



# Commencement of Regulatory Fee for Fixed Income (Bonds) on Secondary Market Transactions



The Securities Exchange Commission has issued a Circular made pursuant to the powers conferred upon it by Section 13(u) of the Investments and Securities Act (ISA), 2007 and Schedule 1, Part D of the SEC Rules (Registration Fees, Minimum Capital Requirements, Securities and others) which empower SEC to levy, among others, fees on transactions relating to investments and securities business in Nigeria.

The regulatory fee structure on secondary market transactions on Bonds is deemed to have taken effect from January 1, 2022.

Under this fee structure, SEC will charge an amount of 0.025% of the total value of all secondary market transactions on Bonds, while the Securities Exchange on which the transaction occurs will charge an amount not exceeding 0.025% of the total value of secondary market transactions on Bonds.



Secondary market transactions on Bonds shall include bond transactions executed on a Securities Exchange (Exchange), reported by voice or by any other means to an Exchange as having being transacted thereon or of which the information of the transaction details are featured on the Exchange's platform for purposes including but not limited to onward transmission to a Depository for settlement, price discovery and corporate disclosure.



While bond transactions by Dealing Members will attract a single regulatory fee of 0.0001% of the total value of the secondary market transactions on Bonds, and are exempt from the 0.025% fee charge earlier stated.

## Disclaimer

Nothing in this article should be construed as legal advice from any of our lawyers or the firm. The article published is a general summary of developments and principles of interest and may not apply directly to any specific circumstances. Professional advice should therefore be sought before action based on any article is taken.

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