

Capital Market Development Authority  
MTCC Tower, 4th Floor  
Boduthakurufaanu Magu  
Male', Republic of Maldives

CMDA

Reference No: (IUL)179-3.2/1/2011/20

**Invitation for Expression of Interest by interested parties to setup Investment Houses to establish and operate Collective Investment Schemes in the Maldives**

The Capital Market Development Authority (CMDA) would like to invite expression of interest from parties to setup Investment Houses to establish and operate Collective Investment Schemes in the Maldives. **The Authority is currently formulating the regulatory framework for licensing Investment Houses to establish and operate Collective Investment Schemes in the Maldives.**

**I. Interested parties may submit expression interest for setting up an Investment House.**

**The general requirements are as follows:**

- (1) Required to register a company in the Maldives – under the Companies Act or Foreign Investment Law
  - a. Directors/Secretaries should meet the Fit & Proper requirements set by the CMDA
  - b. A company should confine its activities as approved by the CMDA
- (2) Required to obtain a licence from CMDA to act as a “CIS licensed person”
  - a. Only CIS licensed persons are allowed to establish and operate CIS in the Maldives
  - b. Any licensed Investment House is allowed to undertake Fund Management provided that the Investment House holds a specific licence for this purpose
- (3) Required to register the proposed “scheme” (fund to be established in Maldives) with CMDA
  - a. Any licensed CIS should appoint a licensed Custodian
  - b. Any licensed CIS should appoint a licensed Fund Manager who should be independent from the Custodian

**II. Important areas & requirements:**

- a) Comply with prescribed laws and regulations and international best practices
- b) A Trust deed should be registered with CMDA where appropriate
- c) Report on segregation and protection of client assets
- d) The proposed applicant should meet the Fit & Proper criteria set by CMDA
- e) The proposed applicant should meet the minimum capital requirements (paid up capital, net capital and Liquidity Margin) set by CMDA



- f) The proposed applicant shall submit the scheme's constitutive document for CMDA approval
- g) The proposed applicant should seek approval for the scheme's Prospectus and Promotional Documents
- h) An investment company must hold General Meetings as required
- i) The manager must, for each annual accounting period and each half-yearly accounting period, prepare and lodge a report of the licensed scheme.

### **III. Queries related to the Announcement and Submission of EOI:**

- a) All queries related to this announcement shall be submitted via email to [mail@cmda.gov.mv](mailto:mail@cmda.gov.mv)
- b) Expression of Interests should be addressed to CMDA in the following manner;

**Ms. Mariyam Visam**  
**Director General**

**EOI: Investment Houses and Collective Investment Schemes in the Maldives**  
**Capital Market Development Authority**  
**4<sup>th</sup> Floor, MTCC Tower**  
**Boduthakurufaanu Magu**  
**Male', Republic of Maldives**

### **IV. General Instructions**

- a) Deadline for submitting Expression of Interest is **17 March 2011**
- b) Additional information or clarification of any of the instructions or information contained herein may be obtained from the Capital Market Development Authority as listed above
- c) Please refer to the Maldives Securities Act (2/2006) and Regulations from <http://www.cmda.gov.mv/laws-and-regulations/laws-and-regulations/>

8 March 2011

