

(Dealing Member’s letter head)

Sample checklist for Block Divestment

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

Type of Application: Block Divestment of .....

**Note:**

- i. This checklist is applicable to application for block divestment. A block divestment is a trade of 5% or more of an Issuers listed securities.
- ii. The Issuer must comply with Chapter 16: Information Required to Be Provided in a Block Divestment, Rulebook of The Exchange, 2015 (Issuers’ Rules).
- iii. Soft copy document should be forwarded to [lr@nse.com.ng](mailto:lr@nse.com.ng); [giwenekhai@nse.com.ng](mailto:giwenekhai@nse.com.ng) [okuti@nse.com.ng](mailto:okuti@nse.com.ng); and [ooge@nse.com.ng](mailto: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.
- iv. The sponsoring dealing member is required to tick the appropriate box indicating whether the application includes the document or information required. Where the requirement is not applicable to the Issuer, the reason should be provided in the “comment” box.

S/N	Particulars	Tick (✓) as appropriate			
		Provided	Not Provided	Not Applicable	Comments
	Documentation Required in Hard Copies (1-4)				

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1	Consent letters of Directors of the Seller confirming the accuracy and adequacy of information contained in the Information Memorandum	Only applicable where buyer or seller is a corporate entity				
2	Attestation by the Seller that the information in the Information Memorandum is accurate and adequate	Only for sellers who are not institutional investors				
3	Indemnity letter	To be provided by seller				
4	Certification of completion of due diligence	<ul style="list-style-type: none"> <li>The Dealing Member is required to certify that all due diligence relating to the transaction has been completed prior to approaching The Exchange for approval on behalf of the applicant.</li> </ul>				
	<b>Documentation Required in Soft Copies (5-11)</b>					
5	Evidence of payment of block divestment fee	<ul style="list-style-type: none"> <li>Being 0.5% of the value of the transaction to be paid at the point of submission of the application for approval</li> </ul>				
6	Abridged application					
7	Certified copy of board resolution approving the acquisition and divestment. (where a seller is AMCON, CBN's approval is also required)	Only applicable where buyer or seller is a corporate entity				
8	Certified copy of Share Sale and Purchase Agreement (if any)					
9	Any other document which is material to the transaction					
10	Information Memorandum, which must contain the following	<ul style="list-style-type: none"> <li>The reasons why the seller is divesting</li> <li>Price at which seller is divesting</li> </ul>				

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	information among other <b>relevant</b> facts:	<ul style="list-style-type: none"> <li>• The identity of the proposed new investor(s) and where it is a corporate body, the identity of the promoters, directors and management of the buying company</li> </ul>				
		<ul style="list-style-type: none"> <li>• Where applicable, details of the experience possessed by the directors and proposed management relevant to the industry</li> </ul>				
		<ul style="list-style-type: none"> <li>• The qualifications of the buyers and the nature of the expertise possessed by them, which they intend to bring into the target company</li> </ul>				
		<ul style="list-style-type: none"> <li>• The value added the buyer is planning on bringing into the business</li> </ul>				
		<ul style="list-style-type: none"> <li>• Buyer's confirmation regarding the:                             <ul style="list-style-type: none"> <li>○ Investment objectives in the company; and</li> <li>○ Plan for management continuity and profile of the post-acquisition management</li> </ul> </li> </ul>				
11	Any other document which is material to the transaction					

Have any rulings been given on this transaction by the NSE?  
Yes/No

If yes, please provide details and the name of the person at the NSE that provided the ruling.

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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:.....