



SEC NIGERIA
SECURITIES AND EXCHANGE COMMISSION, NIGERIA

2021 CAPITAL MARKET COMMITTEE (WEBINAR) MEETING

Thursday, 11th November, 2021



PRESENTATION BY MULTIPLE SUBSCRIPTIONS
COMMITTEE





Major Progress Since the last CMC Meeting

- Based on reports submitted by Registrars and Stockbrokers, from inception to third quarter 2021, a total of 46,587 multiple accounts have so far been consolidated involving 5.035 billion units of shares.
- Breakdown of the submissions indicates that 3 Registrars filed NIL reports for Q1 2021, 2 Registrars filed NIL reports for Q2 2021 while 3 Registrars filed NIL reports for Q3 2021.
- On the other hand, 27 Stockbrokers reported 59 consolidated accounts/crossed shares involving 14,230,771 units of shares for Q1 2021, 89 Stockbrokers reported 187 consolidated accounts/crossed shares involving 122,980,624 units of shares for Q2 2021 while 75 Stockbrokers reported 347 consolidated accounts/crossed shares involving 60,896,291 units of shares for Q3 2021.
- Most of the submissions were however, NIL reports.

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STEPS TAKEN

- The Committee did not meet during the period under review in order to give ample time for the resolutions reached at the its last meeting to be substantially implemented.
- The resolutions are currently at various levels of implementation.
- Resolutions of the Committee's last meeting are reproduced in the following slides.





Resolutions of last Committee's Meeting

- Based on an earlier resolution for ASHON to direct its members to report all cases of crossed accounts/transactions and to comply with earlier directive on rendition of quarterly returns on consolidated accounts, ASHON was further mandated to always have in copy the secretariat whenever such directives were communicated to members;
- That the status of the forbearance window should be confirmed and the SEC was advised to put out a notice in that regard and also direct CMOs to share the following notice on their websites – “Consolidation is ongoing, investors should approach their brokers for guidance”;





Resolutions of last Committee's Meeting

- ICMR to investigate the alleged practice by some banks allowing dividends to be paid into accounts with different names from the names of the supposed beneficiary and to also investigate whether registrars were truly involved in making dividend payments into investors' accounts without BVN;
- It was further resolved that more publicity/enlightenment on the consolidation exercise were needed. The SEC was advised to publish the process of consolidation and the necessary requirements especially for the benefit of investors in diaspora and to encourage all CMOs to do same on their websites;
- In line with (4) above, the Commission was also advised to create a dedicated column on its website for Multiple Subscriptions in similar fashion to that of Unclaimed Dividend and also provide contact information for investors who might experience any difficulties.



Thank you

