



**Operations Department**  
**Order Management & Best Execution Policy**

**V1/October 2021**

**Date: 06/10/2021**

**REG/OPS/DOC/001**

***REGENCY ASSETS MANAGEMENT LIMITED***

***ORDER MANAGEMENT & BEST EXECUTION POLICY***

**RAML Policy Administration**

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**Approvals:**

Approved by: RAML Board of Directors

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**DOCUMENT REVIEW & VERSION HISTORY**

<i>Approval &amp; signing</i>	<i>October 2021</i>
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## 1. INTRODUCTION

### **Scope and Purpose**

The purpose of this document is to clearly define our approach for Order Management and Best Execution in relation to equities and other financial instruments. This policy statement is applicable to all employees of Regency Assets Management and it is consistent with the rules and regulations of the Regulatory Bodies which include; Securities and Exchange Commission (SEC), Nigerian Exchange Limited (NGX); NASD Plc and FMDQ OTC

### **RAML Policy Statement**

1. That the business of Regency Assets Management Limited is built on trust and integrity as perceived by our stakeholders, and most especially our clients, shareholders, and regulators.
2. That an important element of the said trust and integrity is to ensure that at all times we conduct our businesses with the values and code of conduct we have adopted as a good corporate citizen and in full compliance with applicable rules, regulations and standards.
3. This policy is designed in full compliance with requirements of the rule of Order Handling and Best Execution of the Nigerian Exchange Limited and all other applicable statutory and regulatory obligations
4. That reasonable actions are taken to achieve the best available results for our clients within the shortest possible time frame, in as much as we do not deviate from the client's order(mandate)

### **Scope**

This policy applies to all clients mandates on all types of securities and financial instruments executed by RAML on NGX, NASD, FMDQ or any other capital market trade point recognized and authorized by the Securities and Exchange Commission

### **Best Execution Principle**

RAML operates a best execution policy across all Exchanges for the execution of transactions. Best execution means that RAML as an investment service firm is duty bound:

1. To and will treat clients fairly at all times and take reasonable steps to achieve the best possible results in the least possible time when executing clients' orders.
2. Take cognizance of all different circumstances associated with the execution of mandates related to particular types of securities.
3. That in exercising best execution, we will take the following execution factors into consideration as appropriate and in the context of client's order;
  - Time of order receipt
  - Price
  - Cost
  - Speed



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- Likelihood of execution and settlement
- Order size
- Nature of the order( including the market on which it is executed)
- Price movement
- Market liquidity
- Market impact
- Any other consideration that is relevant to the execution of the order.

In addition, we will also consider the following criteria when determining the relative importance of the execution factors mentioned above:

1. Whether the clients are retail or institutional
2. The client's order, whether it is a market, limit or other type of order
3. The execution venues on which the order can be executed

Consideration of execution factors will vary dependent on the order type. In general, price is regarded as the most important consideration when trying to achieve best execution.

4. RAML shall establish and implement this Policy to each client's mandate.

### **Client Order Handling**

RAML will provide for the prompt, fair and expeditious execution of order, relative to other orders of the trading interest of the firm. When carrying out orders, we will:

1. Ensure all orders are received in writing and/or through the client's registered e-mail address with the following details:
  - Name of the security/ financial instrument to be traded
  - Quantity of the security/financial instrument to be traded
  - Price: limit/range or best market price
  - Order type: buy/sell
2. Ensure that mandates executed on behalf of clients are promptly and accurately recorded and allocated
3. Ensure that orders are executed at the best bid/offer price available in the market at the time of executing the order
4. RAML will not execute a client's mandate in aggregation with another client's mandate
5. RAML will not aggregate a client's mandate with a transaction for its proprietary account
6. RAML will not misuse information relating to pending orders and will take all reasonable steps to prevent the misuse of such information



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**Cross trades.**

Where we have two clients in opposite needs in the same security and it is in the interest of both clients to transact with each other instead of both going to the market, we will obtain relevant sell and buy mandate and instructions from the potential seller and buyer of the security respectively and upon receipt of same, shall proceed to cross the trade of the best available market price.

**Online Access**

Where a client with online access to his/her account on our portal chooses to place his/her order by himself/herself, the client will select the parameters of the trade which include; securities, price, quantity and bid/offer price. The order will drop in our jobbing book for execution by RAML on our trading platform, RAML will treat this as the client having given specific instructions in relation to the execution of his or her order.

**Direct Market Access (DMA)**

This is an electronic trading facility made available to the clients of Regency Assets Management Limited who wish to trade directly from their locations on the trading platform of NGX. Here, the client places the order directly and it is received into the order book of the Nigerian Exchange Limited (NGX)

Where a client chooses to execute an order through the use of RAML's DMA, the client will select the parameters of the trade. In such situations, RAML will treat this order as the client having given specific instructions in relation to the execution of his or her order as the order goes immediately into the market for execution during the trading hour. RAML will therefore be deemed to have satisfied its best execution obligations. All such trading activities executed by the client shall comply with all applicable laws, rules and regulations of all regulatory bodies.

**Monitoring and Record Keeping**

1. RAML will monitor the processes to identify transactions that may not have met order execution requirements as outlined in this policy through surveillance undertaken by our compliance and audit teams.
2. RAML will monitor the effectiveness of its order execution arrangements of this policy on regular basis in order to identify and, where appropriate, correct any deficiencies
3. RAML will maintain and keep records of all our transactions in sufficient details to show particulars of all transactions undertaken. The following records will be retained for each trade executed by us:



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- i. Price
- ii. Time order received
- iii. Execution time
- iv. Order allocation record (Jobbing Book)

**Audit Trail Requirements**

- 1. RAML will ensure that a system for tracking and monitoring orders is established and maintained
- 2. The Risk Management and Compliance Units will perform order tracking and monitoring on a daily basis
- 3. The order management system will retain an audit trail on all modified, cancelled and executed orders, providing visibility through the entire lifecycle of an order

**APPROVED BY:** \_\_\_\_\_

**APPROVED BY:** \_\_\_\_\_

***Designation: Managing Director/CEO***

***Designation: Chairman***

***Signature:***

***Signature:***

***Date: 4<sup>th</sup> October 2021***

***Date: 6<sup>th</sup> October 2021***