



REQUIREMENTS FOR THE REGISTRATION OF RATING AGENCIES

Payment of:

1. application fee of N5,000.00;
2. registration fee of N100,000.00 for the function and N1,000.00 each for the sponsored individuals.

Submission of the following documents:

3. 2 sets of Form SEC 2 for each of the sponsored individuals;
4. duplicate copies of Form SEC 3A for the function applied for;
5. Certificate of Incorporation certified by CAC and original copy for sighting;
6. Memorandum and Articles of Association certified by the CAC, which shall include among other things, power to perform as Rating Agency;
7. Form CO7 certified by CAC;
8. latest audited accounts or audited statement of affairs for companies in operation for less than one year;
9. profile of the company covering among others, brief history of the company, organizational structure, shareholding structure, principal officers and detailed information about the promoters;
10. full postal addresses of two nominated referees, immediate previous employers and bankers of sponsored individuals;
11. Police clearance reports on the sponsored individual(s), who should report to our Abuja/Lagos offices with two passport photographs for thumb printing;
12. existing or proposed bye-laws or rules, guidelines and code of conduct;
13. details of rating criteria, methodology and principles;
14. undertaking to furnish the Commission with copies of any amendment to its Memorandum and Articles of Association, code of conduct, guidelines etc, within 14 working days of such alteration. Certified copies must be forwarded to the Commission.
15. sworn undertaking to keep such records and render returns as maybe specified by the Commission. The returns shall include:
16. name(s) of company/securities/issue(s) rated;
the rating given including any changes in previous rating (if any);
rating methodology (including basic assumptions);
an appropriate application/registration fee as determined by the Commission from time to time and
sworn undertaking that the rating agency shall comply with the Act; the rules and regulations under the CAMA 1990 and any other relevant legislation(s).
17. Code of conduct for management and staff of the agency containing:
provision prohibiting key officers of the rating firm from investing in clients' shares.
undertaking to disclose to the Commission any shareholding interest of 5% and above of its directors and staff and their relatives in any issue to be rated.
provision specifying any relationship with clients.
provision for disclosure of its Board of Directors' interest in any of the rated issues.
sworn undertaking that undue advantage would not be taken of any unpublished price sensitive information.
provision on disciplinary measures for any misconduct or non compliance by management and staff.
18. sworn undertaking that every employee of an agency shall display high standard of professionalism and integrity in the conduct of his business;

19. sworn undertaking that no rating would be carried out where adequate, accurate and timely material information had not been obtained;
20. declaration that rating is an opinion and not a professional investment advice; and
21. evidence of minimum paid-up capital of N20 million.

Note that:

22. for denial or suspension of registration see Rule 22(2)(3) and (4).
23. one of the sponsored individuals shall be the Chief Executive Officer. In addition, the two principal officers of the Rating Agency who shall be registered as sponsored officers must have a minimum of first degree or professional qualification in accounting, economics, statistics or banking and finance with not less than ten (10) years post qualification experience.

Please note that your application will be considered filed when all document(s)/Information is completed

Finally, the company will be inspected in the course of processing the application. Also note that a fair knowledge of the Commission's Rules and Regulations and ISA NO. 29 of 2007 is essential.