~~d. Experience, expertise and past performance,~~
- ~~e. Operational capability in terms of appropriate staffing, technology and risk management tools,~~
- ~~f. Disciplinary history,~~
- ~~g. Applicant and its promoters must be in good standing with SEC, NSE, CSCS and AMCON as well as other regulatory bodies.~~

**Rule 24.34: Eligibility**

~~The Exchange in collaboration with Market Makers will agree on the listed Bonds that will be considered as liquid and tradable on The Exchange's Automated Trading System.~~

**Rule 24.35: Obligations and Responsibilities of FIMM**

~~The FIMM shall fulfill the following conditions to provide depth and continuity on The Exchange's Bond trading platform:~~

- ~~a. The FIMM shall be required to provide a two way quote for ninety per cent (90%) of the time in a trading day;~~



- ~~b. Every quote given by the FIMM must be guaranteed as firm by the Market Maker;~~
- ~~c. The Market Maker will be eligible to change quotes if no transaction has been executed at the displayed quote;~~
- ~~d. The quote shall be provided in such a way that the quotes are not absent from the screen for more than fifteen (15) minutes at a time;~~
- ~~e. Once a Broker-Dealer application for FIMM status is approved, the company has to start providing quotes within ten (10) trading days of registration.~~
- ~~f. Once registered as a FIMM, the company has to mandatorily act in that capacity for a minimum of three (3) months.~~
- ~~g. The FIMM is required to designate a qualified and experienced Trader with a minimum of three (3) years bond trading within the firm as its Bond securities market maker. The FIMM represents that the designated trader has the necessary skill and expertise to perform such function;~~
- ~~h. The FIMM shall provide The Exchange with the names of all designated traders acting as Market Makers, and forthwith advise The Exchange of any changes to such information within twenty-four (24) hours of such a change;~~
- ~~i. A FIMM shall be allowed to deregister by giving ninety (90) days' notice to The Exchange in writing of its intention to resign as a FIMM.~~

#### **Rule 24.36: Compulsory De-registration**

~~If a FIMM fails to fulfill its obligations as a Fixed Income Market Maker for more than ten (10) consecutive trading days, it will automatically stand de-registered and may not be permitted to act as a FIMM for a minimum period of three (3) months.~~

#### **Rule 24.37: Benefits of FIMMs**

~~The FIMM shall have the following benefits:~~

- ~~a. The right to determine the opening price and closing price of the security where they act as FIMM;~~
- ~~b. Opportunity to influence. Market Makers at NSE have an important role when it comes to discussion and feedback on upcoming changes, possible improvements etc. and thereby have a significant opportunity to influence the market structure.~~

#### **Rule 24.38: Dissemination of Information and Market Data**

~~The Exchange shall disseminate:~~

- ~~a. a list of all eligible Bond instruments with their performance price and volume of turnover to the public daily via The Exchange's website and Daily Official List.~~
- ~~b. a list of appointed FIMMs to the public via its website.~~
- ~~c. pre and post trade market data via vendors, and direct real time feeds. This will include best bid, best ask and last trade information.~~

#### **Rule 24.39: Minimum Capital**

The minimum capital requirement of Five Hundred Million Naira (N500,000,000), unimpaired by losses or commitment to other activities, would apply for FIMMs. The Exchange might demand additional capital based on the risk profile of the FIMM.

**Rule 24.10 40: Monitoring ~~Fixed Income~~ Market Maker activities**

The Exchange shall monitor the activities of Market Makers. ~~FIMMs~~. Any violation of these Market Making regulations ~~these requirements or rules and regulations of SEC and NSE~~ would be liable for punitive action to be taken by The Exchange.

**Rule 24.41: Risk Management and Technology Requirement**

The FIMM shall have risk management tools that have facilities for measuring risks, reporting trading activities and implementing proper financial controls. The Nigerian Stock Exchange expects the risk management tools/technology to have the following features:

- a. ~~Computation of Value at Risk (VAR)~~
- b. ~~Inventory of all borrowed Bond securities (Repo), with appropriate administration data to manage borrowings, associated collaterals, coupon payments etc.,~~
- c. ~~Stress Testing to look at extreme market conditions,~~
- d. ~~The system must be able to carry out mark to market at any time,~~
- e. ~~Alerts automatic triggers based on specified risk levels,~~
- f. ~~Robust Database with the ability to store current and historical prices,~~
- g. ~~The FIMM shall also have internal technical capabilities for providing current market updates and information to the market the NSE and other regulatory authorities. Such information shall include, but not limited to:~~
  - 1. ~~Daily Inventory Position;~~
  - 2. ~~Daily Profit and Loss;~~
  - 3. ~~Daily Mark to Market valuation;~~
  - 4. ~~Trading Activity;~~
  - 5. ~~Customer Activity; and~~
  - 6. ~~Credit review of current open trades with counterparties.~~

**Rule 24.11 42: Compliance-Examination ~~Inspection~~ Visits**

The NSE shall periodically carry out compliance-examination ~~Inspection~~ visits to the FIMMs' Market Makers' office(s) to ensure that FIMMs are complying ~~assess compliance~~ with these ~~its~~ Rules.

**Rule 24.43: Trading Technology**

The Nigerian Stock Exchange will operate Straight Through Process (STP) for the End to End (E2E) transactions. This may require the Broker Dealer's internal systems to be fully integrated with The Exchange's systems, enabling effective flow of market information that will facilitate and improve the decision making process. The Broker Dealer's internal systems should support the following:



- ~~a. FIX Enabled Execution Management System~~
- ~~b. Real time Market data~~
- ~~c. Secure and capable connectivity.~~