

MARKET CIRCULAR 53

To:	Participating Institutions
From:	NASD OTC Securities Exchange
Date:	6th January 2022
Subject:	Notification of strict application of penalties for non-compliance with the Rules of NASD Securities Exchange

Upon the review of the activities of the NASD OTC Market in 2021, we observed that some Participating Institutions continuously defaulted in complying with NASD's Market Rules, particularly with respect to the rendition of returns, payment of annual fees, contribution to the Trade Guarantee Fund and full participation during NASD's annual surveillance exercise.

We believe that all participating institutions have now commenced full operations following the disruptions caused by the Covid-19 pandemic and are consequently in a position to comply with all NASD market Rules.

In order for NASD to continue to ensure an orderly and transparent market, we are commencing the strict application of the penalties prescribed by our Rules for defaulting firms. These penalties include but are not limited to suspending the defaulting firm from trading on NASD, withdrawing access to our market facilities and notifying the Securities and Exchange Commission and Central Securities Clearing System ("CSCS") of such default. NASD shall also (beginning this month) publish a list of fully compliant Participating Institutions and Settlement Banks) for the attention of the market.

All participating institutions are consequently requested to familiarize themselves with the provisions of NASD's Rules and Regulations which can be found at <https://nasdng.com/rules-regulations/nasd-rules/> . **Participating institutions with outstanding dues/returns/ documents must regularize the same by 14th January 2022.**

For further clarifications or inquiries, kindly send a mail to legalcompliance@nasdng.com or call us on 09024559686.

Legal & Compliance
NASD PLC