

(Dealing Member's letter head)

Sample checklist for Initial Listing on the Main Board of the Nigerian Stock Exchange (NSE) by Initial Public Offering (**Please fill and execute this form as the Sponsor's Declaration on Documentation and Due Diligence**)

Checklist for First Submissions: (insert name of applicant issuer)

Type of Application: (IPO)

Note:

- i. This checklist is applicable to application to list equity capital of an Issuer on the Main Board of The Exchange where equity capital of the Issuer is not already listed on The Exchange), and the Issuer embarks on Initial Public Offer (IPO) as at the time of the application. The IPO may be either to raise equity or debt capital.
- ii. The issuer must comply with Section C: *Requirements for All Listings* as well as Chapter 1: *New Listing of Securities*, Rulebook of The Exchange, 2015 (Issuers' Rules).
- iii. Pursuant to chapter 1 of the Rulebook, the Issuer is required to meet either qualification standard A, or B or C. the Issuer must state clearly the prequalification criteria through which the Issuer is applying (i.e. A, B or C).
- iv. Soft copy document should be forwarded to giwenekhai@nse.com.ng; eeepo@nse.com.ng; okuti@nse.com.ng; and ooge@nse.com.ng. The time between the submission of hard copies and soft copies should not exceed 24 hours. The Exchange will **not conclude** on an application until all relevant documents are submitted.
- v. The checklist is categorized into qualification requirements and documentation requirements. The sponsoring dealing member is required to fill out the table below using the appropriate key indicating whether the Issuer has submitted the required documents. Where the requirement is not applicable to the Issuer, the reason should be provided in the "comment" box.

Keys:

- ✓ Submitted/Complied with
- X Not submitted/Not complied with
- N/A Not applicable

	Initial Listing Requirements (Mainboard only)	Please tick as appropriate	
		Status	Comments
	Initial Listings Standard A		
i.	Be registered as a public limited company with no restrictions on the transfer of fully paid shares		
ii.	Have a minimum of three (3) years' operating track record		
iii.	Have a pre-tax profit from continuing operation of not less than N300million cumulatively for the last		

(Dealing Member's letter head)

	Initial Listing Requirements (Mainboard only)	Please tick as appropriate	
		Status	Comments
	three (3) fiscal years and a minimum of N100 million in two (2) of these years		
iv.	Have financial statements which shall be compliant with the applicable SEC rules and covering the last three fiscal years provided that the most recent statement at the time of submission of the application is not more than 9 months old		
v.	Ensure that a minimum of 20% of the issued share capital is made available to the public and held by not less than 300 shareholders		
vi.	Have shareholders' equity of not less than N3billion		
vii.	Ensure that if the listing is in connection with an Initial Public Offering (IPO) the promoters and directors will hold a minimum of 50% of their shares in the company for a minimum period of 12 months from the date of listing and will not directly or indirectly sell or offer to sell such securities during that period		
viii.	Ensure that the securities are fully paid-up at the time of allotment or registration in compliance with the applicable SEC rules		
ix.	Undertake to promptly pay annual listing fees based on market capitalization		
x.	Have a functioning website		
xi.	Have a governance process which is in line with the SEC Codes		
	Initial Listings Standard B		
i.	Be registered as a public limited company with no restrictions on the transfer of fully paid shares		
ii.	Have a minimum of three (3) years' operating track record; and where the Issuer does not have three years' (3) operating track record the Issuer shall provide evidence of a core investor who has a minimum of three years' (3) operating track record		
iii.	Have a pre-tax profit from continuing operation of not less than N600million cumulatively for the last one (1) or two (2) fiscal years		
iv.	Have financial statements which shall be compliant with the applicable SEC rules and covering the last three fiscal years provided that the most recent statement at the time of submission of the application is not more than 9 months old and where the Issuer does not have financial statements for the last 3 years the Issuer shall provide evidence of a strong technical partner who		

(Dealing Member's letter head)

	Initial Listing Requirements (Mainboard only)	Please tick as appropriate	
		Status	Comments
	has a minimum of three years' (3) operating track record with substantial equity and involvement in management and the financial statements for the last three years of the technical partner		
v.	Ensure that a minimum of 20% of the issued share capital is made available to the public and held by not less than 300 shareholders		
vi.	Have shareholders' equity of not less than N3billion		
vii.	Ensure that if the listing is in connection with an Initial Public Offering (IPO) the promoters and directors will hold a minimum of 50% of their shares in the company for a minimum period of 12 months from the date of listing and will not directly or indirectly sell or offer to sell such securities during that period		
viii.	Ensure that the securities are fully paid-up at the time of allotment or registration in compliance with the applicable SEC rules		
ix.	Undertake to promptly pay annual listing fees based on market capitalization		
x.	Have a functioning website		
xi.	Have a governance process which is in line with the SEC Codes		
xii.			
	Initial Listings Standard C		
i.	Be registered as a public limited company with no restrictions on the transfer of fully paid shares		
ii.	Have a minimum of three (3) years' operating track record; and where the Issuer does not have three years' (3) operating track record the Issuer shall provide evidence of a core investor who has a minimum of three years' (3) operating track record		
iii.	Have financial statements which shall be compliant with the applicable SEC rules and covering the last three fiscal years provided that the most recent statement at the time of submission of the application is not more than 9 months old and where the Issuer does not have financial statements for the last 3 years the Issuer shall provide evidence of a strong technical partner who has a minimum of three years' (3) operating track record with substantial equity and involvement in management and the financial statements for the last three years of the technical partner		

(Dealing Member's letter head)

	Initial Listing Requirements (Mainboard only)	Please tick as appropriate	
		Status	Comments
iv.	Ensure that a minimum of 20% of the issued share capital is made available to the public and held by not less than 300 shareholders		
v.	Have a market capitalization of not less than N4 billion at the time of the listing, calculated using the listing price and shareholders' equity		
vi.	Ensure that if the listing is in connection with an Initial Public Offering (IPO) the promoters and directors will hold a minimum of 50% of their shares in the company for a period of 12 months from the date of listing and will not directly or indirectly sell or offer to sell such securities during that period		
vii.	Ensure that the securities are fully paid-up at the time of allotment or registration in compliance with the applicable SEC rules		
viii.	Undertake to promptly pay annual listing fees based on market capitalization		
ix.	Be registered as a public limited company with no restrictions on the transfer of fully paid shares		
x.	Have a functioning website		
xi.	Have a governance process which is in line with the SEC Codes		
	Documentation Required in hard copies (items 1-4)		
1.	3 to 5 years audited accounts		
2.	Letters of consent from parties and Directors (original)		
3.	Sponsor's Declaration on documentation and due diligence (original)		
4.	Statutory Declaration as to the identity of Directors and that they are fit and proper to be directors (original)		
	Documentation Required in soft copies (items 5-30)		
5.	Evidence of payment of application/listing fees and CSCS eligibility fee		
6.	Abridged application		
7.	Prospectus		
8.	List and Value of Litigations		
9.	Solicitors opinion on litigations		

(Dealing Member's letter head)

	Initial Listing Requirements (Mainboard only)	Please tick as appropriate	
		Status	Comments
10.	Estimated cost of issue detailing the cost attributed to each party to a transaction		
11.	Pricing memorandum		
12.	Certified true copy of certificate of incorporation		
13.	Certified true copy evidence of conversion to Plc.		
14.	Certified true copy memorandum and articles of association certified by CAC not later than two months prior to the date of application		
15.	CAC forms Co2 and Co7 the company/issuer certified by CAC not later than two months prior to the date of application		
16.	Certified copy of Board resolution approving the offer and issue of prospectus.		
17.	Certified copy of ordinary resolution or a special resolution (if the Company's Memart so requires) approving the offer and listing		
18.	Statement of reporting accountants		
19.	Proposed time table		
20.	Technical services agreement (if applicable)		
21.	Certified copy of Vending agreement		
22.	CAC forms Co2 and Co7 of any institutional investor holding 5% or more of the issued and fully paid up share capital of the company/issuer certified by CAC not later than two months prior to the date of application (note: Co2 and co7 of corporate entities who own 5% or more should be provided until all natural persons who own such shares and their directors are disclosed)		
23.	SEC Approval		
24.	CBN Approval (If applicable)		
25.	NAICOM Approval (If applicable)		
26.	Interim accounts (if applicable)		
27.	Letter nominating three (3) primary market makers		
28.	Updated list of receiving agents		
29.	Shareholders' register		
30.	Any other document which is material to the listing or to the business of the issuer		

Have any rulings been given on this transaction by the NSE?

Yes/No

If yes, please provide details of the ruling.

(Dealing Member's letter head)

I, an approved executive of (Name of sponsor) hereby confirm that this Checklist is complete and that no other information which is required in terms of the Listings Requirements has been omitted. I also confirm that we have carried our reasonable due diligence on the applicant and its directors and are satisfied with our findings.

Signed by approved executive of sponsor.

SIGNATURE

DATE

(Internal use only)

Reviewed by:

Name:.....

Date:.....