

SiBAN Badges: Administration, Requirements, and Terms and Conditions

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Purpose

The purpose of introducing SiBAN badges is to improve safety in the virtual assets sector in Nigeria through a self-regulatory mechanism that encourages best practices, boosts credibility, and improves trust, thus ensuring consumer protection and investment safety. Simply put, we want to discourage bad actors in the blockchain space.

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Member: Blockchain Industry Coordinating Committee of Nigeria ([BICCON](#)); Fintech Alliance Coordinating Team ([FACT](#)); [Fintech Association of Nigeria](#)'s Regulators Forum; Blockchain Associations Forum ([BAF](#)); Centre for Evidence-Based Blockchain ([CEEB](#)); International Digital Asset Exchange Association ([IDAXA](#))-unofficial member status; Global Digital Asset & Cryptocurrency Association ([Global DCA](#)); Key stakeholder in Nigeria's [National Blockchain Adoption Strategy](#) by the Federal Ministry of Communications & the Digital Economy and the National Information Technology Development Agency (NITDA)

Administration

1. A 3-member standing Standards & Quality Committee (SQC) will be set up to administer, implement, and periodically update the requirements below, subject to the approval of the Executive Council.
2. The 3 members of the SQC will be appointed by the Executive Council based on their experience, credibility and reputation.
3. In appointing the members of the SQC, conflicts of interest shall be avoided at all times. Members are required to make disclosures to manage conflicts. A member of the SQC is disqualified from taking a decision on an applicant or matter that he or she may be conflicted about.
4. The tenure of the SQC shall be 2 years, subject to renewal.
5. The members of the SQC may be reappointed by the Executive Council every 2 years.
6. The SQC may be entitled to a seating allowance which will be determined by the Executive Council.
7. The SQC shall meet every quarter to review the procedures and requirements for the issuance of SiBAN badges and address any matter(s) surrounding the SiBAN badges in order to continually preserve the purpose for which it was created..
8. The SQC has the authority to recommend the withdrawal of a SiBAN badge already issued to an applicant at any time upon determining, after a fair hearing for that purpose, that the affected individual or entity has breached the terms and conditions or no longer meets up with one or more of the requirements for issuing the badge or badges. An individual or entity who brings disrepute to SiBAN, as determined by the SQC, may also have his/her/its badge or badges withdrawn indefinitely, subject to further review. When an individual's or entity's conduct is reasonably viewed by the SQC as having a negative impact on the reputation of SiBAN or an individual's or entity's conduct attracts negative public opinion or hurts the integrity of SiBAN as an association, it amounts to

"disrepute". Here, the SQC does not need to show that there is actual damage to SiBAN. Potential damage is sufficient.

9. The SQC shall publicly announce the issuance of badges any time it issues one. The SQC may keep a publicly accessible directory for this purpose.
10. To ensure that the authenticity of every SiBAN badge issued to a Virtual Asset Service Provider (VASP) is verifiable, the SQC must put a verification mechanism or process in place. For example, each badge issued may be secured using NFT technology.

Requirements for the Issuance of SiBAN Badges to Applicants

1. The 100% Quality Badge:



This badge is issued by SiBAN as a badge of quality to boost trust in a product or service offered by a virtual asset service provider (VASP) in the Nigerian market based on the product's or service's compliance with product and service standards in the relevant and specific VASPs sector.

To be eligible for the 100% Quality mark, a VASP must pass SiBAN's test of quality regarding its product or service based on the following conditions:

- (a) The product or service must be compliant with applicable anti-money laundering and combating of financing in terrorism (AML-CFT) regulations;
- (b) The product or service must meet the standards of cybersecurity and data protection required in the applicable sector or industry;
- (c) The product or service must be owned or managed by a legally registered organization with good corporate governance;
- (d) The product or service must be owned or managed by an organization that is either registered with SiBAN or has accepted to be compliant with the SiBAN Code of Conduct in addition to completing SiBAN's KYC documentation;
- (e) The channel through which the product or service is run or operated must publish a conspicuous virtual assets risk disclosure notice/policy;
- (f) The product or service must comply with applicable data-privacy regulations;
- (g) Evidence of the adoption of the SiBAN Code of Conduct for Virtual Asset Service Providers (VASPs) in Nigeria by submitting a signed copy to the Membership Registration Unit (MRU); and
- (h) Evidence of payment of the relevant application and processing fee to SiBAN.

2. The SiBAN Certified Trader Badge



This badge is issued by SiBAN as a badge of credibility that the bearer is a crypto trader that has met SiBAN's requirements for offering a crypto trading business, whether as an individual or entity.

To be eligible for SiBAN Certified Trader badge, a VASP must pass SiBAN's test of credibility regarding crypto trading business in Nigeria based on the following conditions:

- (a) The crypto trading service must be compliant with applicable anti-money laundering and combating of financing in terrorism (AML-CFT) regulations;
- (b) The crypto trading service must meet the standards of cybersecurity required in the applicable sector or industry;
- (c) If an entity, the crypto trading service must be legally registered;
- (d) Positive reviews by users or customers;
- (e) A conspicuous virtual assets risk disclosure notice/policy made available to all customers or users;

- (f) The crypto trading service must be owned or managed by an organization that is either registered with SiBAN (as an individual crypto trader or entity) or has accepted to be compliant with the SiBAN Code of Conduct in addition to completing SiBAN's KYC documentation;
- (g) The crypto trading service offers reasonable rates (if returns on investment is involved);
- (i) Good customer service and transparent dispute resolution procedure;
- (j) Publication of terms of service/use, privacy policy, and refund policy or availability of clear agreements stating the terms and conditions of the crypto trading service offered or to be offered; and
- (k) Evidence of payment of the relevant application and processing fee to SiBAN.

3. The SiBAN Corporate Member Badge



This badge is issued by SiBAN as a badge of recognition and certification that the bearer is a registered corporate member of SiBAN who has met the requirements of being a member of the association.

To be eligible for SiBAN Corporate Member Badge, the applicant must be a registered organization in Nigeria who has met the following conditions:

- (a) The applicant must be registered in Nigeria or in a foreign jurisdiction as a business name, company, incorporated trustee or foundation:
- (b) The applicant must have successfully applied for membership through the membership application portal and paid the applicable membership fees to SiBAN;
- (c) The applicant must have submitted its KYC, including business, company, or incorporated trustee/foundation documents, to SiBAN and have received approval and confirmation as a corporate member by the Membership Registration Unit (MRU);
- (d) The applicant has not been found or known to be involved in any illegality in or outside the blockchain industry, locally or globally, such as fraud, money laundering, ponzi scheme, scam, terrorism financing, and other illicit transactions;
- (e) Evidence of the adoption of the SiBAN Code of Conduct for Virtual Asset Service Providers (VASPs) in Nigeria by submitting a signed copy to the Membership Registration Unit (MRU); and
- (f) Evidence of payment of the relevant membership application fee.

Terms and Conditions

1. The Bearer understands, acknowledges, and agrees that issuance of badges by SiBAN is a self-regulatory mechanism to ensure that the virtual assets space is safer for users based on the adoption of best practices by the service provider and *not a guarantee* of quality of products and services offered.
2. The Bearer understands, acknowledges, and agrees that SiBAN's issuance of a badge or badges to him/her/it is a preventive measure to help minimize the risks involved in the virtual assets market, and consequently improve consumer protection and investor safety, and not in any way an assurance of the absence of risks. Therefore, any risks in respect of the Bearer's product or service that may result in a civil or criminal liability shall be the absolute responsibility of the Bearer. It is the Bearer's duty to bring this limitation to the notice of its customers or users upon entering a business relationship with such customers or users.
3. The Bearer understands, acknowledges, and agrees that he/she/it will remain compliant with the standards required for issuing the badges, and that whenever the Bearer is found by the Standards & Quality Committee (SQC) to have become noncompliant in respect of any of the requirements for issuance, the SQC reserves the absolute right to review such issuance and withdraw the badges accordingly.
4. The Bearer understands, acknowledges, and agrees that should the SQC withdraw a badge or badges from the Bearer, the SQC reserves the absolute right to issue a public statement about its decision in order to avoid a situation of misleading the members of the public. Upon withdrawal, the Bearer must remove the badge or badges from its website and all other platforms and its social media.
5. A Bearer who is not a registered member of SiBAN understands, acknowledges, and agrees that he/she/it will be required to adopt and comply with SiBAN Code of Conduct and pay an application and processing fee different from that payable by registered members of SiBAN.

6. A Bearer who brings any disrepute to SiBAN or does any act that is contrary to the ethics and tenets, such as credibility, transparency, and trust upon which the SiBAN badges are based may have his/her/its badge or badges withdrawn by the SQC after a fair hearing.

7. The Bearer understands, acknowledges, and agrees that the badges are not in any way a replacement of compliance with any applicable regulation by the government of the relevant jurisdiction, but only complementary to it as these badges are part of the self-regulatory mechanism of an association who share common values about a fair and safe VASP market.