



## **SANKORE SECURITIES LIMITED**

("the Company")

# **ORDER HANDLING, BEST EXECUTION AND MONITORING POLICY**

2019

Approved by: Legal and Compliance  
Date of Development:  
Date of Last Revision:  
Developed by: Legal & Compliance  
Contact Person: Company Secretary

## **1. Purpose**

This policy sets out the Company's approach to execution of client orders in accordance with the requirements of the appropriate regulatory bodies and best practices to obtain the best possible results for clients.

The Company undertakes to execute orders in a prompt, fair and expeditious manner, relative to other orders or the trading interest of the firm.

## **2. Scope**

This policy applies to all trades in financial instruments placed by the Company on behalf of its clients on the Nigerian Stock Exchange or any other capital market trade point recognized and authorized by the Securities and Exchange Commission.

## **3. Best Execution**

The Company will take into account the following factors in determining how to execute clients' orders to achieve the best possible result:

- The direct and indirect costs related to the execution of the trade such as
  - a. All expenses incurred which are directly related to the execution of the order;
  - b. Execution venue fees;
  - c. Any other fees paid to third parties involved in the execution of the order
- Speed (how quickly the order can be executed);
- Likelihood of execution and settlement;
- Nature of the order (impact on the market); and
- Other relevant factors.

## **4. Specific Client Instructions**

Where a client provides specific instructions as to execution, the order will be executed in accordance with those instructions. This may prevent the Company from taking the steps designed and implemented in this policy to obtain the best possible results for the execution of those orders in respect of the elements covered by those instructions.

Where there is no specific client instruction as to how an order should be executed, this policy will be applied to obtain the best possible result for each order that placed for execution in the market taking into account all available market information at the time of execution.

## **5. Execution Venue**

Execution venue means a regulated market or any other trading facility that performs a similar function. The Company is a member of, and places significant reliance on the Nigerian Stock Exchange to achieve the best possible result when executing or placing orders on behalf of clients.

## **6. Order Execution**

The Company has developed a Direct Market Access (DMA) Platform which enables clients of the Company place trades directly on the Nigerian Stock Exchange (NSE) Market. In this instance, clients log-in on the DMA Platform using the username provided to them by the

Company and their unique password. Where clients place trades themselves, the Company is notified of every log-in on the DMA Platform by its clients.

#### General Principles

- i. NSE Market operates between the hours of 10:30am and 2:30 pm during the week with the exception of public holidays, so only orders sent in during this time frame would get treated on the NSE Market.
- ii. Each Trade PIN would be sent to the client's registered phone number and email address. The Trade PIN is a 6-digit number and is valid for only 5 minutes for security reasons. If 5 minutes is exceeded, the trade order should be cancelled and put in again to generate another trade PIN.
- iii. All trade orders that are not executed (bought or sold) are cancelled at the end of day, i.e. no trade order is carried over to the next day.
- iv. To check the status of each order, the client can view "Open Orders" on the DMA Platform. If the order is still listed under "Open Orders", then it is yet to be executed, and at the end of the day would be cancelled if it is not executed. All successfully executed orders are removed from the "Open Orders" list and can be viewed under "Contract Notes" at the end of business day.

#### Order Execution

Execution of client order will follow the process as detailed in the chart in Appendix 1 to this policy.

### **7. Monitoring and Review**

The Compliance Officer will regularly monitor the effectiveness of the Company's order execution process and assess whether the execution venues selected have provided the best possible result. Any opportunities for improvement that are identified, will be reported to the Managing Director so resulting actions may be incorporated into the process and policy.

### **8. Record Keeping**

The Company will maintain records in sufficient detail to show particulars of all transaction undertaken, in line with local regulatory requirements. Subject to regulatory requirements, the following records must be retained for all client orders received by the Company:

- a. Monthly Infoware Report detailing number of log-in on DMA for the month;
- b. Daily CSCS Report detailing all trade executed under the Company's account held with CSCS.

**APPENDIX 1  
ORDER EXECUTION FLOWCHART**

