

**RULES OF NIGERIAN EXCHANGE LIMITED  
(ISSUERS' RULES)**

**RULES FOR TREATMENT OF CORPORATE ACTIONS  
(BONUS SHARES AND CASH DIVIDENDS)  
ON SECURITIES LISTED ON THE EXCHANGE**

**1.0 Introduction**

These Rules shall apply to corporate actions declared by Issuers; in compliance with the provisions of the Companies and Allied Matters Act, 2020.

**2.0 Definitions**

**Corporate Action** for the purpose of these Rules is an event initiated by a company for the purpose of returning profits to shareholders, in the form of cash or shares.

**Bonus Issue** is a company's offer of free shares to existing shareholders in proportion to their shareholding.

**Dividend** is a portion of a company's profits distributed pro rata to its shareholders in the form of cash or additional free shares.

**Dividend Share Option** is a dividend payment to shareholders in the form of shares rather than cash.

**3.0 Requirements for Payment of Cash Dividend**

3.1 The Issuer shall provide in the Notice convening the General Meeting at which its shareholders will approve the dividends, a statement advising shareholders about:

3.1.1 the dates, which shall not be less than five (5) days, on which its Register of Members will be closed to update the Register and determine shareholders that will receive the dividends;

3.1.2 unclaimed dividends, and requesting affected shareholders to contact the Company Secretary or the Registrars;

3.1.3 opening relevant accounts for the purpose of timely receipt of their dividends, and furnish the Company Secretary or the Registrars with the details.

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#### **4.0 Requirements for Listing of Bonus Shares and Dividend Share Options**

Where an issuer declares a Bonus or Dividend Share Option on its equity shares, the Issuer shall:

- 4.1 register the securities to be issued as Bonus shares or applied towards a Dividend Share Option with the Securities and Exchange Commission (SEC).
- 4.2 notify The Exchange of the Closure Date in line with Issuers' Undertakings as stipulated by The Exchange's on closure of the Register of Members, and The Exchange shall list the shares upon receipt of the shareholders' approval and evidence of registration of the additional shares with SEC.
- 4.3 pay to The Exchange, the applicable fee on the additional shares to be listed as may be determined by The Exchange from time to time.

#### **5.0 Prohibition of Share Price Adjustment**

The share price of the Issuer shall not be adjusted on the closure of register date for any corporate action declaration.