



Exposure Of Sundry Amendments To The Rules And Regulations Of The Commission

Sundry Amendments:

1. Proposed Amendment – Reinstatement of Rule 19 (Renewal of Registration)
2. Proposed Amendment to Quarterly Returns Forms for Unit Trust Scheme Fund Managers

Legend:

Additions are underlined

1. PROPOSED REINSTATEMENT OF RULE 19 (RENEWAL OF REGISTRATION)

Rule 19. Renewal of registration

(1)(a) All Capital Market Operators shall file applications for renewal of their registration every year.

(b) Every Capital Market Operator shall renew its registration by filing the appropriate SEC form as contained in the Schedules to these Rules and Regulations.

(2) Every Capital Market Operator shall file an application for renewal of registration not later than 30th January of every year.

(3) The application for renewal shall be accompanied by a renewal fee as provided in the Schedule to this Rule as well as the following:

- (a) latest management account of the applicant which shall include detailed schedules of balance sheet items and footnotes. The management account shall not be more than 30 days old at the date of filing;
- (b) evidence of renewal of valid fidelity bond/insurance (where applicable);
- (c) proof of compliance with minimum paid-up capital requirement;
- (d) evidence of maintenance of the minimum number of sponsored individuals as prescribed by the Commission from time to time.



(e) evidence of attendance, of at least one course organized by the Commission prior to the renewal date or as prescribed

(4) Any Capital Market Operator who fails to comply with the provisions of this Rule shall be liable to a late filing fee as specified in the Schedule to these Rules and Regulations and/or any other sanction as may be deemed appropriate by the Commission.

(5) Where a Capital Market Operator fails to meet the requirements for renewal of registration, the Commission shall give written notification of its intention to deny or refuse renewal of registration and such Capital Market Operator shall be given an opportunity to be heard.

(6) (a) Any Capital Market Operator subject to this Rule shall within 3 working days upon receipt of the notice required under sub-rule (5) above, file a sworn statement including any document that may be necessary, showing reasons why it should not be suspended.

(b) Upon receipt of the sworn statement and any accompanying document the Commission shall within 3 working days communicate its decision to the person concerned.

(7) Where the certificate of registration of a Capital Market Operator is suspended or withdrawn, the Commission shall publish such suspension in two national daily newspapers or the Commission’s website.

SCHEDULE I

Registration Fees, Renewal Fees Minimum Capital Requirements, Securities and others

PART A

Registration Fees and Renewal Fees

A1. Capital Market Operators

		Registration fees	<u>Renewal Fees</u>
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SECURITIES AND EXCHANGE COMMISSION, NIGERIA

		N	k	
1.	Application Form	50,000.00		=
2.	Broker/Dealer	500,000.00		<u>125,000.00</u>
3.	Broker	500,000.00		<u>125,000.00</u>
4.	Dealer	500,000.00		<u>125,000.00</u>
5.	Sub-broker	200,000.00		<u>50,000.00</u>
6.	Inter-Dealer Broker	500,000		<u>125,000.00</u>
7.	Corporate Sub-Broker	200,000.00		<u>50,000.00</u>
8.	Underwriter	200,000.00		<u>50,000.00</u>
9.	Issuing House	500,000.00		<u>125,000.00</u>
10.	Registrar	500,000.00		<u>125,000.00</u>
11.	Fund/Portfolio Manager	500,000.00		<u>125,000.00</u>
12.	Corporate Investment Adviser	300,000.00		<u>75,000.00</u>
13.	Individual Investment Adviser	100,000.00		<u>25,000.00</u>
14.	Commodity Broker Dealer	300,000.00		<u>75,000.00</u>
15.	Commodity Broker	50,000.00		<u>12,500.00</u>
16.	Commodity Dealer	50,000.00		<u>12,500.00</u>
17.	Receiving Banker	1,000,000.00		<u>250,000.00</u>
18.	Trustee	500,000.00		<u>125,000.00</u>
19.	Rating Agency	1,000,000.00		<u>250,000.00</u>
20.	Capital Market Consultant (Corporate)	300,000.00		<u>75,000.00</u>
21.	Capital Market Consultant (Partnership)	100,000.00		<u>25,000.00</u>
22.	Capital Market Consultant (Individual)	100,000.00		<u>25,000.00</u>



23.	Venture Capital Company	300,000.00	<u>75,000.00</u>
24.	Market Maker	200,000.00	<u>50,000.00</u>
25.	Custodian of Securities	200,000.00	<u>50,000.00</u>
26.	Nominee	300,000.00	<u>75,000.00</u>
27.	Securities Exchange	1,000,000.00	<u>250,000.00</u>
28.	Central Counter-Party(CCP)/Central Securities Depository(CSD)/Securities Clearing and Settlement Company	500,000.00	<u>125,000.00</u>
29.	Self-Regulatory Organizations(S.R.O) and Trade Associations	100,000.00	<u>25,000.00</u>

Justifications-

- 1. This is obtainable amongst IOSCO member countries; hence in tandem with international best practice.*
- 2. This would assist the Commission in keeping a reliable data bank of all CMOs registered in the Nigerian Capital Market and also provide information on the operators to both local and foreign investors as well as the general public.*
- 3. This would help the Commission eliminate the incidence of licensed operators remaining inactive and dormant for many years without sending any returns thereby constituting a source of risk to potential investors.*
- 4. The renewal fees would also defray part of the expenses incurred by the Commission in processing the application*



2. PROPOSED AMENDMENT TO QUARTERLY RETURNS FORMS FOR UNIT TRUST SCHEME FUND MANAGERS

SECURITIES AND EXCHANGE COMMISSION

QUARTERLY RETURNS FROM UNIT TRUST SCHEME FUND MANAGERS

AS AT _____

(This return must be made, latest by the end of the first month of the succeeding quarter. Late returns would attract statutory penalty)

1 Details of the Fund

a. **Name of Scheme:** _____

b. **Change of Name of Scheme (if applicable):** _____

c. **Date of Commencement:** _____

d. **Fund's financial year end** _____

2. Name of Custodian: _____

Current Address: _____

Old Address (if any) _____

Telephone: _____ E-mail: _____



3. **Name of Trustees:** _____

Current Address: _____

Old Address (if any) _____

Telephone: _____ E-mail _____

4. **Name of Registrar:** _____

Current
Address _____

Old Address (If any) _____

Telephone: _____ E-mail _____

5. **Name of Compliance officer:** _____

Registration Status with the Commission: _____

Telephone: _____ E-mail _____

6. **Status of Fidelity Bond:**
(a) Valid/Expired: _____

(b) Expiry Date of Fidelity
Bond _____

7. **INVESTMENT PORTFOLIO ALLOCATION AND PERFORMANCE REPORT**



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S / N	A: Asset Class/ Type	B: Original Amount Invested	C: % Trust Deed Allocation	D: Mkt Value as at date of reporting N'000	E: % Mkt Value of Aggregate Portfolio Value(over period covered/ being reported)	F: % Weighted Holding period return(yield) to Aggregate Portfolio return(yield)	G: Income received: Dividend Income, Interest, etc	H: Unrealised Capital Appreciation/ (Loss) N'000	I: % Weight of Unrealised Cap Appreciation/Loss to Aggregate Portfolio Val	J: Applicable Benchmark and its Return (Yield)
A	Equities									
i	Listed Equity									
ii	Unlisted (Traded									
ii	Others(Specify)									
	Total									
B	Fixed Income									
I	Fed Govt Bond									



C	Other Expenses (Specify)									
i	Specify									
ii	Specify									
iii	Specify									
iv	Specify									
v	Specify									
D	TOTAL EXPENSE S									

9. **Net Income/Loss ₦** _____

❖ **MUST BE COMPLETED**

10. **Development & Level of work done in adoption of IFRS:**

11. Premium Earned on Net Subscription _____

12. Total Number of Trade in Equities (Purchase and sales executed):



13. Latest Offer

Price/Date: _____

14. Latest Bid

Price/Date: _____

15. Income

Distributed/Date: _____

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16. Total value of Unclaimed Dividends: _____

17. Gross Asset Value: _____

Current Asset: _____

Non-current Asset: _____

18. Total Liability to Date: _____

Current Liabilities:

Others (with notes) _____

Non-Current Liabilities: _____



B) Retail Investor Type and Unit Holding/Distribution (Foreign)

1.	Number of Investors	Aggregate Units Held	Aggregate Proportion of Units to Total in Fund(%)	Aggregate Value of Units Held	Percentage of Value to Total Fund NAV (%)	Aggregate Subscription Value	Aggregate Redemption Value	Net Sub/Redemption Value(NSRV)	NSRV to Fund NAV (%)

C) Institutional Investor Type and Unit Holding/Distribution (Domestic)

1.	Inst. Investor Type	Number of Units Held	Value of Aggregate Unit Holdings (VAUH)	% Proportion of Value(VAUH) to Total NAV	Aggregate Subscription Value(ASV)	Aggregate Redemption Value	Net Value of Sub/Redemption Value(NSRV)	% Proportion of NSRV to Fund NAV
1	Pension Funds							
2	Banks							
3	Insurance Firms							
4	Other CIS Funds							
5	Other Market Operators							



6	Non-Financial(Specify)							
7	Fund Sponsors							
8	Others(Specify)							
9								
	Total							

D) Institutional Investor Type and Unit Holding/Distribution (Foreign)

1.	Inst. Investor Type	Number of Units Held	Value of Aggregate Unit Holdings (VAUH)	% Proportion of Value(VAUH) to Total NAV	Aggregate Subscription Value(ASV)	Aggregate Redemption Value	Net Value of Sub/Redemption Value(NSRV)	% Proportion of NSRV to Fund NAV
1	Pension Funds							
2	Banks							
3	Insurance Firms							
4	Other CIS Funds							
5	Other Market Operators							



6	Non-Financial(Specify)							
7	Others(Specify)							
8								
9								
	Total							

E) Summary of Investors Holdings

1.	Investor Type	Aggregate Unit Holding to Total Units of Funds Held(%). As at Reporting Date	Aggregate Value of Unitholding to Funds NAV(%). As at Reporting Date	Moving Average of Unit Holding to Moving Average of Funds Total Unit Holding for the Quarter	Moving Average of Aggregate Value to Moving Average of Funds NAV for the Quarter(%)
1	Retail Investors(Domestic)				
2	Retail Investors(Foreign)				
3	Institutional Investors(Domestic)				
4	Institutional Investors(Foreign)				



5	Parties/Related Parties/Affiliates of Parties to the Fund				
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F) Geographical/Regional Distribution of Investors					
1.	Region/Geographic al Location	Unitholdi ng UH	% UH to Total	Aggregate NAV	% NAV to Total
1	North Central Zone				
2	North East Zone				
3	North West Zone				
4	South East Zone				
5	South South Zone				
6	South West				
	Total				

24. Any other relevant information:

25. **Complaints:**

a) Number Brought Forward:

b) Number Received:



Sub-

Total _____

—

c) Number Treated/Resolved:

d) Number Referred to Trade

Group: _____

e) Number Outstanding:

26. **Compliance Issues:**

a) Asset Allocation (as provided in the Fund's Trust Deed)

b) Actual Investment Position (breakdown in percentage) in Current Quarter

27. **Related Party Transactions in the Quarter:**



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	A	B	C	D	E	F
	Name of Related Party/Affiliate/Institution	Description of Investment Account/Security/Instrument issued by the Related Party	Yield/rate and tenor of risk adjusted return issued by related party	Average Risk adjusted yield of comparable investment, securities/instrument by other issuer	Total Value of investment in related party instrument / security/investment account)	Percentage weight of E to Funds Portfolio Gross Asset Value
1						
2						
3						
4						
5						
6						
7						
8						

28. **Composition of Investment Committee:**

S/N	Names	Position/Function	Frequency of Attendance	Allowance Received



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Authorized Signatory/Stamp

.....
.....

Chief Operating Officer (COO)

Date

Active Mobile Phone No:.....

.....
.....

Compliance Officer

Date

Active Mobile Phone No:.....

Name _____ **of** _____ **Fund**
Manager:.....

Current Address: _____

Old Address (if any) _____

Telephone: _____ Email: _____

NB: This return **must** be accompanied by the following attachments



- i. Detailed schedule of Investments:
 - a. CSCS statement showing list of equities, number of units, cost of purchase, market price as at date of filing return and current value;
 - b. Evidence of Money Market Investment- Principal invested interested, rate, tenor, effective date, maturity date, net outflow, net inflow and balance;
 - c. Evidence of investment in fixed income securities and unquoted securities;
 - d. Breakdown of computation of bid and offer prices for the period of return;
 - e. Breakdown/list of **all** trading transactions within the quarter.
- ii. Schedule of expenses, clearly showing the breakdown of 'other expenses'.
- iii. Evidence of income from **all** investments.
- iv. Statement of Reconciliation between Fund Manager and Custodian's Report.

Justifications-

This Amendment would help the Commission:

- 1. monitor related party transactions;*
- 2. determine the demography of unit holders and;*
- 3. determine realised and unrealised gain/loss on the Fund.*