



RULEBOOK OF THE NIGERIAN STOCK EXCHANGE
RULES FOR DE-LISTING OF EQUITY SECURITIES FROM THE DAILY OFFICIAL LIST
OF THE EXCHANGE¹

1.0 VOLUNTARY DE-LISTING

- 1.1 Any Issuer that intends to de-list its shares from the Daily Official List of The Exchange shall convene a meeting of its Board of Directors, at which the Board shall consider a recommendation to the shareholders of the Issuer that the Issuer should be voluntarily de-listed, and pass a resolution in that regard.
- 1.2 The Issuer shall notify The Exchange of its Board’s recommendation to de-list; and shall submit:
- a. a copy of the Board’s resolution in that regard, and
 - b. the Issuer’s request for approval to publish the notice of the AGM/EGM at which the shareholders will consider the Board’s recommendation to voluntarily de-list the Issuer, in at least two (2) national daily newspapers, at least twenty-one (21) days before the AGM /EGM, and
 - c. a copy of the draft notice of the AGM/EGM.
- 1.3 After receiving The Exchange’s approval for the publication, the Issuer shall convene an AGM/EGM, during which a resolution for voluntarily de-listing of the Issuer will be proposed and passed, if agreeable to the shareholders.
- 1.4 The Issuer shall invite The Exchange to the AGM/EGM by a notice that must be submitted to The Exchange no later than twenty-one (21) days before the AGM/EGM.
- 1.5 A resolution to voluntarily de-list an Issuer shall be validly passed if supported by at least seventy-five percent (75%) of members present and voting during the AGM/EGM, in person or by proxy.

¹ **Rule Making History**

1. The draft Rules were presented to the Rules and Adjudication Committee of Council (RAC) at the RAC Meeting of 17 February 2015 and approved for exposure to stakeholders for comments;
2. The draft Rules were exposed for stakeholders’ comments from 30 April to 14 May 2015;
3. The RAC considered the draft Rules, and stakeholders’ comments thereon at its Meeting of 4 July 2016, and approved the draft Rules for submission to the National Council of The Exchange (Council);
4. The Council approved the draft Rules at its Retreat of 24 to 26 July 2016 for submission to the Securities and Exchange Commission (SEC);
5. The Council approved Rules were submitted to the SEC for approval on 31 August 2016.
6. The SEC approved the Rules on 24 March 2017.

- 1.6 The Issuer's Board of Directors shall appoint professional advisers who will provide all relevant professional support as well as obtain all relevant approvals with respect to the delisting.
- 1.7 Where the delisting is as a result of a merger or other reconstruction, the Issuer shall also apply for a Court-Ordered Meeting of the shareholders to consider and if thought fit, approve, any Scheme and other relevant matters.
 - 1.7.1 After receiving the Court's Order, the Issuer shall convene the Court-Ordered Meeting of the shareholders, to which it shall invite The Exchange by a notice to be submitted to The Exchange no later than twenty-one (21) days before the Court-Ordered Meeting.
 - 1.7.2 After holding the Court-Ordered Meeting, the Issuer shall submit its resolutions passed at the meeting to the Court for Sanction.
 - 1.7.3 Upon receipt of the Court's Sanction a certified true copy shall be filed with the Corporate Affairs Commission (CAC).
 - 1.7.4 The entire listed shares of the Issuer shall be placed on full suspension upon receipt of a Certified True Copy of the Court Sanction, evidencing the filing of the Sanction with the CAC.
- 1.8 The Dealing Member concerned shall submit to The Exchange an application on behalf of the Issuer, to de-list its shares from the Daily Official List of The Exchange, and the application shall be submitted with a de-listing fee as determined from time to time by The Exchange.
- 1.9 The application shall be considered by the Quotations Committee of the National Council of The Exchange (QCN) to ensure, amongst other matters, that the interests of minority shareholders are sufficiently protected. The application to delist will only be granted if approved by the QCN.
- 1.10 The Issuer shall set aside funds sufficient to purchase the interest of all shareholders who expressed their dissent to the resolution to de-list the Issuer; and the Funds shall be domiciled with a Registrar or a Custodian duly registered by and in good standing with the Securities and Exchange Commission.
- 1.11 The share price at which the dissenting shareholders' interests shall be bought shall not be less than the highest price at which the Issuer traded over the six (6) months

immediately preceding the date on which the notice of the AGM/ EGM at which the resolution to de-list the Issuer was issued.

- 1.12 The Issuer shall direct the Registrar or Custodian to open and publish a register of dissenting shareholders which shall be kept open for at least 3 (three) years. The list of dissenting shareholders shall be published by the Issuer on the company's website for the same duration, and submitted to The Exchange within three (3) months of the shareholders' expression of their dissent.
- 1.13 An application for voluntary delisting shall be disposed of by The Exchange within a period not exceeding ten (10) business days from the date of receipt of such application, complete in all respects. The Exchange shall not unfairly withhold its consent to an application, but may require the Issuer to first satisfy it as to:
- (a) Proof of consent of the Board of Directors, and the Shareholders to the delisting;
 - (b) Resolution on any investor grievances by the company;
 - (c) Payment of any outstanding listing fees;
 - (d) Compliance with any condition of the General Undertaking executed by the Issuer prior to the listing of its securities on The Exchange, having a material bearing on the interests of its shareholders;
 - (e) Hearing of any litigation or action pending against the Issuer pertaining to the transaction, its activities in the securities market or any other matter having a material bearing on the interests of its shareholders;
 - (f) Any other relevant matter as The Exchange may deem fit to satisfy itself.
- 1.14 The entire listed shares of the company shall be de-listed from the Daily Official List upon receipt of evidence from the Registrar or Custodian that the interests of all dissenting shareholders have been purchased by the Issuer.
- 1.15 Unless a period of three (3) years has elapsed since the initial listing of its shares; The Exchange shall not consider an Issuer's application for de-listing of its shares.

2.0 REGULATORY DE-LISTING

- 2.1 De-listing at The Exchange's instance, is the ultimate sanction that can be imposed on an Issuer for persistent non-compliance with the Listings Rules of The Exchange, or for failing to meet the financial requirements of listing on The Exchange.
- 2.2 An Issuer that persistently violates the Rules of The Exchange or is unable to meet its obligations or commits an infraction that attracts a penalty of de-listing shall be notified of an impending enforcement action by The Exchange, and shall be given twelve (12) weeks to regularize its listing status.

- 2.3 Upon determination by The Exchange that the Issuer has failed to regularize its position, The Exchange will serve the affected Issuer with the notice of de-listing.
- 2.4 The notice of de-listing will be published in any number of national daily newspapers as may be determined by The Exchange, and/or in any media outlet as may from time to time be determined by The Exchange.
- 2.5 The notice of de-listing will provide the Issuer with a three (3)-month notice period during which the Issuer is expected to regularize its listing status.
- 2.6 At the expiration of the three (3) months' notice period, a non-compliant Issuer shall be de-listed from The Exchange's Daily Official List.
- 2.7 The Exchange will notify the market of the de-listing of the Issuer and will publish same in any number of national daily newspapers as may be determined by The Exchange, and/or in any media as may from time to time be determined by it.
- 2.8 The Exchange shall notify the Securities and Exchange Commission seven (7) days prior to the day of de-listing the Issuer, and within twenty-four (24) hours thereafter.

3.0 RE-LISTING

The Issuer of a de-listed security may not seek to have the security re-listed on The Exchange until after the expiration of three (3) years from the date of its de-listing.