

AMENDMENTS TO THE LISTINGS RULES

Legend: additions are underlined.

Rule Making History

1. The draft rules were presented to the Rules and Adjudication Committee of Council (RAC) on 22 May 2013 for consideration;
2. The RAC approved the draft rules on 22 May 2013 for submission to the National Council of The Exchange (Council);
3. The draft rules were approved by Council on 30 May 2013 for exposure to stakeholders from 7 to 21 June 2013;
4. Stakeholders comments were reviewed by the RAC at its retreat of 8 and 9 November 2013 and the revised draft rules were approved for submission to Council;
5. The revised rules were approved by Council at its retreat of 23 and 24 November 2013 for submission to the Securities and Exchange Commission (SEC);
6. The rules were submitted to SEC for approval on 5 December 2013
7. The draft Rules were reviewed at the SEC Rules Committee meeting of 30 January 2014;
8. The SEC's approval of the rules was received on 19 May 2014.

DEFINITIONS

The following expressions shall unless the context otherwise require, have the following meanings in these “Rules Governing Listing on The Nigerian Stock Exchange”, the Investments and Securities Act or the Securities and Exchange Commission’s Rules and Regulations as amended from time to time.

- “An Associated Company” is an investee company that is not a subsidiary and in respect of which;
- a) The investor’s interest in the voting power of the investee is substantial, and
 - b) The investor has the power to exercise significant influence over the financial and operating policies of the investee, and
 - c) The investor intends to retain its interest as a long-term investment.
- “Capital” includes shares and loan capital.
- “Commission” means the Securities and Exchange Commission.
- “Committee” means the Quotations Committee of The Exchange.
- “Company” means a public company as defined by the Companies and Allied Matters Act 1990 and includes Corporations.
- “Council” means the Council of The Exchange and/or any Committee set up by Council.
- “Dealing Member” means a member of The Exchange that is licensed to deal in securities on any of the trading floors of The Exchange.
- “Free Float” means the number of shares outstanding and available to be traded on a securities exchange.
- “Inside Information” means information related to an Issuer or the Issuer’s securities, directly or indirectly, which is not published and the disclosure of which may have a substantial effect on the price of its listed or traded securities or derivative instruments connected to those securities. The information is of a precise nature which is specific to the Issuer and is likely to have a significant effect on the price of the shares if it were generally available.
- “Insider” means an individual:
- a: who is connected with the company during the preceding six months in one of the following capacities:
 - i. a director of the company or a related company
 - ii. an officer of the company or a related company



- iii. an employee of the company or a related company
- iv. a person involved in a professional or business relationship with the company as above
- v. a shareholder who owns 5% or more of any class of securities or any person who can be deemed to be an agent of any of the above listed persons; and
- vi. members of the audit committee.

- b. who by virtue of having been connected with the company as mentioned in paragraph "a" has obtained unpublished price sensitive information in relation to the securities of the company.

"Issuer" means any entity, any class of whose securities has been admitted into listing by the Nigerian Stock Exchange.

"Listing" means admission of securities to the Official List.

"Material Circumstances" means events or developments which bring about any circumstance in which an insider becomes aware of material price sensitive information.

"Material Information" means information that is not generally available to the market; and if it were generally available to the market, it would have a material effect on the market price or value of the Issuer's listed securities. Material information consists of both material facts and material changes relating to the business and affairs of an Issuer.

"Persons closely connected" include an individual's spouse, relative or the spouse of a relative and other close dependants.

"Principal Officer" includes Directors, Company Secretary, Internal Auditor and other persons such as the Chief Executive Officer, Chief Finance Officer, Chief Compliance Officer and Chief Risk Officer.

"Prospectus" includes circular, advertisement, explanatory memorandum, scheme of arrangement, rights offer document, or other equivalent document, published or circulated, relating to the Securities for which listing is sought.

"Public" means persons other than the directors and employees of a company.

"Securities" include shares, stock units of a unit trust, debentures and bonds.

"Shares" include ordinary and preference shares and units of a unit trust.

"The Exchange" means The Nigerian Stock Exchange.

"Trust Deed" includes supplemental trust deed.

- “Underwriting” the act of agreeing to buy all or part of a new issue of securities to be offered for public sale with a view to resale and not as a form of investment. There are two basic types of underwriting:
- a) “Standby underwriting” is where the underwriter is legally bound to take and pay up to the underwritten percentage only if the issue is not fully subscribed.
 - b) “Firm underwriting” is where the issuer sells the entire issue to the underwriters, who then attempts to resell it, the issuer receives the agreed upon amount and all the risks associated with selling the issue are transferred to the underwriters.
- “Unit Trust” means any vehicle or arrangement made for the purpose of providing investors facilities for participation as beneficiaries under a trust in profits and income arising from the acquisition, holding management or disposal of securities.

CHAPTER 12

GENERAL UNDERTAKING

Introduction

- I. The principal function of The Exchange is to provide a fair, orderly and efficient market for the trading of securities. Every Issuer that is listed on The Exchange is required to provide The Exchange with timely information to enable it efficiently perform its function of maintaining an orderly market, to enable it maintain necessary records and to allow it the opportunity to comment as to certain matters when the facts emerge or so soon thereafter. The information disclosed by an Issuer must be produced to the highest standards and shall be accurate, exact and unambiguous, its content must not be misleading and it shall not exclude or omit anything that may influence the substance or meaning of the information presented.
- II. For the purposes of these Rules, insider, insider dealings, insider information, confidential information, price sensitive information and connected persons are used in accordance with the meaning provided in the Investments and Securities Act, 2007 and the SEC Consolidated Rules and Regulations.
- III. The privilege to remain on the Daily Official List of The Nigerian Stock Exchange is subject to the discretion of The Exchange. All Issuers who wish to have their securities admitted to trading and to remain on The Exchange must comply with:
 - (a) the requirements of any securities and financial regulator by which it is regulated; and
 - (b) the provisions set out in the Standards under which it has securities admitted to trading, and including any modification to the Standards which has been notified via The NSE website.
- IV. The Listing Rules including any modification thereto shall be interpreted, administered and enforced by The Exchange; and decisions of The Exchange in respect thereof shall be binding upon every Issuer that is listed on The Nigerian Stock Exchange.
- V. The Issuer agrees to meet the requirements stated in the Listings Rules in order to maintain a listing on The Exchange. In signing the Listing Agreement, the Issuer accepts the authority of The Exchange to suspend from trading or delist the Issuer's securities upon breach of the requirements stated in the listings rules or as may be amended from time to time.

1. **Market Abuse**

Every Issuer shall ensure that investors and the public are kept fully informed of all factors which might affect their interest and in particular, that immediate disclosure is made of any information concerning their interest which might reasonably be expected to have material effect on market activity in, and the prices or value of, listed securities.

2. **Disclosure of Material Circumstances**

Every Issuer shall disclose on an immediate basis all information on any material circumstance likely to affect its financial condition.

3. **Dealing with Insider Information**

An Issuer shall establish effective arrangements to deny access to insider information to persons other than those who require it for the exercise of their functions within the Issuer's organization.

4. **Price sensitive information**

Price sensitive information includes:

- a. Changes in the Directorate of the Issuer;
- b. The death, resignation, dismissal or appointment of a principal officer;
- c. Change in the Accounting year end;
- d. Annual and Interim Results or any recommendation or decision that dividends or scrip issues will or will not be made.
- e. Profit warnings or a change in the financial forecast or expectation;
- f. Proposed capital raising or restructuring exercise or changes in the capital structure.
- g. Giving or receiving a notice of intention to make a takeover or mergers, or acquisitions or tender offers or divestments;
- h. Any proposed change in the business model or general character or nature of the business of the company or of the group;
- i. Major new developments in the issuer's sphere of activities including major new products, contract awards and expansion plans.
- j. Any change in voting control or in beneficial ownership of the securities carrying voting control
- k. items of unusual or non-recurrent nature
- l. Any proposed alteration of the Memorandum or Articles of Association;
- m. Any other information necessary to enable shareholders to appraise the position of the company and to avoid the establishment of a false market in the shares of the company.

5. **Disclosure of other Major Changes**

- 5.1 An Issuer is obliged to immediately disclose the details of any major changes in its business or other circumstances relating to the Issuer which are not directly specified in these Rules, but which are not public knowledge and which may, by virtue of their effect on the Issuer's assets, liabilities, operations or reputation, affect the price of its listed or traded securities.
- 5.2 Information that is required to be disseminated pursuant to the Listings Rules must not be given to a third party before it is notified to The Exchange except as permitted in these Rules.

6. **Confidentiality Requirements**

- 6.1 An Issuer may give information in strict confidence to its advisers and to persons with whom it is negotiating with a view to effecting a transaction or raising finance. In such cases, the Issuer must advise, in writing, the recipients of such information that it is confidential and constitutes inside information as defined in the Investments and Securities Act and that the recipients should not deal in the Issuer's securities before the information has been made available to the public.
- 6.2 Notwithstanding any provisions of these Rules, no confidentiality agreement shall prevent an Issuer from complying with its obligations under the Listings Rules.
- 6.3 Where an Issuer is obliged (by statute or otherwise) to impart information to a third party or regulator and if such information thereby enters the public domain and is of a price-sensitive nature, it should be simultaneously released to the market.

Provided that an Issuer shall not be obliged to disclose any impending developments that could be jeopardized by premature disclosure.

7. **Duty to Maintain Insider List**

- 7.1 Every Issuer shall maintain a list of:
(a) its own employees that have access to inside information; and
(b) the principal contact details of any other relevant person who also have access to inside information regarding either the issuer or the financial instruments of the issuer.
- 7.2 The list shall state the identity of any person with access to inside information, the reason why they have access to inside information, the date on which they first had access to inside information and the date on which the list was created.
- 7.3 These lists must be updated whenever –
i. there is a change in the reason why a person has access to inside information;
ii. a new person is added to the list; and
iii. any person on the list no longer has access to inside information.

8. **Disclosure of Unusual Price Movements**

- 8.1 Upon a request by The Exchange, every Issuer shall immediately notify The Exchange whenever any unusual price movements which cannot be justified by ordinary market conditions occur in the prices or trading volumes of their securities.
- 8.2 Such disclosures must incorporate all previously undisclosed material circumstances if any; and must state whether there are any material circumstances which have not been disclosed.
- 8.3 The Issuer shall respond promptly to any enquiries made of the company by the Exchange concerning unusual movements in the price or trading volume of its listed securities or any other matters by giving such relevant information as is available to the company or, if appropriate, by issuing a statement to the effect that the company is not aware of any matter or development that is or may be relevant to the unusual price movement or trading volume of its listed securities within two days and shall also respond promptly to any other enquiries made of the company by The Exchange.

9. **Dealing with Rumour**

Whenever an Issuer becomes aware of any rumor or report, true or false, in the press or the media, which is likely to have a bearing on an investor's investment decisions and the value of the shares, and such information is of a different essence than the information previously disclosed to public by its representatives via material disclosures, prospectuses, circulars, announcements approved by The Exchange, financial reports and other public disclosure documents, the company shall make a public statement to clarify its position as promptly as possible.

10. **Announcements**

Where in accordance with these rules, an Issuer is required to make an announcement and the Issuer is not yet in a position to confirm its implications but the Issuer believes that the information has been or is likely to be leaked, the Issuer must make an interim announcement and the Issuer shall ensure that the interim announcement:

- (a) provides as much detail of the subject matter as possible;
- (b) sets out the reasons why a more comprehensive announcement cannot be made; and
- (c) contains an undertaking to announce further details without delay as soon as the details are available.

11. **Disclosure of Significant Occurrence**

An Issuer shall without any delay, announce via The Exchange's Issuers' Portal any significant occurrence concerning publicly disclosed inside information after these events occur.

12. Disclosure of Changes in Beneficial Ownership in Shares

- 12.1 Every Issuer shall notify The Exchange immediately on any transaction that brings the beneficial ownership in the company's shares to 5% or more not later than ten (10) business days after such transaction.
- 12.2 In the event of any breach of the provision of this paragraph the Issuer shall be liable to pay a fine of 50% of its annual listing fee.

13. Disclosure in the Annual Report of Shareholding

- 13.1 Every Issuer shall disclose in its Annual Report the details of shareholders holding 5 % or more in the company.
- 13.2 In the event of any breach of the provision of this Paragraph the Issuer shall be liable to pay a fine of 50% of its annual listing fee from the year of the non-disclosure of the information.

14. Disclosure of Dealings in Issuers Shares

Securities Trading Policy

- 14.1 Every Issuer shall establish a securities trading policy which shall apply to all employees and Directors and shall be circulated to all employees that may at any time possess any inside or material information about the Issuer. The trading policy shall include the need to enforce confidentiality against external advisers.
- 14.2 Every Issuer shall publicize its securities trading policy in its internal communications, on a regular basis, and place it on its website.
- 14.3 All directors, persons discharging managerial responsibility and persons closely connected to them as well as all insiders of the Issuer shall notify the Issuer in writing through the Company Secretary of the occurrence of all transactions conducted on their own account in the shares of the Issuer on the day on which the transaction occurred and the Issuer shall maintain a record of such transactions which shall be provided to The Exchange within two business days of The Exchange making a request in that regard.
- 14.4 In relation to securities transactions by directors, an Issuer shall disclose in its interim reports (and summary interim reports, if any) and the Corporate Governance Report contained in its annual reports (and summary financial reports, if any):
- a. whether the Company has adopted a code of conduct regarding securities transactions by its directors on terms no less exacting than the required standard set out in these Rules;
 - b. having made specific enquiry of all directors, whether its directors have complied with, or whether there has been any non-compliance with, the required standard set out in



the listings rules and in the Issuer's code of conduct regarding securities transactions by directors; and

- c. in the event of any non-compliance with the required standard set out in the Listings Rules, the details of such non-compliance and an explanation of the remedial steps taken by the Company to address such non-compliance.

15. **Trading Restrictions for Restricted Persons**

- 15.1 The period prior to declaration of price sensitive information is particularly sensitive for transactions in Issuers' securities. This sensitivity is due to the fact that the Directors, persons discharging managerial responsibility and Advisers of the Issuer and their connected persons will, during that period, often possess unpublished price sensitive information. During such sensitive period, no Director, person discharging managerial responsibility or Adviser of the Issuer and their connected persons shall trade in the Issuer's securities.

- 15.2 All Directors, persons discharging managerial responsibility and Advisers of the Issuer shall conduct all their dealings in the securities of the Issuer only during the free period and shall not deal in any transaction involving the purchase or sale of the Issuer's securities during closed periods or during any other period as may be specified by The Exchange from time to time.

16. **Closed Period**

- 16.1 No Director, person discharging managerial responsibility and Adviser of the Issuer and their connected persons shall deal in the securities of the Issuer when the trading window is closed. Any period during which trading is restricted shall be termed as a closed period.

- 16.2 The closed period shall be at the time of:

- a. Declaration of Financial results (quarterly, half-yearly and annual)
- b. Declaration of dividends (interim and final)
- c. Issue of securities by way of public offer or rights or bonus, etc.
- d. Any major expansion plans or winning of bid or execution of new projects
- e. Amalgamation, mergers, takeovers and buy-back
- f. Disposal of the whole or a substantial part of the undertaking
- g. Any changes in policies, plans or operations of the Company that are likely to materially affect the prices of the securities of the Company.
- h. Disruption of operations due to natural calamities;
- i. Litigation/dispute with a material impact;
- j. Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company;

17. **Period of Closure**

- 17.1 The period of closure shall be effective from 15 days prior to the date of any meeting of the Board of Directors proposed to be held to consider any of the matters referred to above or the date of circulation of agenda papers pertaining to any of the matters referred to above,

whichever is earlier, up to 24 hours after the price sensitive information is submitted to The Exchange. The trading window shall thereafter be opened.

17.2 Every Issuer shall notify The Exchange in advance of the commencement of each closed period.

18. **Directors' Obligations to Monitor Changes**

The Directors of the Issuer shall scrutinize on an on-going basis, within the scope of their competence, all the events and changes taking place in the Issuer's operations in order to assess what information requires immediate disclosure in accordance with these Rules.

19. **Financial Reporting and Periodic Disclosure**

The following Rules apply to financial information or financial statements given to The Exchange under the Listing Rules.

19.1 All Issuers shall publish on their website all documents requiring publication on The Exchange's website, including announcements, circulars, annual and interim financial and other reports, listing documents etc.

19.2 **Accounting Standard**

The financial statements submitted with an Application for listing and future periodic financial reports shall be prepared using the accounting policies and methods that comply with international financial reporting standards and other accounting standards set forth by the Financial Reporting Council of Nigeria and shall contain the information required by the provisions of the Rules and the instructions established by The Exchange.

19.3 **Financial Statements**

The full financial statements (the annual report and the interim report) shall be submitted to The Exchange in electronic form for publication on the Website of The Exchange.

19.4 Where the securities of an Issuer's parent undertaking or significant subsidiary are listed on another stock exchange or admitted to trading on another regulated market, the Issuer shall ensure as far as possible that the reports of these companies are made public on the different exchanges or markets simultaneously and without unreasonable delay.

19.5 **Audited Accounts**

An Issuer shall announce the financial statements for the full financial year immediately after the figures are available, but in any event not later than 90 days after the relevant financial period. Submission of the financial statements shall be in accordance with the format specified by The Exchange in the Rules Governing The Use of The Issuers Portal and an Issuer



must ensure that the annual financial report remains available to the public for at least five years.

19.6 **Quarterly Financial Statements**

An Issuer shall announce the financial statements for each of the first three quarters of its financial year immediately after the figures are available, but in any event not later than 30 days after the relevant financial period.

19.7 An Issuer shall not announce its Interim Accounts without having first filed its last Audited Financial Statements and any contravention of this provision shall be deemed to be an unauthorized publication under the Rules.

20. **Free Float**

Every Issuer shall maintain the minimum free float which must at all times be held in the hands of the public in accordance with the Listing Standards under which the shares are admitted on the Daily Official List of The Exchange.

21. **Dealing With Free Float Deficiencies**

21.1 Where the free float falls below the minimum listing standard, the Issuer must as soon as practicable announce that fact to The Exchange and The Exchange shall require the Issuer to obtain the required float within a specified period. The Issuer shall be required to notify its shareholders in writing within 10 working days of The Exchange's decision that if the required float is not obtained within the specified timeframe The Exchange may suspend trading in the securities.

21.2 The Exchange may allow the Issuer a period of 1 year or such longer period as The Exchange may agree to retain its listing and rectify the deficiency. The Issuer may be delisted if it fails to restore the percentage of securities in public hands after the period allowed.

SUSPENSION, CANCELLATION AND WITHDRAWAL OF LISTING

22. **General Rule:**

Listing is always granted subject to the condition that where The Exchange considers it necessary for the protection of investors or the maintenance of an orderly market, it may at any time suspend dealings in any securities or cancel the listing of any securities in such circumstances and subject to such conditions as it thinks fit, whether requested by the Issuer or not. The Exchange may also suspend dealings in or cancel the listing of securities where:

- (i) An Issuer fails, in a manner which The Exchange considers material, to comply with The Exchange Listing Rules; or
- (ii) The Exchange considered there are insufficient securities in the hands of the public; or



- (iii) The Exchange considered that the Issuer does not have sufficient level of operations or sufficient assets to warrant the continued listing of the Issuer's securities ;or
- (iv) The Exchange considered that the issuer or its business is no longer suitable for listing.

23. Request for Suspension at the instance of The Issuer

- 23.1 Any request for suspension must be made to The Exchange in writing by the Issuer or the Issuer's authorized representative or financial adviser and must be supported by the specific reasons which the issuer wishes The Exchange to take into account in The Exchange's determination of whether or not trading in the issuer's securities should be suspended.
- 23.2 The burden is on any Issuer that requests a suspension of trading in its securities to satisfy The Exchange that a suspension would be necessary.

24. Suspension for Non-Compliance with Disclosure Rules

- 24.1 The Exchange may suspend trading in an instrument with effect from such time as it may determine if there are reasonable grounds to suspect the Issuer of non-compliance with the disclosure rules.
- 24.2 Where trading of an issuer's financial instruments is suspended, the issuer, any persons discharging managerial responsibilities and any connected persons must continue to comply with all applicable disclosure rules.
- 24.3 Where The Exchange has suspended trading in any instruments, it may impose such conditions on the procedure for lifting the suspension as it considers appropriate.

25. Voluntary Withdrawal or Delisting

- 25.1 An Issuer shall not voluntarily withdraw its listing on The Exchange unless:
- i. the shares have been listed for a minimum period of three years and the company has filed its audited financial statements for those years.
 - ii. The prior approval of the shareholders has been obtained by way of a special resolution passed at a duly convened meeting of the shareholders of the Issuer;
 - iii. The Issuer has given its shareholders at least three months' notice of the proposed withdrawal of the listing and such notice must include details of how to transfer the securities;
 - iv. The application from the Issuer is supported with the appropriate fees and accompanied by audited financial statements covering a period of six months prior to the date of the application for delisting.
- 25.2 The Issuer shall comply with the delisting guidelines as prescribed by The Exchange and shall give shareholders who so elect, an exit opportunity before the security is delisted.



- 25.3 Except a period of three years has elapsed since the listing of its shares, an Issuer shall not apply for delisting of its equity shares pursuant to the following circumstances:
- a. buyback of its equity shares; or
 - b. preferential allotment of shares made by the company; or
 - c. if any instruments issued by the company, which are convertible into the same class of equity shares that are sought to be delisted, are outstanding.

- 25.4 Where a company has voluntarily delisted, the company and its promoters shall not seek listing for a period of three years from the date of such delisting.

26. **Regulatory Delisting**

Where an Issuer is delisted for non-compliance with the Listings Rules of The Exchange, the Issuer and its promoters shall not seek listing for a period of three years from the date of such delisting.

27. **Listing and Other Fees**

27.1 **Initial Listing Fees**

Every Issuer seeking to list on The Exchange shall pay an initial listing fee which shall accompany each Application for Listing.

27.2 **Annual Listing Fees**

- 27.2.1 Every Issuer shall pay the annual listing fee as set and published by The Exchange which becomes due on January 1 each year and shall forward to The Exchange evidence of payment on or before January 31.

- 27.2.2 Any Issuer that violates the above provision shall be liable to pay a fine of 50% of its Annual Listing fee.

27.3 **Supplementary Listing Fees**

Every Issuer shall pay supplementary listing fees for all additional securities listed during a calendar year and this fee shall accompany each Supplementary Application for listing for that calendar year.

27.4 **Delisting Fees**

An Issuer that desires to delist from the official list of The Exchange shall pay all outstanding fees and a delisting fee in accordance with the fee structure prescribed by The Exchange for that calendar year.

27.5 **Block Divestment Fee**

The fees due to The Exchange for block divestment shall be an amount that shall be prescribed by The Exchange from time to time.

28. Issuers to Co-operate with The Exchange

28.1 All Issuers are subject to and shall comply with the Rules and Regulations of The Exchange as stipulated by it from time to time.

28.2 All Issuers shall cooperate with The Exchange and shall supply The Exchange with all the information it may require or request from time to time for:

- i) The adequate supervision of Issuers' compliance with The Exchange's Rules and Regulations as well as other relevant legislation; or
- ii) The Exchange's collaboration with other regulatory organizations in ensuring the Issuers' compliance with such organizations' Rules or requirements; or
- iii) Ensuring generally acceptable behaviour in the securities market.

29. Website Requirement

Every Issuer shall have and maintain a publicly accessible website.

30. Sanctions

30.1 Publication of accounts, notices of Annual General Meetings, closure of register, payment dates, changes in directorate, changes in capital structure, alteration to memorandum and articles of association, changes in general character of the company, all corporate information/development with potential to impact on the company's performance etc. without prior written approval of The Exchange shall attract a fine of 50% of the annual listing fee.

30.2 Going to press or otherwise allowing a leak in financial results without informing The Exchange shall attract a suspension from trading and a fine equivalent to 50% of the annual listing fees.

30.3 Any late submission of accounts shall attract a fine of ₦100,000 per week from the due date until the date of submission.

30.4 A listed company that contravenes any of the provisions of the Listing Rules and General Undertaking and fails to pay the penalty imposed on it for such contravention on or before the due date shall be liable to a further fine of ₦300,000.00 in addition to ₦25,000 per day for the period the violation continues.

30.5 Failure by the company to pay dividend on due date shall attract a fine of 5% of the total dividend amount declared.

30.6 Failure by the company to issue bonus shares within 3 months after approval by shareholders at an Annual General Meeting shall attract a fine of 5% of the nominal value of the shares.

- 30.7 The companies shall be obliged to state in the annual report contraventions and the sanctions imposed for such contraventions.
- 30.8 Council reserves the right to remove the name of a company from the Official List of The Exchange at its absolute discretion and may, if:
- a) it considers there is insufficient public interest in the company, viz, insufficient shares in the hands of the public; or
 - b) any of the foregoing Rules are not complied with; or
 - c) the company becomes a subsidiary of any other company.