Instructions for registering on N-DSP

These instructions should be read in conjunction with the NASD Digital Securities Rule Book, and SEC's Rules on Issuance Offering and Custody of Digital Assets.

Registration can be in any of the following categories:

- ☐ Broker/Dealer
- ☐ Broker
- ☐ Sub-Broker
- ☐ Settlement Bank
- ☐ Accredited Issuing House

Please note that entities should apply for categories in which they are SEC registered. For instance, the entity holding a broker/dealer SEC license should only apply to NASD as broker/dealer.

A. Guidance notes

1. The Accredited Issuing House is a firm that provides advice and assists the Issuer:
   - Provide financial advisory services in respect of listing of digital securities,
   - structure the transaction into a tradable instrument, and
   - ensure compliance with the applicable Rules and guidelines.

2. The Broker/Dealer is a firm that facilitates buy and sell transactions for its clients and on its own account. It may also introduce a security for listing on the N-DSP.

3. The Broker can facilitate buy and sell transactions for its clients but not on its own account.

4. The Sub-Broker is any person or entity not being a participating institution, who acts on behalf of a sponsoring participating institution as its agent or otherwise for assisting investors in buying, selling, or dealing in securities through such sponsoring participating institution.

5. The Settlement Bank acts on behalf of the Broker/Dealers to ensure that all deals are settled and paid for on the appropriate transaction date.

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B. Eligibility Criteria

An applicant shall, prior to being registered as a Participating Institution on the N-DSP:

a) Be SEC registered;

b) Provide evidence of minimum capital adequacy required by SEC for its function;

c) Be incorporated as a limited liability company and shall employ competent and suitable personnel with the requisite knowledge and qualification to carry out activities in the securities business;

d) Satisfy NASD that it has the appropriate technical infrastructure, procedures and systems, professional and organizational capabilities that will allow it to discharge its obligations as a Participating Institution;

e) Satisfy NASD that it has in place documented policies, procedures, and controls (including risk management standards, controls for the prevention of money laundering and terrorist financing) to ensure that it will comply on a continuous basis with all requirements imposed by the N-DSP Rule Book;

f) Be sponsored by either two Directors of NASD or two NASD Participating Institutions*;

g) Undertake to abide by these rules and all other of requirements of N-DSP; and

h) Have and maintain the minimum capital adequacy required by the SEC.

****Please note that only a Broker/Dealer, Broker, Dealer and Sub-broker is required to be sponsored by either two directors of NASD or two NASD Participating Institutions.***

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C. Application Process

a) An application to participate on the N-DSP shall be made in writing to NASD accompanied by the non-refundable application fee, a duly completed N-DSP Form 2A and the documents listed on page 4 of this document.

b) Entities applying under the function of a Broker/Dealer, a Broker, a Dealer, or a Sub-Broker must also register at least one Authorised Trader as part of its Authorised Representatives using N-DSP Form 2b.

c) Registering and gaining access to the N-DSP entails 3 easy steps:

- **Step 1 (Application)**-Complete and submit the prescribed form (N-DSP Form 2a) and attach the supporting documents with the evidence of payment of the applicable fees.
  Incomplete applications will not be approved, and fresh applications will be required **after 3 months from the date of submission.*

- **Step 2 (Processing)** – Your application and supporting documents will be reviewed to ensure compliance with NASD requirements and submitted to the Board for approval.

- **Step 3 (Activation)** – Once approval is given; NASD shall issue a membership license to the Participating Institution.

d) Upon completion of the application, attach the supporting documents in an email titled; **'REGISTRATION AS PARTICIPATING INSTITUTION ON NASD DIGITAL SECURITIES PLATFORM'** and send to legalcompliance@nasdng.com.

Kindly send enquiries through email to legalcompliance@nasdng.com or call the NASD help desk on +234 902 455 9686 for clarification.

We look forward to your participation on the NASD DIGITAL SECURITIES PLATFORM.

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D. Applicable Fees

S/N	Particulars	Application Fee (₦)	Annual Fee (₦)	Trade Guarantee Fund (₦) {*One-Time Contribution*}
1.	**BROKER/DEALER**			
a	Broker/Dealer	300,000	50,000	100,000
b.	*Authorized Trader	70,000	20,000	N/A
c.	*Trading Platform Maintenance	N/A	90,000	N/A
2	**BROKER**			
a.	Broker	200,000	35,000	100,000
b	Authorized Trader	70,000	20,000	N/A
c.	Trading Platform Maintenance	N/A	90,000	N/A
3	**DEALER**			
a.	Dealer	50,000	20,000	100,000
b.	Authorized Trader	70,000	20,000	N/A
c.	Trading Platform Maintenance	N/A	90,000	N/A
4	**SUB-BROKER**			
a.	Sub-Broker	50,000	20,000	100,000
b.	Authorized Trader- Sub-Broker	70,000	20,000	N/A
c.	Trading Platform Maintenance- Sub-Broker	N/A	90,000	N/A
5.	Issuing House	200,000	50,000	N/A
7.	Settlement Bank	1,500,000	500,000	N/A

**These are compulsory for Broker/Dealer, Broker, Dealer and Sub-Broker*

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Registration on N-DSP

General Information	
Full Corporate Name:	
Registered address:	
RC Number:	Date of Incorporation:
Website:	Phone:
Are you SEC registered? **Yes** **No**	
Kindly tick the desired function: a) Broker/Dealer ☐ b) Broker ☐ c) Sub-Broker ☐ d) Dealer ☐ e) Accredited Issuing House ☐ f) Settlement Bank ☐	
Kindly tick the segment Equities ☐ Derivatives ☐ Fixed Income Instruments ☐ Others, please specify _____	

Principal Officer Contact (Please attach MD's Resume)	**Enquiries Contact**	**Compliance Contact**
Name:	Name:	Name:
Phone:	Phone:	Phone:
Email:	Email:	Email:

Authorised Trader		
1.	Name of Trader:	Name of Trader:
2.	CIS Number:	CIS Number
3.	SEC Registered? **Yes** **No**	SEC Registered? **Yes** **No**
4.	Phone:	Phone:
5.	Email:	Email:

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Registration on N-DSP

Mode of Payment
Payments can be made by either issuing a Bank draft in favour of NASD or by Bank transfer. • Kindly tick the mode of payment: **a) Bank draft** **b) Bank transfer** For Bank transfer details, kindly contact an NASD adviser by sending an email to finance@nasdng.com / marketoperations@nasdng.com

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Registration with NASD

Supporting documents

- The review process may take up to 2 weeks after which you will be granted access to the Trading Network.
- Kindly submit copies of the following documents with your application and tick off the box:

Company Profile
Certificate of Incorporation
Memorandum and Articles of Association
Particulars of Directors - CAC Form 7/ latest Status Report.
Particulars of Shareholders - CAC Form 2 / latest Status Report.
Evidence of SEC registration
Evidence of Fidelity Bond of not less than 20% of minimum operating capital.
An undertaking to abide by the N-DSP Rules as may be amended from time to time, the SEC Code of Corporate Governance, and any other relevant legislation.
(*The undertaking should be notarized by a Notary Public or sworn to at the High Court registry (template available for download on website*)
Copy of agreement with appointed settlement bank
Evidence of payment of applicable fees
Copy of business continuity plan and technical infrastructure
Copy of most recent Audited Financial Statements.

Reference letters from 2 Directors of NASD or 2 Participating Institutions

- NASD reserves the right to request additional information and documentation.

Authorization and Affirmation

This information is provided by the Applicant for the purpose of registering for applied functions on the NASD Digital Securities Platform. This is to affirm and certify that we are officers of this company and have the legal authority to provide information on the company's application for registration. We declare that to the best of our knowledge, the above information provided is true and correct as of this date and we will promptly notify NASD if any change occurs.

Kindly note that Applicants have a continuing duty to update responses to each of the questions in this application whenever there is an addition or change to the information previously given.

Name of Director:	Name of Company Secretary:
Signature:	Signature:
Date:	Date:

****Kindly affix company seal.***

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Registration with NASD

Company Compliance History	
The questions below relate to the company and the key officers listed above. Responses should cover material events which occurred in the past ten (10) years and should include events that have occurred anywhere in the world. If in doubt as to the materiality or relevance of the event, please disclose the event. If the answer to any of the questions below is "YES", the applicant is required to provide additional information/details in a separate sheet.	
THE COMPANY	**"YES" or "NO"**
Has the Company or any of its affiliates, been denied registration or expelled from membership of any securities exchange, self-regulatory Organisation (SRO) or associations?	
Has your membership, or that of any affiliates, in any of the institutions/associations mentioned above at any time been revoked, suspended, or withdrawn?	
Has your Company, or any of its affiliates, ever been refused any Fidelity Bond?	
Has your company, or any of its affiliates, been subject to any winding up order/receivership arrangement?	
Managing Director/Chief Executive Officer	**"YES" or "NO"**
Ever been convicted of any criminal offence?	
Ever been the subject of an adverse finding by, or settlement with, any government agency, court, securities exchange, SRO, tribunal, or other regulatory authority?	
Ever been a director, partner or otherwise concerned in the management of a business which has gone into insolvency, liquidation, administration, or the equivalent proceedings within or outside of the Nigerian jurisdiction while connected with such organisation within one (1) year of such involvement?	
Ever been declared bankrupt or been a part of any compromise arrangement with creditors related to bankruptcy or insolvency?	
Ever been the subject of any disciplinary or criminal proceedings, or been the subject of any investigation by any authority which may lead to such proceedings?	
Ever been refused authorisation or licence to carry on a trade, business, or profession or to be a member of a securities exchange?	
Ever had such authorisation, membership, or licence (referred to above) revoked or terminated?	
Ever been disqualified from acting as a director?	
CHIEF FINANCE OFFICER	
Ever been convicted of any criminal offence?	**"YES" or "NO"**
Ever been the subject of any disciplinary or criminal proceedings or been the subject of any investigation by any authority which may lead to such proceedings?	
Ever been declared bankrupt or been a part of any compromise arrangement with creditors related to bankruptcy or insolvency?	
Ever been involved in the management of a business which has gone into insolvency, liquidation, administration, or the equivalent proceedings within or outside of the Nigerian jurisdiction while connected with such organisation within one year of such involvement?	
Ever been the subject of an adverse finding by, or settlement with, any government agency, court, securities exchange, SRO, tribunal, or other regulatory authority?	

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