

(Dealing Member's letter head)

Sample checklist for Block Divestment (**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: Block Divestment of .....

**Note:**

- i. This checklist is applicable to application for block divestment. A block divestment is as defined in Paragraph 1, Amendments to Dealing Members Rules (Part XIII A) – Block Divestments and Large Volume Trades in Equities.
- ii. Applicants must comply with Amendments to Dealing Members Rules (Part XIII A) – Block Divestments and Large Volume Trades in Equities.
- iii. Soft copy document should be forwarded to [giwenekhai@nse.com.ng](mailto:giwenekhai@nse.com.ng); [eeekpo@nse.com.ng](mailto:eeekpo@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 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

S/N	Particulars		Tick as appropriate	
	Documentation Required	Particulars	Status	Comments
	<b>(Hard Copies) 1 - 4</b>			
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>			

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S/N	Particulars		Tick as appropriate	
	Documentation Required	Particulars	Status	Comments
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 information among other <b>relevant</b> facts:	<ul style="list-style-type: none"> <li>The reasons why the seller is divesting</li> </ul>		
		<ul style="list-style-type: none"> <li>Price at which seller is divesting</li> </ul>		
		<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</li> </ul> </li> </ul>		

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S/N	Particulars		Tick as appropriate	
	Documentation Required	Particulars	Status	Comments
		the post-acquisition management		
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:.....