



# APT SECURITIES AND FUNDS LTD

(Dealing Member of The Nigerian Stock Exchange)

## BEST ORDER EXECUTION POLICY

### 1. INTRODUCTION

The purpose of this document is to provide clients of APT Securities and Funds Limited (henceforth referred to as APT or we or us) with information in relation to our Order Execution Policy.

The Order Execution Policy outlines the reasonable steps taken by us to ensure that we obtain the best possible results, for our clients, when executing their orders.

APT to undertake all reasonable steps to obtain the best possible result for its clients (henceforth referred to as **client** or **you**), taking into account price, costs, speed, likelihood of execution and settlement, size, nature and/or any other relevant order execution consideration, whether we are executing orders on behalf of clients or placing orders with, or passing orders to, others for execution. This overarching obligation is to obtain the best possible result for clients is referred to, in this document, as our obligation of **Best Execution**.

### 2. SCOPE

This document applies only to clients of APT on dealings with **Financial Instruments**. Best Execution is only owed when APT accepts an order to execute a transaction on the client's behalf or in other circumstances where it has otherwise expressly agreed to accept such Best Execution obligation. i.e where you are relying on APT to act on his/her behalf in professional way.

### **3. LIMITATIONS TO SCOPE OF BEST EXECUTION**

In all cases the application of the Best Execution obligation will be limited by the Exchange's price limit per stock per day, the nature of the order given by you. Such cases include highly structured transactions. The Best Execution obligation applies to all that requested for it, to highly structured off-exchange transactions where, due to the unique contractual structure entered into between Client and APT. Although Best Execution technically applies, there is little or nothing against which to compare the transaction. This applies on NSE and OTC transactions, which is (i) highly structured/customized to the particular client and, therefore, (ii) is not one of a series of similar deals to which the firm is a counterparty, and (iii) there is nothing comparable in the market.

### **4. SPECIFIC CLIENT INSTRUCTIONS**

If the Client provides us with a specific instruction to deal on his / her behalf may prevent us from following some or all of the steps outlined in the Order Execution Policy, which are designed to obtain the best possible results in respect of order.

Where the Client gave us a specific instruction, we will take all reasonable steps to obtain the best possible results for the Client in respect of the order or aspect of the order covered by specific instruction/s.

### **5. THE QUALITY OF EXECUTION**

When executing orders on the Client's behalf in relation to financial instruments, we will take all reasonable steps to achieve what is called "best execution" of the orders. This means that we will have in place a policy and procedures which are designed to obtain the best possible execution result, subject to and taking into account the nature of your orders, the priorities placed upon us in filling those

orders and the market in question and which provides, in our view, the best balance across a range of sometimes conflicting factors.

We will take into consideration a range of different factors which include not just price, but which may also include such other factors as the need for timely execution, the liquidity of the market (which may make it difficult to even execute an order), the size of the order and the nature of the transaction.

We will also take into account Client's understanding and experience of the market in question, dealing profile, the nature of the dealing service required of us and the specific and general instructions given to us by Client which may be prioritized in filling the orders.

***In the absence of express instructions from the Client, due care will be exercised in determining the factors that need to take into account for the purpose of providing "best execution".***

Our commitment to provide Client with "best execution" does not mean that we owe you any fiduciary responsibilities over and above the specific regulatory obligations placed by the Regulators or otherwise contracted between us.

## **6. ORDER EXECUTION POLICY**

We assign a high degree of importance to the factors underpinning the execution process and our policy is based on offering the best possible outcome for you based upon the following main criteria:

- **Price**
- **Cost of Execution**
- **Speed**
- **Likelihood of Execution**

**Price** – prices shown on our trading platform are based on the prevailing market prices which we receive from the Nigerian Stock Exchange and or NASD OTC (for OTC instruments) price feed sources. Prices quoted for Exchange traded instruments will be based on the prices we receive from these sources.

**Cost of Execution** – commissions charged will be limited to authorized commissions or any other agreed by the Parties. All commissions, published by us are considered competitive, industry practice and in line with regulatory requirements and prevailing market practice. We seek to provide additional services for our charges (market alerts, analysis, special market intelligence report, etc) which other firms may not. On the above basis, we consider that we can provide you with the best possible overall result on a more consistent basis.

**Speed** – our online platform provides one of the fastest execution services and among the few available channels in the market. Based on your stable internet connection of suitable speed to channel your mandates, automated trading is immediate and efficient. We undertake to provide immediate pricing, subject to the status of the underlying market.

**Likelihood of Execution** – we do our best to execute the order provided the market has sufficient liquidity and there is a price available against which we can cover your trade, we will make a market. This policy maximizes the likelihood of execution.

In determining the relative importance of the factors affecting the execution process and thereby formulating our best execution policy, we have, using our judgment and longstanding experience in the market, considered that your own execution priorities when using our services and those of similar firms to ours are;

- ✓ speed of execution, namely to see a price and match your trades;
- ✓ transparency of execution, that the price quoted is the price at which the trade is executed;

- ✓ transparency of dealing costs, that the spread and commission rates are known before you choose to trade and there are no unknown fees that will be revealed only after you have traded;
- ✓ where you wish to execute (for example) an abnormally large order or an order in an illiquid market, which is not to be closed over the trading platform, you will be advised before the trade is executed of any factors which may affect our ability to execute the trade in any manner which deviates from our normal procedures and that of The Exchange how those factors may affect the execution of the trade;
- ✓ accurate pricing: our trading software encompasses the most sophisticated price-filtering systems available in the market and provides clients with promptly updated prices on board which can be trusted and relied upon;
- ✓ re-quote policy: in normal market conditions, we may re-quote your order before executing your trade, where the market is moving in your favour and a more favourable price can be offered than the price you have seen on your platform.

**Note:** in certain circumstances, any specific instructions from you may prevent us from taking the steps that we have designed and implemented in our execution policy to obtain the best possible result for the execution of those orders, in respect of the elements covered by those instructions.

**7. EXECUTION VENUES** - A list of the execution venues we may use include; The Nigerian Stock Exchange and NASD OTC Market, or with an external entity such as a third-party broker authorized to handle the order on Securities and Exchange Commission's approved by The exchange.

## **8. Limit Orders**

If you give us an investment instruction at a specified price limit or better and for a specified size (a "limit order"), then it may not always be possible to execute that order under the prevailing market conditions. We would be required to make your order public (i.e. show the order to the market) in such a case unless you agree that we need not do so. We think it is in your best interests if we exercise our discretion

as to whether or not we make your order public. By agreeing to this you agree to us not making your orders public, save where we consider it is in your best interests to do so – through Whole or None, All or None and other execution limits.

## **9. Monitoring and Review**

We will actively monitor compliance with this Order Execution Policy. We will notify the Client of any material changes to our Order Execution Policy as outlined in our terms and conditions with the Client. All clients may request a hard copy of our Order Execution Policy at any time by contacting APT Securities and Funds Limited

## **10 General**

By signing the declaration in the account opening form, you (or your authorized intermediary) consent to our Order Execution Policy.

Please note that if you do not provide your consent to our Order Execution Policy, by giving us specific instructions/limit orders, you may be limiting our ability to execute your orders on the most advantageous terms for you.

Should you require further information or assistance in relation to the Order Execution Policy please contact;

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