

MARKET BULLETIN

July 22, 2016

From: MARKET REGULATION GROUP

To: ALL MEMBERS AND STAKEHOLDERS OF FMDQ OTC SECURITIES EXCHANGE

EXPOSURE OF DRAFT PRIVATE COMPANIES' BONDS ("PCB") QUOTATION RULES

Introduction

1. As a securities exchange and self-regulatory organisation, FMDQ OTC Securities Exchange ("**FMDQ**" or the "**Exchange**") is vested with the responsibility of organising and regulating the markets within its purview as well as rule making powers under the Investments and Securities Act 2007.
2. In line with its rule making process and in order to ensure that its Rules are robust and practical, FMDQ hereby exposes the Draft PCB Quotation Rules for comments.

Background & Summary

3. The PCB Quotation Rules are developed in furtherance of the mandate of FMDQ to galvanise the development of the Nigerian economy; and seek to establish the framework through which private companies can gain access to the Nigerian debt capital market through the issuance of bonds; to provide a competitive alternative to bank loans which are currently the major source of long-term debt capital for private companies in Nigeria.
4. The Draft Rules, which have been developed following research into various local and international regulations, outline the regulatory framework to govern the registration, quotation and secondary market trading of PCBs in the Nigerian debt capital market, as well as the post-quotation compliance requirements in respect of the PCBs registered and quoted on the Exchange.
5. The ultimate aim of these Rules is to ensure that the registration, quotation and trading of bonds of private companies on FMDQ, which had previously been unregulated are adequately administered and to expand the regulatory coverage of instruments issued in the Nigerian debt capital marketplace.

Action Required

6. All Members and stakeholders of the FMDQ markets (investors, issuing houses, solicitors, financial markets associations, registrars, custodians, etc.) are invited to provide comments and feedback. Click [here](#) to view Draft PCB Quotation Rules.
7. Comments shall be received no later than **5:00 PM on August 8, 2016** and should be submitted through one (1) of the following methods:
 - i. Emailing comments to mrg@fmdgotc.com; or
 - ii. Mailing comments in hard copy to:

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