

**Rule - 501**

**Appointment of authorised dealers**

- (1) A member company may nominate, and apply to the Stock Exchange for appointment of an authorised dealer who, after registration with the Securities and Exchange Commission and Licencing by the Stock Exchange, may deal in the Market on behalf of the member company.
- (2) Nomination for an authorised dealer will be received in respect of a person who-
  - (a) Has been nominated by the member firm on whose behalf he will deal in the market.
  - (b) Is a full-time employee of the member firm.
  - (c) Is at least eighteen (18) years of age.
  - (d) Has been employed by the applicant member firm at least six months (commenced July 1, 1990) and has an accredited qualification from a recognised academic institution with a knowledge of capital markets.
  - (e) Has produced references as well as a police record.
  - (f) Has undergone trading simulations under the direction of Management.
- (3) Application for authorisation shall be made by the sponsoring member company in the form prescribed in Appendix V.
- (4) The Stock Exchange may refuse an application on the grounds that, either-
  - (a) the nominee's experience and character render him unsuitable; or
  - (b) authorisation would result in the number of authorised dealers employed by the sponsoring member company exceeding the number of registered stockbrokers in that company.
- (5) The Stock Exchange may, at its discretion, post the nomination in the Market, and in this event, members and registered stockbrokers may comment on the suitability of the applicant to the Stock Exchange.
- (6) If the Stock Exchange is satisfied with the experience and character of the applicant, it shall appoint him as an authorised dealer for such period as he remains in the employment of the member company which has sponsored the application.
- (7) Any reference in the dealing rules and administrative procedures to registered stockbroker should also be construed as a reference to authorised dealers.
- (8) Registered stockbroker members shall in accordance with the Rules and Regulations of the Stock Exchange be liable for acts or omissions of any authorised dealer of their member company in accordance with the Rules and Regulations of the Stock Exchange, and any offending authorised dealer shall himself be liable to suspension or cancellation of his authorisation in accordance with rule 103(1) of the Rules and Regulations of the Stock Exchange.
- (9) The Stock Exchange shall cause a register of authorised dealers to be kept, in which shall be entered the names of each authorised dealer and his employing member company. This register shall be kept in the offices of the Stock Exchange and shall be available for inspection by members and authorised dealers.
- (10) An authorised dealer shall not enter the trading floor of the Market until his member company shall have received from the Stock Exchange offices, notice of his admission and authorisation.
- (11) Authorised dealers of a defaulting member company shall be excluded from the trading floor of the Market immediately on such default.