



REGISTRATION REQUIREMENTS

Any entity desirous of being registered as a market maker must comply with the following Rules and Regulations.

The Market Maker:

- i. must be registered as a member of a Self Regulatory Organization (SRO) as required by the provisions of Rule 42 [(1), (2), (3) and (4)] of the Rules and Regulations.
- ii. must comply with the code of conduct of capital market operators as provided under Rule 43(1) and (2) of the Rules and Regulations.
- iii. shall, for the purpose of registration, comply with the provisions of Rule 44 of this Rules and Regulations. • shall maintain a Fidelity Bond in line with the provisions of Rule 45.

3. Part E4 –Rule 182C Market Makers Functions:

1. A registered Market Maker shall perform the following functions:
 - i) be a specialist in designated securities and shall hold itself out (by entering quotation in an interdealer communications system or otherwise) as being willing to buy and sell the designated securities for its own account on a regular or continuous basis.
 - (ii) promote continuous liquidity in the market at all times.
 - iii) serve as a source of market information for the designated securities for which at all times, it stands ready.
 - iv) facilitate a smooth trading atmosphere and engender market stability as well as promote price discovery.

2. The Market Maker may in addition to sub-rule (1) above, carry out other functions, such as underwriting; but it shall not combine market making functions with stockbroking.

3. Obligations of Market Makers

A Market Maker shall comply with the following:

- i) stabilize the market by ensuring continuous liquidity, by synchronizing buy and sell transactions;
- ii) operate within the established transaction spread (i.e. bid/offer spread) which shall be a maximum limit of 3% subject to review from time to time;
- iii) have the capacity for continuous 2-way quotes in the relevant stocks throughout the trading session in a minimum quote size of 100,000 units of shares.
- iv) have the capacity to deliver and settle transactions within the prescribed settlement cycle (i.e. T+3 settlement cycle for securities)
- v) have the capacity to lend and borrow the designated securities at any time, with a view to ensuring stability in the market.
- vi) have enough buffer funds at all times.

4 Infrastructure

The Market Maker shall have a robust information technology infrastructure and multiple record keeping systems.