

**NOTIFICATION OF AMENDMENTS TO THE RULEBOOK OF THE EXCHANGE, 2015
(DEALING MEMBERS' RULES)**

PROPOSED ORDER HANDLING AND BEST EXECUTION RULES & INVITATION FOR COMMENTS

I. Introduction

The Exchange is proposing amendments to the Rulebook of The Exchange, 2015 ("Rulebook") (Dealing Members' Rules) by introducing the Order Handling and Best Execution Rules.

II. Summary of the Proposed Order Handling and Best Execution Rules

The objective of the proposed Order Handling and Best Execution Rules is to ensure that Dealing Members strive to obtain the best deal for clients when executing clients' orders. It has been observed that some Dealing Members either do not have effective Best Execution policies, or do not follow the principles outlined in their Best Execution Policy when handling clients' transactions, hence the need to develop the Order Handling and Best Execution Rules.

Specifically, the Rules address and provide for best execution principles and criteria, the role of price, Dealing Members' obligations with regard to the execution of clients' orders, following clients' specific instructions, clients' order handling, aggregation and allocation of orders, aggregation and allocation of clients' transactions with Dealing Member's proprietary account, audit trail requirements, and sanctions in the event of default.

The Rules will guide Dealing Members on their obligations, from the receipt of clients' mandates till when the mandates are executed.

III. Invitation for Comments

The Exchange is pleased to invite you to participate in its rule making process. Your participation is required by way of reviewing the draft Rules and providing your comments thereon. A set of the proposed Rule amendments may be viewed through the [link provided here](#).

The Exchange views your participation as important for the following reasons:



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- To create public awareness and solicit the public's feedback on the draft Rules; and
- To improve the quality of the Rules and thereby have a robust, well written set of Rules.

We are involving as many stakeholders as possible in this rule making process in order to achieve the aforementioned goals. Please be assured that your comments will be considered in arriving at the final text of the Rules.

IV. Response and Timeline

We will be grateful to receive your comments not later than the close of business on Monday, 14 November 2016. Your comments should be set forth in a WORD document attached to an electronic mail to Mr. Oluwatoyin Adenugba of the Rules and Interpretation Department of The Exchange at oadenugba@nse.com.ng.

V. Approvals

Please note that the draft Rules are subject to the approval of the National Council of The Exchange and the Securities and Exchange Commission.

Tinuade T. Awe,
General Counsel | Head of Regulation
13 October 2016