NASD PLC

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N-DSP LISTING REQUIREMENTS

PART A: ADMISSION OF DIGITAL SECURITIES

1. Classes of Digital Securities eligible for admission on N-DSP

1.1. Digital Security shall be eligible for admission on the N-DSP if:

a) it is a token that represents an interest in the issuing entity or an underlying asset;

b) investors receive the Digital Securities in exchange for a consideration;

c) the consideration paid by investors, and the income or returns, are pooled;

d) investors expect a return in any form from the trading, conversion, or redemption of the Digital Securities and/or the appreciation in the value of the Digital Securities; and

e) investors do not have day-to-day control over the management of the company, property, assets, or business of the arrangement.

2. Eligibility for Admission

2.1. An Issuer seeking admission of Digital Securities on N-DSP must;

a) be duly registered under Nigerian Law as a public limited liability entity;

b) have obtained the approval of the SEC as required by the SEC's Statement on Digital Assets and their Treatment and Qualification available at https://sec.gov.ng/statement-on-digital-assets-and-their-classification-and treatment/.

c) ensure that the shares and/or other assets which are being converted to Digital Securities, are not subject to any legal or regulatory restriction that prevents trading or exchange on N-DSP.

d) ensure that its shares are tokenised and held by the relevant Custodian approved by NASD.

e) have been in operation for a period of at least 3 years.

f) enter an undertaking to pay all relevant fees as prescribed by NASD from time to time and comply with these Guidelines.

2.2. The Application for admission of Digital Securities shall be sponsored by a Participating

Institution registered with NASD to operate on N-DSP.

2.3. Companies that present an increased risk of money laundering or terrorist financing, engage in illegal activities, or manufacture/supply products or services that are contrary to Nigerian law or public morals, are not eligible to list Digital Securities on the N-DSP.

2.4. The final decision on whether a security is eligible and acceptable to trade on N-DSP is at the sole discretion of N-DSP

3. Rejection of application for admission to listing

3.1. Subject to any provision of the Guidelines, NASD shall pre-asses a prospective Issuer and application for issuance. If upon such pre-assessment, NASD determines- at its sole discretion - that the prospective issuer has not demonstrated an ability to comply with the requirements referred to in Articles 7 and 10, the application for listing shall be rejected. NASD is not obliged to justify the rejection of the application. Rejection of the application will not affect the obligation to pay NASD the application and processing fees applicable as agreed.

4. Documentation Requirements

An application for admission of Digital Securities to N-DSP shall be made in writing by the Participating Institution and accompanied by the documents listed in Appendix I of these Guidelines.

PART B: PARTICIPATING INSTITUTIONS

5. Registration of Participating Institutions

5.1. Eligibility/Qualification

5.1.1. A Participating Institution that wishes to operate on N-DSP shall:

a. be registered with SEC under any of the applicable registrable functions and its registration status has not been revoked or suspended.

b. provide evidence of minimum capital adequacy required by SEC for its function.

c. satisfy NASD that it possesses the appropriate infrastructure; processes and systems to discharge its obligations appropriately to the Issuer.

d. Provide evidence that its staff has been adequately trained to deal on Digital Assets

- **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 shall comply on a continuous basis with all requirements imposed by these Guidelines.
- **f.** Undertake to abide by these Guidelines and all other requirements of N-DSP. 15.2. Documentation Requirements

5.1.2. An entity that desires to participate on the N-DSP shall apply in writing to NASD. 15.2.2. The written application shall be accompanied by the following documents:

- **a.** Duly completed Registration Form (N-DSP Form 2)
- **b.** A sworn undertaking as in Appendix IV, to abide by and comply with these Guidelines as may be amended from time to time, the decisions of the Board and the provisions of any relevant legislation.
- **c.** Evidence of payment of NASD fees
- **d.** Evidence of SEC registration
- **e.** Profile of entity
- **f.** Copy of Certificate of Incorporation
- **g.** Evidence of Fidelity Bond of not less than 20% of minimum operating capital
- **h.** Copy of Memorandum and Articles of Association.

5.1.3. A Firm which is registered as a Participating Institution on NASD OTC Securities Exchange need not undergo fresh registration but will be required to complete the online learning program provided by NASD.

6. Authorised Traders

6.1. Each Participating Institution shall nominate a minimum of one (1) person who shall be authorised to trade on its behalf on N-DSP and who shall be registered with NASD.

6.2. The Participating Institution shall be accountable for the actions of its Authorised Trader.

6.3. Required Documentation for Registration of an Authorised Trader on N-DSP

- **a.** Duly completed registration form N-DSP Form 2b
- **b.** Two recent passport photographs with name and signature at the back
- **c.** Detailed and comprehensive curriculum vitae showing dates and explaining any gaps therein
- **d.** Evidence of SEC approval to operate on Digital Assets
- **e.** Evidence of payment of applicable fees
- **f.** Proof of residential address of applicant
- **g.** Letter of Employment

h. Copy of CIS Membership Card

7. Compliance Officer

7.1. Each Participating Institution shall nominate a minimum of one (1) person who shall function as a Compliance Officer for all activity on N-DSP and who shall be registered with NASD.

7.2. The Compliance Officer shall possess requisite knowledge of relevant capital market regulations and shall be responsible for monitoring and ensuring compliance with these Guidelines, and other applicable rules and regulations, notifications, guidelines, instructions etc. issued by NASD, DLP, the Commission, or the Federal Government of Nigeria.

7.3. Required Documentation for Registration of a Compliance Officer on N-DSP shall include:

- **a.** Two recent passport photographs with name and signature at the back
- **b.** Detailed and comprehensive curriculum vitae showing dates and explaining any gaps therein
- **c.** Evidence of SEC registration
- **d.** Evidence of payment of applicable fees
- **e.** Proof of residential address of nominated officer (Certified copy of a utility bill)
- **f.** Letter of Employment
- **g.** Letter from the Participating Institution authorizing that the nominated officer be registered with NASD to carry out the function of Compliance Officer.

8. Suspension of Participating Institutions N-DSP Account

8.1. NASD reserves the right to suspend the access of any Participating Institution to the Platform on the grounds of objectively justified reasons concerning the security of the account or if there is cause for suspicion that the Participating Institutions account is being used without permission or fraudulently, or if such Participating Institution has been declared insolvent.

8.2. If a Participating Institution's account is going to be suspended, NASD will notify such participants of the suspension and the reason for the same. As soon as the reasons for suspension of the account are resolved, the suspension will be lifted.

APPENDIX

I. Application Checklist for admission of digital securities to the N-DSP

SE			
S/N	DOCUMENTATION	YES/NO	COMMENTS
1.	Completed online Application form		
2.	Acceptance of the online Admission Agreement		
3.	Resolution of the Issuer's Board authorizing the application and admission to N-DSP		
4.	Company Resolution of the Issuer approving the application and admission to N-DSP		
5.	Certified True Copy of the Memorandum and Articles of Association of Issuer and Sponsor (where applicable)		
6.	Profile of the Issuer and Sponsor (where applicable)		
7.	Issuer's and Sponsor's (where applicable) Audited Statements for the two (2) preceding years ended		
8.	A confirmation of the number of Tokens to be listed		
9.	Valuation Report from a SEC Registered Financial Adviser.		
10.	An Undertaking (Appendix II) to abide by these Guidelines duly executed by authorized representatives of the Issuer		

11.	Evidence of Appointment of a Participating Institution and authorizing the latter to act on behalf of the Issuer		

12.	Evidence of Appointment of an Issuing House to provide financial advisory services to the Issuer in respect of the listing of the Digital Securities on the N-DSP		
13.	Declaration of Compliance by the Participating Institution that it has reviewed the application, advised the Issuer and the application complies with these Guidelines		
14.	Certificate of incorporation of the Issuer and Sponsor (where applicable)		
15.	Issuer’s up-to-date Register of Members		
16.	Evidence of Payment of NASD Fees		

II. Issuers' General Undertaking to abide by the Guidelines of N-DSP

(print on Issuer's letter headed paper)

(DATE)

The Managing Director
NASD PLC
UBA House
57, Marina Road
Lagos Island,
Lagos.

Dear Sir,

UNDERTAKING TO ABIDE BY THE GUIDELINES AND REGULATIONS OF N-DSP

(Insert Issuer name) acknowledges that the privilege to remain on the NASD Digital Securities Platform (N-DSP) is subject to the approval of the Board of NASD PLC and hereby undertakes to abide by the Guidelines of N-DSP and other Applicable Legislation as defined under the Guidelines.

We agree to:

1. Comply with and ensure compliance by our officers with the Operational of Guidelines N-DSP, as may be amended from time to time.
2. Act in an ethical manner while trading on N- DSP, to keep proper records and render timely returns.
3. Keep NASD informed of any changes to our registration information or any changes that may materially affect our business operations.
4. Pay all fees as required by NASD which fees are subject to review from time to time

Thank you.

Your Faithfully,

For: (the Issuer)

……………………………………

Name of Signatory

Designation

………………………………………………

Name of Signatory

Designation

III. Participating Institutions' General Undertaking on Application

(Print on Participating Institutions letter headed paper)

(DATE)

The Managing Director

NASD PLC

UBA House

57, Marina Road

Lagos Island,

Lagos.

Dear Sir,

UNDERTAKING TO ABIDE BY THE GUIDELINES OF NASD DIGITAL SECURITIES PLATFORM

(Insert name of firm), sponsor of (insert name of Issuer) hereby confirm that: All the requirements necessary for admission into NASD Digital Securities Platform have been met by the Issuer;

There are no matters other than those disclosed in Application for Admission or otherwise in writing to NASD which should be considered by NASD in considering the application;

The Issuer and its Directors and Principal Officers shall comply at all times with the Operational Guidelines of NASD Digital Securities Platform;

We shall act in an ethical manner while trading on the N-DSP, keep proper records and render timely returns to NASD.

We shall keep NASD informed of any changes to our registration information or any changes that may materially affect our business operations.

Thank you.

Your Faithfully,

For: (name of firm)

……………………………….	…………………………………
Name of Signatory	Name of Signatory
Director	Director/Secretary

IV. **Participating Institution Undertaking upon application for registration** (Print on Participating Institutions letter headed paper)

[Date]

The Managing Director
NASD Plc
9th Floor, UBA House
57 Marina
Lagos

Dear Sir,

UNDERTAKING TO ABIDE WITH THE GUIDELINES OF THE NASD DIGITAL SECURITIES PLATFORM

We hereby undertake to abide by the Operational Guidelines for the NASD Digital Securities Platform (N-DSP), and all other applicable rules governing the N-DSP Platform.

We agree to act in an ethical manner while conducting transactions on the N-DSP Platform and to keep proper records and render timely returns.

Thank you.

Yours Faithfully,
FOR: [Name of Firm]

....	....
[Name of Signatory]	[Name of Signatory]
Director	Director/Company Secretary

V. Fee Schedule

A. LISTING FEES

Fees Applicable		Applicable	Market Capitalization Below 1bn	Market Capitalisation Above 1bn
Application Fee	The fee charged to the Issuer for submitting an application	YES	250,000	250,000
Tokenization Fee	The fee charged to the Issuer to create the smart contract after the approval of the application	YES	175,000	175,000
Listing Fee (Primary & Secondary)	Primary Listing (PL) fee refers to the fees charged to the Issuer to raise capital on the platform.	YES (SL)	500,000	1,000,000
	Secondary Listing (SL)fee is fee charged to the Issuer for listing on the Exchange for the token to be traded publicly			
Annual Fee	The annual recurring fee charged to the Issuer	YES	250,000	450,000

B. REGISTRATION AND TRAINING FEES

		Exiting PIs on NASD	New Application to NDSP Market		
S/N	**Particulars**	**Application Fee**	**Application Fee (₦)**	**Annual Fee (₦)**	**Training Fee**
1.	**Broker/Dealer**	"	**450,000**	**75,000**	
2.	**Broker**	"	**300,000**	**52,500**	
3.	**Dealer**	"	**75,000**	**30,000**	**150,000**
4.	**Authorized Trader**	"	**105,000**	**30,000**	
5.	**Issuing House**	"	**300,000**	**75,000**	

C. TRADING FEES

TRADING COMMISSIONS			
	BUY-SIDE	SELL-SIDE	total

BROKER	1.50%	1. 50 %	3.0%
MARKET	2.10%	1. 50 %	3.60%
SEC	0.25%		0.25%
DEPOSITORY		0.2 5 %	0.25%
TOTAL	3.85%	3.2 5 %	