



HOSTING GUIDELINES

(incorporating forms)
for

**NON-TRADING INCUBATOR BOARD AND
ACCELERATOR BOARD (IBUKA PROGRAM)**

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PRODUCED BY NSE PLC AND NOT FOR SALE

Refer to Part 10.1 for limitation of liability



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PART 1. DEFINITIONS AND ABBREVIATIONS

1.1 In this document and related documentation, unless otherwise stated, the following expressions shall have the following definitions and abbreviations:

Acceleration	The process by which Hostees (either from the IB/Incubator Board or direct entrants) shall benefit from Visibility and one-stop shop capital delivery advisory services which includes but is not limited to transaction scope of work with specialized documentation and subsequent implementation;
Accelerator Board (AB)	A product offered by the NSE PLC that provides Acceleration and does not involve trading of a capital market instrument;
Boards or Ibuka Program	The collective term for the Incubator and Accelerator Boards;
Capital Markets Authority of Kenya (CMA)	The Capital Markets Authority (CMA) is the statutory agency charged with the prime responsibility of regulating and facilitating development of orderly, fair and efficient capital markets in Kenya (www.cma.or.ke)
Dehosting	Removal of a Hosting by NSE PLC from the Incubator Board or the Accelerator Board;
Hostee	The approved entity by NSE PLC placed on the Incubator Board or the Accelerator Board provided by the NSE PLC;
Hosting	The placing of a Hostee by NSE PLC on the Incubator Board or the Accelerator Board;
Hosting Candidate	A commercial or non-commercial entity that is legally constituted and registered under the laws of Kenya and which is desirous of being hosted on the IB or AB;
Hosting Introducer	An individual or entity that provides pre and post Hosting services with the aim of bringing forth multiple Hostings and being involved in Incubation or Acceleration;
Hosting Guidelines	This document and any subsequent updates or revisions;
Incubation	The process by which Hostees shall benefit from Visibility and one-stop shop capital markets access consultancy services which include but are not limited to preparation or restructuring scope of work with specialized documentation and subsequent implementation;
Incubator Board (IB)	A product offered by the NSE PLC that provides Incubation and does not involve trading of a capital market instrument;
Nairobi Securities Exchange PLC (NSE PLC)	The Nairobi Securities Exchange PLC incorporated in Kenya under the Companies Act and licensed by the Capital Markets Authority of Kenya. The registered office is The EXchange, 55 Westlands Road, P.O. Box 43633 – 00100, Nairobi, Kenya (www.nse.co.ke)
Visibility	The optimal degree to which a Hostee may attract prominence and publicity through strategies offered by NSE PLC and its stakeholders so as to derive equity value augmentation during Incubation and/or Acceleration;
Visibilities	This is the sum of the number of Hostings and the number of listings by different entities on various boards, platforms and segments provided or to be provided by the NSE PLC;

PART 2. INTRODUCTION

- 2.1 **Application:** These Hosting Guidelines shall apply only to the Incubator Board and the Accelerator Board created by the NSE PLC, as further described in Part 3 and 4 respectively.
- 2.2 **Hosting:** The NSE PLC will Host the Hostees on the Boards. The Boards do not host investments or capital market instruments and therefore do not offer long term financial instruments developed or traded directly between two or more parties for the purpose of raising funds for investment.
- 2.3 **Hosting Acronyms:** The NSE PLC will determine the Hosting acronyms as it deems appropriate for the purpose of its internal and external visibility platforms.
- 2.4 **Compliance:** These Guidelines are in compliance with the Capital Markets Act and Regulations thereunder.
- 2.5 **Validity:** The contents herein are for the above Boards only and are only valid as of the effective date of this document and is subject to change without notice subject to any clearances that may or may not be required.
- 2.6 **Professional Advice:** Hosting Candidates are advised to seek professional legal, financial, tax and any other advice necessary including advice from a Hostings Introducer (see below) where applicable.
- 2.7 **Amendment or new Guidelines:** NSE PLC reserves the right to issue amendments to these Guidelines or issue new Guidelines as and when necessary.

PART 3. INCUBATOR BOARD

- 3.1 Under this board, Hostees shall benefit from Visibility and one-stop shop capital markets access consultancy services which includes but not limited to preparation or restructuring scope of work with specialized documentation and subsequent implementation.
- 3.2 The Consultancy services mentioned in Part 3.1 above may be of financial, technical, operational, commercial, strategic, governance, environmental, legal, compliance, outsourcing, capacity building, risk or other service nature.
- 3.3 In compliance with internal NSE PLC policies, the above services shall be provided by professional experts on panels of such experts, registered at the NSE PLC (which will also provide oversight of the experts) and the Hostees and the experts will agree on the terms of engagement including any payment terms.
- 3.4 Following successful Incubation, the Hostee may upon request or on the volition of NSE PLC be transferred to the Accelerator Board or other market board or segment offered by the NSE PLC, provided there is consent from the Hostee.

PART 4. ACCELERATOR BOARD

- 4.1 Under this board, Hostees, either from Incubator Board or direct entrants, shall benefit from Visibility and one-stop shop capital delivery advisory services which include but are not limited to transaction scope of work with specialized documentation and subsequent implementation.
- 4.2 The specialized documents mentioned in Part 4.1 may include capital raising options report, transaction implementation plan, equity valuation report, offer pricing report and offer memorandum.

- 4.3 In compliance with internal NSE PLC policies, the above services shall be provided by professional experts and transaction advisors on panels of such experts, registered at the NSE PLC (which also provide oversight of the experts) and the Hostees and the experts/transaction advisors will agree on the terms of engagement including any payment terms.
- 4.4 Following successful Acceleration, the Hostee may upon request or on the volition of NSE PLC be transferred to a suitable board or segment offered by the NSE PLC, provided there is consent from the Hostee.

PART 5. INITIAL HOSTING ADMISSION AND PROCEDURE

- 5.1 **Hosting Application Form:** To be considered for Hosting, the Hosting Candidate will complete and sign (by its authorized signatory) an NSE PLC Hosting Application Form (as per Annexure A to these Guidelines).
- 5.2 The NSE PLC Hosting Application Form shall be accompanied by a certified Board resolution or other authorization document acceptable to NSE PLC as well as the constitution documents
- 5.3 In compliance with internal NSE PLC policy, during the vetting interview process, the NSE PLC may request confidential additional documentation from the Hosting Candidate as deemed necessary.
- 5.4 The Hosting Candidate may provide additional voluntary documents as it deems necessary to accompany the application.
- 5.5 The Hosting Candidate shall be required to have a suitable functional website that is fit for purpose with regards to requisite visibility, within two months of the Hosting Admission Day. Details of the website will be shared with NSE PLC.
- 5.6 The Hosting Candidate may voluntarily use the services of a Hosting Introducer who is an individual or entity registered by the NSE PLC (as per Part 8 below) for purposes of advising and supporting the Hosting Candidate to come on to the Ibuka Program.
- 5.7 NSE PLC shall provide advisory assistance in advance where required to ensure a successful application. Upon receipt of the Hosting Application Form (the Hosting Application Date) the NSE PLC will consider the same and also undertake vetting of the Hosting Candidate.
- 5.8 **Hosting Certificate:** Upon NSE PLC having been satisfied that the application meet the requirements for Hosting, NSE PLC will in the absence of any clarifications or additional documentation required for completeness of the application, issue the Hosting Candidate with a Hosting Certificate within Fourteen (14) business days from the Hosting Application Date. NSE PLC reserves the right to extend the application consideration period to beyond fourteen (14) business days as necessary and will advise the Hosting Candidate.
- 5.9 NSE PLC reserves the right to reject any Hosting Application with reasons but without any liability whatsoever.
- 5.10 Upon admission to Hosting, a Hosting Candidate becomes a Hostee.
- 5.11 A successful Hostee shall give full authority to the NSE PLC to offer it as much Visibility.
- 5.12 A Hosting Candidate shall upon becoming a Hostee:
- 5.12.1 not be involved in any illegal activities or intentional bad faith activities under Kenyan Laws or laws of any other jurisdiction;
- 5.12.2 plan to deliver continuous commercial sustainability that requires moral, ethical, social, environmental, cultural and economic considerations; govern the entity with firm commitment of enhancing stakeholder value; and
- 5.12.3 continue to comply with any applicable laws or regulatory requirements.

PART 6. CONTINUING HOSTING OBLIGATIONS

- 6.1 A Hostee will be required to update their websites regularly and to issue appropriate press releases or other public announcements with regard to its business operations directly to the public with a copy to NSE PLC.
- 6.2 A Hostee will be required to use an NSE PLC Change Form in Annexure D to register any material changes to the business.
- 6.3 The operations and business of the Hostee will be monitored by NSE PLC and in the event of any matter requiring clarification or additional documentation deemed necessary, NSE PLC will seek such clarification or documentation from the Hostee and the Hostee will be given a time frame to provide such clarification or documentation. The NSE PLC upon consideration of the information received or upon not having received any response will have the right to dehost the Hostee without reasons or liability whatsoever.
- 6.4 A Hostee will not be required to publish its financial statements.

PART 7. DEHOSTING

- 7.1 **Voluntary Dehosting:** A Hostee may voluntarily dehost from either the Incubator Board or Accelerator Board by completing the NSE PLC Dehosting Form (as per Annexure C to these Guidelines). The date of receipt of the Dehosting Form will be the Dehosting Request Date.
- 7.2 **Dehosting by NSE PLC:** NSE PLC can dehost a Hostee via notification as per Part 6.3 above.
- 7.3 The Dehosting Date shall be within seven (7) business days from the Dehosting Request Date provided there are no additional clarifications or documentation required by NSE PLC.

PART 8. HOSTING INTRODUCER

- 8.1 An entity that is desirous of becoming a Hosting Introducer will complete the NSE PLC Hosting Introducer Form as per Annexure B of the Guidelines and any accompanying supporting documents as may be required by NSE PLC.
- 8.2 Hosting Introducer applicants may be subject to an interview process by the NSE PLC.
- 8.3 Hosting Introducers shall be required to undergo a suitable NSE PLC induction briefing within two months of their application acceptance date.
- 8.4 A Hosting Introducer is required to comply with any continuing introduction obligations that maybe required by the NSE PLC.
- 8.5 Any changes to a Hosting Introducer may be effected using NSE PLC Change Form in Annexure D of these Guidelines.

PART 9. RISKS

- 9.1 **Pre-Hosting:** Hosting Candidates will be required to assess the risks involved in being hosted on the IB or AB and have in place robust risk management frameworks.
- 9.2 **During Hosting:** Hostees will be required to also have in place robust risk management frameworks.
- 9.3 **Risk Consultancy:** Hostees will if they so require have access to risk management consulting services provided by experts registered with NSE PLC as provided under Parts 3 and 4.
- 9.4 **NSE PLC Risk Management:** NSE PLC has in place a comprehensive risk management policy and framework for purposes of managing and mitigating any risks inherent or that may arise from the Hosting.

PART 10. MISCELLANEOUS

- 10.1 **Limitation of liability:**
- A. NSE PLC, its directors or employees or its associated and affiliated companies assume no liability as regards any Hosting or other decision taken by the Hostees or their stakeholders, on the basis of these Guidelines. In no event will NSE PLC, its directors or employees or its associated and affiliated companies be liable for direct, indirect or incidental, special or consequential damages resulting from the information in this document or a Hosting.
- B. CMA, its directors or employees assume no liability as regards any Hosting or other decision taken by the Hostees or their stakeholders, on the basis of these Guidelines or any policies or strategies in effect at the NSE PLC. In no event will CMA, its directors or employees be liable for direct, indirect or incidental, special or consequential damages resulting from the information in this document or a Hosting.
- 10.2 **Declaration of Interest:** Any person, not being a Board member of staff of a Hosting Candidate or Hostee, who has an interest in a Hosting Candidate or Hostee and is involved in the process of selecting Hosting Candidates, Hostees or Hosting Introducers, shall declare such interest to the NSE PLC at the point of an application for Hosting being made.
- 10.3 **Hosting Fees:** NSE PLC will have Fees Guidelines in effect from time to time.
- 10.4 **Governing law and jurisdiction:** These Hosting Guidelines are governed by Kenyan laws.
- 10.5 **Dispute Resolution Clause.** If a dispute arises out of or relates to these Guidelines, a party may not commence in any court or arbitration proceedings relating to the dispute unless it has complied with the following paragraphs of this clause except where the party seeks urgent interlocutory or declaratory relief.

A party claiming that a dispute (the Dispute) has arisen under or in relation to these Guidelines must give written notice to the other party specifying the nature of the Dispute.

On receipt of that notice by that other party, all parties to these Guidelines (the Parties) must endeavor to resolve the Dispute expeditiously using dispute resolution procedures such as mediation, expert evaluation or determination or similar procedures agreed by them.

If the parties do not agree, within 14 calendar days of the receipt of the notice (or such further period as agreed in writing by them), as to:

- » the dispute resolution procedures to be adopted;
- » the timetable for all steps in these procedures; and

- » the selection and compensation of the independent person required for such
- » procedure.

the Parties agree:

- » to have the Dispute mediated by dispute resolver/s appointed by the Chartered
- » Institute of Arbitrators (K) (CIArb),
- » and
- » execute a mediation agreement in a form approved by the CIArb, who will be
- » remunerated at the rate agreed by the parties or, failing agreement, as determined by the dispute resolver.

ANNEXURE A – NSE PLC HOSTING APPLICATION FORM

IBUKA PROGRAM HOSTING APPLICATION FORM

We confirm that the Nairobi Securities Exchange PLC Hosting Guidelines for Ibuka Program shall apply. *Terms defined therein shall apply here.*

We confirm that we are a Hosting Candidate that is legally constituted and registered under the laws of Kenya and make this application willingly. We take full responsibility and liability for a successful or rejected application by NSE PLC.

Name of Entity

Act of Registration

We confirm that certified copies of our Constitution documents are enclosed.

We confirm that a certified copy of the Board resolution or other authorization document is enclosed.

Website details

Incubator Board Accelerator Board Date of Application

Years in Operation Hosting Introducer

Contact Details

Name and Signature of Authorised Signatory

For NSE PLC USE Only

Form Terms and Conditions

- A. We confirm that we shall work with the NSE PLC to transform our entity for capital markets access using methodology, terms and within a time frame to be agreed with the NSE PLC.
- B. We confirm that our intentions shall always be honorable and have no objection to being subject to an interview process.
- C. We shall send updates on our entity to NSE periodically as required.
- D. We shall keep our website updated with relevant information.
- E. We have no objection to the Visibility activities that NSE PLC shall implement.
- F. We have not been involved in any illegal activities or fraud or theft of public or private funds.

Form prepared by: Nairobi Securities Exchange PLC. 14122018 • For any enquiries, kindly email: ibuka@nse.co.ke

ANNEXURE B – NSE PLC HOSTING INTRODUCER APPLICATION FORM

IBUKA PROGRAM HOSTING INTRODUCER APPLICATION FORM

I/We confirm that I/we is/are a Hosting Introducer candidate and that the Nairobi Securities Exchange PLC Hosting Guidelines for Ibuka Program shall apply and that I/we take full responsibility and liability for a successful or rejected application by NSE PLC. *Terms defined therein shall apply here.*

Name of Hosting Introducer

Act of Registration/Identification

I/we enclose a certified copy by advocate of the relevant documents.

Website (if applicable)

Incubator Board

Accelerator Board

Date of Application

Years in Operation

Email Address

Contact Details

Name and Signature of Individual/Authorised Signatory

For NSE PLC USE Only

Form Terms and Conditions

- A. I/We confirm that I/we shall work with the NSE PLC to transform the entities I/we introduce for capital markets access using methodology, terms and within a time frame to be agreed with the NSE PLC.
- B. I/We confirm that our intentions shall always be honorable and have no objection to being subject to an interview process.
- C. I/We shall send updates on our Hostee and ourselves to the NSE periodically.
- D. I/We shall keep our website updated with relevant information (where applicable).
- E. I/We have no objection to the Visibility activities that NSE PLC shall implement.
- F. I/We have not been involved in any illegal activities or fraud or theft of public or private funds.
- G. I/We confirm that I/we can be deregistered at the discretion of the Hostee or the NSE PLC without any reasons or notice period and I shall assign no liability whatsoever to the Hostee or NSE PLC.

Form prepared by: Nairobi Securities Exchange PLC. 14122018 • For any enquiries, kindly email: ibuka@nse.co.ke

ANNEXURE C – NSE PLC DEHOSTING FORM

IBUKA PROGRAM DEHOSTING FORM

We confirm that the Nairobi Securities Exchange PLC Hosting Guidelines for Ibuka Program shall apply and that we take full sole responsibility and liability for a successful or rejected dehosting by NSE PLC. *Terms defined therein shall apply here.*

We confirm that we wish to Dehost and have informed our Hosting Introducer (where applicable).

Date of Dehosting Request

Name of Entity

We hereby enclose a certified copy of the Board resolution or other acceptable authorization document.

Reason for Dehosting

Contact Details

Name and Signature of Authorised Signatory

For NSE PLC USE Only

Form Terms and Conditions

We confirm that we can be deregistered and shall assign no liability whatsoever to NSE PLC or any other stakeholder of the NSE PLC.

Form prepared by: Nairobi Securities Exchange PLC. 14122018 • For any enquiries, kindly email: ibuka@nse.co.ke

ANNEXURE D – NSE PLC CHANGE FORM

IBUKA PROGRAM HOSTING OR HOSTING INTRODUCER CHANGE FORM

I/We confirm that the Nairobi Securities Exchange PLC Hosting Guidelines for the Ibuka Program shall apply and that I/we take full sole responsibility and liability for a successful or rejected change request by NSE PLC. *Terms defined therein shall apply here.*

Date of Change Request

Name of Hostee/Hosting Introducer

Where applicable, I/We hereby enclose a certified copy of the Board resolution or other acceptable authorization document.

Change Request

Contact Details

Name and Signature of Authorised Signatory

For NSE PLC USE Only

Form Terms and Conditions

I/We confirm that we shall assign no liability whatsoever to NSE PLC or any other stakeholder of the NSE PLC for the change above.

Form prepared by: Nairobi Securities Exchange PLC. 14122018 • For any enquiries, kindly email: ibuka@nse.co.ke