

March 31, 2021

FMDQ/MRG/310321/MB-43

To: ALL MARKET PARTICIPANTS

From: MARKET REGULATION GROUP

APPROVAL OF FMDQ EXCHANGE DERIVATIVES MARKET RULES

1. This Market Bulletin seeks to notify all market participants of FMDQ Securities Exchange Limited ("**FMDQ Exchange**" or the "**Exchange**") of the approval of the FMDQ Exchange Derivatives Market Rules (the "**Rules**") by the Securities and Exchange Commission ("**SEC**" or the "**Commission**").
2. In view of domestic and global market development initiatives, FMDQ Exchange identified the need for a robust derivatives market to be introduced in the Nigerian financial markets. As such, in support of the imminent launch of the FMDQ Exchange Derivatives Market (the "**Market**"), FMDQ Exchange developed the Rules in a bid to ensure that prospective market participants are appropriately apprised of the requirements for trading of derivatives on the FMDQ Exchange platform as well as their attendant responsibilities in this segment of the Nigerian financial market.
3. The Rules were developed following a review of derivatives market regulations globally, input and consultations from derivatives market experts and FMDQ Exchange Members. In developing the Rules, the Exchange also ensured alignment with the requirements of the Derivatives Trading Regulations published by the Commission on December 23, 2019.
4. The Exchange is immensely appreciative of all market stakeholders for their invaluable support towards the development of the Rules and are pleased to announce that the Rules are in effect. Therefore, prospective Derivatives Trading Members should kindly refer to the Derivatives Trading Membership Requirements (the "**Requirements**") which outline the minimum requirements for entities seeking to participate as Derivatives Trading Members in the Market to commence the onboarding process.
5. The Rules and Requirements shall be read in conjunction with all applicable laws and regulation relating to the trading of derivatives in Nigeria and shall serve as a specific reference point for trading of derivatives on FMDQ Exchange.

Click [here](#) to view the FMDQ Exchange Derivatives Market Rules.

Click [here](#) to view the Derivatives Trading Membership Requirements.