

Information Package

Type of license: Dealers License

Requirements:

1. The applicant should fill **FORM-1** (Attached to the Dealers/Dealer's Representative License-Regulation No: 02/CMDA/2006).

The application should be submitted in its complete form with the following accompanying documents:

- a. A copy of the Company Registration Certificate
 - b. A copy of the companies Articles and Memorandum of Association
 - c. Clearance Form of each director (A fit & Proper requirement)
 - d. CVs of the directors (A fit & Proper requirement)
 - e. Last Auditors Report, Audited Balance Sheet, and Profit and Loss Account
 - f. The Business Plan
 - g. Procedures Manual
 - h. A proof document from the ROC as evidence that the company has no conviction of dissolution or has no receivership arrangement.
2. The application processing fee charged by CMDA is **MRF 500** and should be submitted to the Authority along with the application.
 3. The Capital adequacy requirements are:
 - a. The applicant should have a paid-up capital of not less than **MRF 250,000**
 - b. The applicant shall have and at all times maintain a net capital of **MRF 100,000**
 4. A deposit of **MRF 25,000** should be submitted to the Authority (The deposit is non-refundable if the license is granted)
 5. If in case the applicant holds foreign shareholding, the company should submit to the Authority a deposit of **MRF 100,000** in addition **MRF 25,000**.

Renewal of the Dealer's License

1. A dealer's license will be granted for a period of 2 years and shall be renewed. The dealer should request for renewal 3 months prior to the license expiry date.
2. The dealer should fill **FORM-2** attached to the Dealers/Dealer's Representative License-Regulation No: 02/CMDA/2006)
3. Dealer's License Renewal Fee is **MRF 250**
4. The dealer should submit the last Audited Financial Statements along with the renewal application form (FORM 2) to the Authority. (clearance form, and the CVS of directors and top management staffs with the renewal application)

Other Information

1. Annual License Fee is **MRF 10,000**. This amount should be paid to the Authority on or before the 31st January every year.
6. The applicant shall at all times maintain the prescribed Capital Adequacy requirements and the liquidity margin of **MRF 50,000**. This amount is Refundable on termination of the license.
7. Upon receipt of the license from the CMDA, the dealer should arrange for the following requirements within 30 days:
 - a. Trading Membership with the MSE (Application for trading membership should be submitted to the MSE. The required fee for Trading Membership is **MRF 25,000**).
 - b. Sign tripartite agreement with the MSD.
 - c. Open Clearing Account at the BML.

Disclosure Requirements:

1. Annual Report & Audited Financial Statements before end of April.
2. Inform the CMDA of any changes to the business through FORMS 5, 6,7,8 & 9 (Attached to the Dealers/Dealer's Representative Licensing Regulation).

Ongoing Compliance:

1. Dealers/Dealer's Representative Licensing Regulation (Licensing Conditions)
2. Regulation on Conduct of Business
3. Regulation on Anti-Money Laundering in Securities Related Transactions
4. CMDA Corporate Governance Code