

REGULATIONS ON ISSUANCE OF SECURITIES 2011

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REGULATIONS ON ISSUANCE OF SECURITIES 2011

These regulations are made in exercise of powers conferred on the Capital Market Development Authority by section 60(a) and 42 of the Maldives Securities Act (Law No: 2/2006).

1. Introduction, citation and commencement

- (1) These regulations govern the issuance of any securities to the public by any issuer unless these regulations state otherwise
- (2) These regulations may be cited as the Regulations on Issuance of Securities ~~2011~~
- (3) These regulations shall come into effect once published in the Gazette of the Republic of Maldives

2. Scope

- (1) Any issue, offer or invitation to the public shall be accompanied by a prospectus which shall comply with these regulations.
- (2) Subject to paragraphs (4) to (6), these regulations shall apply to:-
 - (a) Any issuance of securities of a class which are listed on a stock exchange.
 - (b) Any issuance of securities of a class for which listing is sought from a stock exchange.
 - (c) Any listing on a Stock exchange regardless of whether there was any offer or issuance of any securities.
 - (d) Any other offer of securities or invitation to subscribe to the securities to the public.
- (3) In these regulations, an offer or invitation shall be construed as an offer or invitation to the public where:-
 - (e) Offer is made to or securities may be bought by any person of the public (including any section of public); or
 - (f) The offer is made to, or where there would be allotments made to more than 50 persons in one calendar year.
- (4) These regulations shall not apply to any offer/issue of securities where:
 - (a) The issuer is the Government of Maldives or any Agency representing the Government of Maldives or any Public Authority.
 - (b) Where the issue or offer is by way of private placement in which the Authority is satisfied that the offer is not open to the public or a section of the public.
- (5) These regulations do not exempt any corporation from the applicable regulations in relation to prospectus requirements under the Companies Act of the Maldives
- (6) Where the proposal by the issuer is for issuance of Islamic securities, additional guidelines issued by the Authority in relation to such issuance shall apply.

3. Interpretation

In these regulations –

“Act” means the Maldives Securities Act 2/2006;

“Authority” means the Capital Market Development Authority under the Maldives Securities Act 2/2006;

“expert” includes engineer, valuer, accountant and any other person whose profession gives authority to a statement made by him; and

‘issuer’ has the meaning ascribed to it in the Act

“Principal adviser” has the meaning ascribed to it in the Guidelines on Principal Adviser.

"Prospectus" means any document described or issued as a prospectus and includes any notice, circular, advertisement or other document inviting deposits from the public or inviting offers from the public for the subscription or purchase of securities of, a body corporate .Where a company allots or agrees to allot securities of the company with a view to all or any of those securities being offered for sale to the public, any document by which the offer for sale to the public is made shall, for all purposes, be deemed to be a prospectus issued by the company ; and all enactments and rules of law as to the contents of prospectuses and as to liability in respect of statements in and omissions from prospectuses, or otherwise relating to prospectuses, shall apply and have effect accordingly.

‘Securities’ has the meaning ascribed to it in the Act

4. Proposal to issue securities

- (1) Any prospectus to issue securities shall be prepared:
 - (a) in accordance with these regulations; and
 - (b) by a principal adviser registered with the Authority. (this clause will only apply where there are registered Principal Advisers by the Authority)

5. Form and content of prospectus

- (1) Subject to the provisions of these regulations, a prospectus shall contain all such information as investors and their professional advisers would reasonably require, and reasonably expect to find there, for the purpose of making an informed assessment of –
 - (a) the assets and liabilities, financial position, profits and losses, and prospects of the issuer of the securities;
 - (b) any material risks relating to an investment in those securities; and
 - (c) the rights and obligations attached to those securities.
- (2) Without prejudice to the generality of paragraph (1), a prospectus shall contain, subject to paragraphs (4) and (5), the information specified in the Schedule 1.
- (3) The information in a prospectus shall be presented in a user friendly and comprehensible form as possible.
- (4) Where, on the occasion of their listing on a Stock Exchange, securities are offered on a pre-emptive basis to some or all of the existing shareholders, the Authority may authorize the omission from a prospectus of specified information provided that up-to-date information equivalent to that which would otherwise be required by this regulation is available as a result of the requirements of that market.
- (5) Where a company -
 - (a) makes an offer of securities to the public in Maldives, which it proposes to issue; and
 - (b) has, within the 6 (six) months preceding the date on which the offer is first made, published a full prospectus relating to a different class of securities

which it has issued, or to an earlier issue or a planned issue of the same class of securities –

instead of a full prospectus, it may publish, a prospectus which contains only the differences which have arisen since the publication of that full prospectus and which are likely to influence the value of the securities, provided that the prospectus is accompanied by that full prospectus.

- (6) For the purposes of paragraph (5), a "full prospectus" is one that contains the information specified in the Schedule 1 to these regulations (other than information whose omission is authorized by the Authority by or under paragraph (4)).

6. Exceptions

- (1) The Authority may, on an application in writing made by the issuer or offeror, authorize the omission from a prospectus of information whose inclusion would otherwise be required by these regulations if the Authority is satisfied that –
- (a) the disclosure of that information would be contrary to the public interest;
 - (b) the information is of minor importance only, and is not likely to influence assessment of the issuer's assets and liabilities, financial position, profits and losses and prospects; or
 - (c) the disclosure of that information would be seriously detrimental to the issuer
- (2) The Authority when authorizing any omission from a prospectus under paragraph (1) shall be satisfied that the omission would be unlikely to mislead the public with regards to any facts or circumstances which are essential for an informed assessment under paragraph (1) of section 5.
- (3) An offeror may omit from a prospectus information with respect to an issuer whose inclusion would otherwise be required by these regulations if –
- (a) he is not the issuer, nor acting in pursuance of an agreement with that issuer;
 - (b) the information is not available to him because he is not the issuer; and
 - (c) he has been unable, despite making such efforts as are reasonable, to obtain the information.

7. Expert to be independent

A prospectus shall not include a statement purporting to be made by an expert unless the expert is a person who is not, and has not been engaged or interested in the formation or promotion, or in the management, of the company which is the subject of the prospectus.

8. Expert's consent to issue of prospectus containing statement by him

A prospectus that includes a statement purporting to be made by an expert or to be based on a statement made by an expert shall not be issued unless –

- (a) the expert has given, and has not before delivery of the prospectus for the approval of the Authority withdrawn, his written consent to the issue of the prospectus with the statement in the form and context in which it is included; and
- (b) there appears in the prospectus a statement that the expert has given and has not withdrawn his consent.

9. Information and Documents

Proposal submitted to Authority under these regulations shall be accompanied by relevant information and documents as specified by these regulations and shall include –

- (a) The prospectus prepared in accordance with Schedule 1 of these regulations
- (b) Declaration by the issuer in accordance with Schedule 2 of these regulations
- (c) Declaration by the Principal Adviser in accordance with Schedule 3 of these regulations
- (d) A table matching compliance of the prospectus to these regulations, and where there was non-compliance or where any requirement of these regulations could not be complied with at the time of the proposal, a document indicating how these regulations would be complied with before opening up the issue.
- (e) Processing fee;
 - i. of MRF 35,000.00 (Thirty Five Thousand Rufiyaa) + 0.05 % of the proposed value of the issue to the public ; or
 - ii. according to the Guidelines on Shariah Compliance Review for Pre-IPO Securities.

SCHEDULE 1

REQUIRED CONTENT OF PROSPECTUS

PART I

GENERAL REQUIREMENTS

1. The name of the issuer, the address of its registered office and the date and location of incorporation.
2. If the issuer and the offeror are different, the name and address of the person offering the securities.
3. The names, functions and professional qualifications of the directors and company secretary of the issuer.
4. Summary of the provisions of the articles of association with regard to-
 - (a) power to alter capital
 - (b) borrowing powers
 - (c) share qualification of directors
 - (d) remuneration of directors
 - (e) power of directors to vote on a contract in which he is interested
 - (f) election and removal of directors
 - (g) voting rights of shareholders
5. The place at which the following documents (or copies thereof) may be inspected.
 - (a) Memorandum and Articles of Association of the company

- (b) Trust deed in the case of debentures.
 - (c) All material contracts
 - (d) Valuation reports (if any)
 - (e) Any other document referred to in the prospectus.
6. The date of publication of the prospectus.
 7. A statement that the prospectus has been approved by the Authority.
 8. A statement that the prospectus has been drawn up in accordance with the Act, Companies Act and these regulations.
 9. A statement that the Authority takes no responsibility for the contents of the prospectus and shall not be liable to any action for damages suffered as a result of any prospectus registered by the Authority.
 10. Where the prospectus contains any statement by an expert, or any statement said in the prospectus to be based on a statement made by an expert, the prospectus shall state that the expert has given his consent, that such consent is filed with the Authority, and that the expert has not withdrawn his consent before the date the prospectus is lodged with the Authority for provisional registration.
 11. The following words, "If you are in any doubt about the contents of this document you should consult a person licensed under the Act who specializes in advising on the acquisition of shares and other securities", or words to the like effect.

PART II

THE PERSONS RESPONSIBLE FOR THE PROSPECTUS

12. The names, addresses (home or business) and functions of those persons responsible for the prospectus or any part of the prospectus, specifying such part.
13. A declaration by the directors of the issuer (or, if the offeror is not the issuer, by the directors of the offeror) that they accept responsibility for the contents of the prospectus and that, to the best of their knowledge and belief, and after making reasonable enquiries, the information contained in the prospectus is in accordance with the facts and that the prospectus makes no omission likely to render such information misleading.

PART III

THE SECURITIES TO WHICH THE PROSPECTUS RELATES AND THE OFFER

14. A description of the securities being offered, including the class to which they belong and a description of the rights attaching to them including (where applicable) –
 - (a) if the securities are shares, rights as regards –
 - (i) voting;
 - (ii) dividends;
 - (iii) return of capital on the winding up of the issuer;
 - (iv) redemption;

and a summary of the consents necessary for the variation of any of those rights;

- (b) if the securities are debentures, rights as regards –
 - (i) interest payable;
 - (ii) repayment of principal.
 - (c) If the securities are convertible securities –
 - (i) the terms and dates on which the holder of the convertible securities is entitled to acquire the related underlying securities;
 - (ii) the procedures for exercising the entitlement to the underlying securities; and
 - (iii) such information relating to the underlying securities as would have been required under subparagraphs (a) or (b) if the securities being offered had been the underlying securities.
 - (d) If the securities are Islamic securities, contents of the prospectus should comply with Authority's Islamic Securities Guidelines (Sukuk Guidelines)
15. The number, description, and amount of any shares or debentures of the company which any person has, or is entitled to be given an option to subscribe for, together with –
- (a) The period during which it is exercisable;
 - (b) The price to be paid for shares or debentures subscribed for under it;
 - (c) The consideration, if any, given or to be given for it or for the right to it;
 - (d) The names and addresses of the persons to whom it or the right to it was given or, if given to existing shareholders or debenture holders as such, the relevant shares or debentures.
16. The dividend policy of the issuer, and in particular whether it has paid dividends within the last 5 (five) years (and, if so, how much and when), and whether the issuer expects to pay dividends over the next 2 (two) years.
17. The date(s) (if any) on which entitlement to dividends or interest arises.
18. The procedure for the exercise of any right of pre-emption attaching to the securities.
19. Any restriction on the free transferability of the securities being offered.
20. (1) A statement as to whether –
- (a) the securities being offered have been listed on a securities exchange; or
 - (b) an application for listing has been made.
- (2) Where no such application for listing has been made, or such an application has been made and refused, a statement as to whether or not there are, or are intended to be, any other arrangements for there to be dealings in the securities and, if there are, a brief description of such arrangements.
21. The purpose for which the securities are being issued.
22. The number of securities being issued and offered and, in the case of shares, earnings per share and net asset value per share.
23. The authority for the issue and offer of the securities.

24. The total proceeds that it is expected will be raised by the offer and the expected net proceeds, after deduction of the expenses, of the offer, stating the amount or the estimated amount of the expenses of the offer and by whom they are payable, including a statement as to any commission or other payment or benefit payable or provided or to be provided by the issuer to any person in consideration of his agreeing to subscribe for securities to which the prospectus relates or of his procuring or agreeing to procure subscriptions for such securities.
25. Details as to the use of the proceeds of the issue and in particular their use for capital expenditure, debt reduction, acquisitions, working capital or other.
26. Where the prospectus relates to shares that are offered for subscription, particulars as to –
- (a) the minimum amount which, in the opinion of the directors of the issuer, must be raised by the issue of those shares in order to provide the sums (or, if any part of them is to be defrayed in any other manner, the balance of the sums) required to be provided in respect of each of the following –
 - (i) the purchase price of any property purchased, or to be purchased, which is to be defrayed in whole or in part out of the proceeds of the issue; and
 - (ii) any preliminary expenses payable by the issuer and any Authority so payable to any person in consideration of his agreeing to subscribe for, or of his procuring or agreeing to procure subscriptions for, any shares in the issuer.
 - (b) the amounts to be provided in respect of the matters mentioned otherwise than out of the proceeds of the issue and the sources out of which those amounts are to be provided.
27. *(a) Where any property is purchased or acquired by the company or by any subsidiary of the company or proposed so to be purchased or acquired, which is to be paid for wholly or partly out of the proceeds of the issue offered for subscription by the prospectus, or the purchase or acquisition of which has not been completed at the date of the issue of the prospectus, other than property the contract for the purchase or acquisition whereof was entered into in the ordinary course of the company's or the subsidiary's business, the contract not being made in contemplation of the issue nor the issue in consequence of the contract, the following information in relation to such property:*
- (1) the names and addresses of the vendors;
 - (2) the amount payable in cash, shares, or debentures to the vendor and, where there is more than one separate vendor, the amount so payable to each vendor;
 - (3) particulars of any transaction relating to the property completed within the two preceding years in which any vendor of the property to the company or any person who is, or was at the time of the transaction, a promoter or a director or proposed director of the company had any interest direct or indirect.
- (b) Every person shall for the purposes of this Schedule be deemed to be a vendor who has entered into any contract absolute or conditional, for the sale or purchase or for any option of purchase, of any property to be acquired by the company in case where –

- (1) the purchase money is not fully paid at the date of the issue of the prospectus;
 - (2) the purchase money is to be paid or satisfied wholly or in part out of the proceeds of the issue offered for subscription by the prospectus or;
 - (3) the contract depends for its validity or fulfillment on the result of that issue;
 - (c) Where any property to be acquired by the company is to be taken on lease this Schedule shall have effect as if the expression “vendor” included the lessor, and the expression “purchase money” included the consideration for the lease.
 - (d) For the purposes of paragraph 27, where the vendors or any of them are a firm, the members of the firm shall not be treated as separate vendors.
28. The names of any persons underwriting the offer and a statement by them as to the financial and trading prospects of the company
 29. The amount or the estimated amount of the expenses of the offer and by whom they are payable, including a statement as to any commission or other payment or benefit payable or provided or to be provided by the issuer to any person in consideration of his agreeing to subscribe for securities to which the prospectus relates or of his procuring or agreeing to procure subscriptions for such securities.
 30. The name and address of any paying, transfer or registration agent.
 31. The period during which the offer of the securities is open.
 32. The price at which the securities are offered or, if appropriate, the procedure, method and timetable for fixing the price.
 33. The amount payable on application and allotment on each share and in the case of a second or subsequent offer of shares, the number, description and amount offered for subscription on each previous allotment made within the two preceding years, the number actually allotted, and the amount, if any, paid on the shares so allotted.
 34. The number and amount of shares and debentures which in the two preceding years have been issued, or agreed to be issued, as fully or partly paid up otherwise than in cash, and in the latter case the extent to which they are so paid up, and in either case the consideration for which those shares or debentures have been issued or are proposed or intended to be issued.
 35. The arrangements for payment for the securities being offered and the arrangements and timetable for their delivery.
 36. The arrangements during the period prior to the delivery of the securities being offered relating to the moneys received from applicants including the arrangements for the return of moneys to applicants where their applications are not accepted in whole or in part and the timetable for the return of such moneys.

PART IV

GENERAL INFORMATION ABOUT THE ISSUER AND ITS CAPITAL

37. The date and place of incorporation of the issuer.
38. The legal form of the issuer, the legislation under which it was formed and (if different) the legislation now applicable to it.

39. A summary of the provisions in the issuer's constitution, if any, determining its objects.
40. The amount of the issuer's stated capital.
41. In the case of a debt issue, any borrowing limits to which the issuer is subject, and in the case of an issue of secured debentures the full particulars of the assets mortgaged or charged
42. Particulars of any material outstanding indebtedness in relation to the issuer and its subsidiaries.
43. The number and particulars of any listed and unlisted securities issued by the issuer not representing share capital.
44. The number of shares of each class making up the stated capital and, in the case of the shares issued, the amount paid up on the shares.
45. The amount of any outstanding listed and unlisted convertible securities issued by the issuer, the conditions and procedures for their conversion and the number of shares which would be issued as a result of their conversion.
46. If the issuer is a member of a group, a brief description of the group and of the issuer's position in it, stating, where the issuer is controlled by another company, the name of its controlling company.
47. In so far as the offeror has the information, an indication of the persons, who, directly or indirectly, jointly or severally, exercise or could exercise control over the issuer and particulars of the proportion of the issuer's voting capital held by such persons. If for whatever reason, the offeror is unable to identify such persons, a declaration shall be made in the prospectus.

PART V
THE ISSUER'S PRINCIPAL ACTIVITIES

48. A description of the issuer's principal activities and of any exceptional factors that have influenced its activities.
49. A statement of any dependence of the issuer on particular customers or suppliers, or on patents or other intellectual property rights, licences or particular contracts, where any of these are of fundamental importance to the issuer's business.
50. With regard to risk factors, list in order of importance the factors which the issuer considers to be the most substantial risks to an investor in this offering (e.g. untested products, cashflow or liquidity problems, dependence upon a key supplier or customer, management inexperience, nature of business, absence of a trading market, etc.) and which constitute the greatest threat that an investment may be lost in whole or part, or not provide an adequate return.
51. Information regarding investments in progress or authorised by the directors where they are significant.
52. Information on any legal or arbitration proceedings, active, pending or threatened against, or being brought by, the issuer or any member of its group which are having or may have a material effect on the issuer's financial position.

PART VI
THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND
PROFITS AND LOSSES

53. Where in the case of a company which has been carrying on business, or of a business which has been carried on, for less than 5 (or 3) years in the subsequent paragraphs of this Part, the accounts of the company or business have only been made up in respect of 4, 3, 2, or 1 year, this Part shall have effect as if references to 4, 3, 2, or 1 year, as the case may be, were substituted for references to the given number of years.
54. (a) Subject to paragraph 55, the issuer's financial statements for the last 3 (three) years together with –
- (1) a statement by the directors of the issuer that the accounts have been prepared in accordance with these regulations, Companies Act of Maldives (Act No: 10/96) and that they accept responsibility for them, or a statement why they are unable to make such a statement;
 - (2) the names and addresses of the auditors of the accounts;
 - (3) a copy of the auditor's reports on the accounts; and
 - (4) a statement by the auditors that they consent to the inclusion of their reports in the prospectus and accept responsibility for them, and have not become aware, since the date of any report, of any matter affecting the validity of that report at that date; or a statement why they are unable to make such a statement.
55. Where more than 9 (nine) months have elapsed at the date on which the offer is first made since the end of the last financial year in respect of which accounts are required to be included in the prospectus by paragraph 54:-
- (a) there shall also be included in the prospectus a report by the audit firm of the issuer, covering the period referred to in subparagraph (b), with respect to the state of affairs and profit or loss of the issuer together with the name and address of the person responsible for preparing the report, and a statement by him that he consents to the inclusion of the report in the prospectus and accepts responsibility for it; or a statement why he is unable to make such a statement.
 - (b) The period to be covered by the report is the period beginning at the end of the last financial year in respect of which accounts are required to be included in the prospectus by paragraph 54 and ending on the latest practicable date before (but not in any event more than 3 (three) months before) the date on which the offer is first made.
56. If the issuer is a parent company, the requirements of paragraphs 54 and 55 shall apply to each of its subsidiaries.
57. (a) A report by a qualified auditor, who shall be named in the prospectus, with respect to-

- (1) a summary of earnings of the company (and on a consolidated basis if the company has subsidiaries) for the last five financial years immediately preceding the last date to which the accounts of the company were made up or such shorter period as may be appropriate if the company has not been in business for five years.
 - (2) the summary of the balance sheet of the company (and on a consolidated basis if the company has subsidiaries) in respect of the five financial years immediately preceding the last date to which the accounts of the company were made up or such shorter period as may be appropriate if the company has not been in business for five years.
 - (3) the rates of the dividends, if any, paid by the company in respect of each class of shares in respect of each of the five financial years immediately preceding the issue of the prospectus, giving particulars of each such class of shares on which such dividends have been paid and particulars of the cases in which no dividends have been paid in respect of any class of shares in respect of any of these years.
- (b) In the case of an issue of debentures the report shall include in the case of the guarantor company the same matters stated in (a) of this paragraph except matters stated in (3). Where there are no audited financial statements within six months before the issue of the prospectus the latest available audited financial statements shall be included in the report. In such an event the guarantor company's value of net tangible assets at a date not more than six months before the issue of the prospectus shall be stated in the prospectus. The prospectus shall include a statement to the effect that the value for the net tangible assets has not been taken from an audited financial statement.
58. Where the proceeds, or any part of the proceeds, of the issue of the shares or debentures are to be applied directly in the purchase of any business, a report by a qualified auditor who shall be named in the prospectus with respect to –
- (a) the summary of the profits or losses of the business in respect of each of the five financial years immediately preceding the last date to which the accounts of the business were made up; and which date shall in no case be more than six months before the issue of the prospectus.
 - (b) the assets and liabilities of the business at the last date to which the accounts of the business were made up, which shall in no case be more than six months before the issue of the prospectus
- 59.
- (a) Where the proceeds, or any part of the proceeds of the shares or debentures, are to be applied directly or indirectly in any manner resulting in the acquisition by the company of shares in any other company; and by reason of that acquisition or anything to be done in consequence thereof or in that connection that company will become a subsidiary of the company, a report by a qualified auditor who shall be named in the prospectus with respect to –
 - (1) the summary of the profits or losses of the other company in respect of each of the five financial years immediately preceding the last date to which the accounts of the company were made up; and
 - (2) the assets and liabilities of the other company at the last date to which the accounts of the company were made up, which date in no case be more than six months before the issue of the prospectus.
 - (b) the report shall where the other company has subsidiaries, deal with the profits or losses and the assets and liabilities of the company and on a consolidated basis.

60. (a) A report by the directors as to whether after due inquiry by them in relation to the interval between the date to which the last accounts have been made up and a date not earlier than fourteen days before the issue of the prospectus –
- (1) the business of the company and its subsidiaries has in their opinion been satisfactorily maintained;
 - (2) there have in their opinion arisen since the last annual general meeting of the company any circumstances adversely affecting the trading or the value of the assets of the company or any of its subsidiaries;
 - (3) the current assets of the company and of its subsidiaries appear in the books at values which are believed to be realizable in the ordinary course of business;
 - (4) there are any contingent liabilities by reason of any guarantees given by the company or any of its subsidiaries; or
 - (5) there are, since the last annual report, any changes in published reserves or any unusual factors affecting the profit of the company and its subsidiaries;
- (b) and where any report is required pursuant to this paragraph it shall contain full details of all matters required to be dealt with in the report.
61. (a) Particulars of the location and tenure of the properties of the company and if available details of current value.
- (b) Particulars about the plant and machinery including cost and age.

PART VII

RECENT DEVELOPMENTS IN THE ISSUER'S BUSINESS AND PROSPECTS

62. The significant recent trends concerning the development of the issuer's business since the end of the last completed financial year of the issuer.
63. Information on the issuer's financial and trading prospects for at least the current financial year of the issuer.
64. The dates of and parties to all material contracts (not being contracts entered into in the ordinary course of business) entered into by the issuer and its subsidiaries within the 2 (two) years immediately preceding the issue of the prospectus together with a summary of the principal contents of such contracts.
65. Where a profit forecast appears in the prospectus the principal assumptions, including commercial assumptions, upon which it is based must be stated.

PART VIII

THE ISSUER'S ADMINISTRATION AND MANAGEMENT

66. Any amount or benefit paid or given within the two preceding years or intended to be paid or given to any promoter, and the consideration for the payment or the giving of the benefit.
67. The number of shares, if any, fixed by the articles, as the qualification of a director, and any provision in the articles as to the remuneration of the directors.

68.

- (a) Full particulars of the nature and extent of the interest, direct or indirect, if any, of every director in the promotion of the company or where the interest of such a director consists in being a partner in a firm, the nature and interest of the firm and where the interest of such a director consists in holding of shares or debentures in a company, the nature and interest of the company, with a statement of all sums paid or agreed to be paid to such director or to the firm or to the company in cash or shares or in any other manner, either to induce him to become or to qualify him as a director or for services rendered by such director or by the firm or by the company in connection with the promotion or formation of the company.
- (b) Full particulars of the nature and extent of the interest, direct or indirect, if any, of every expert in the promotion of the company or where the interest of such expert consists in being a partner in a firm, the nature and interest of the firm and where the interest of such expert consists in holding of shares or debentures in a company, the nature and interest of the company and a statement of the nature and interest of the expert in the company, with a statement of all sums paid or agreed to be paid to such expert or to the firm or to the company in cash or shares or in any other manner, for services rendered by such expert or by the firm or by the company in connection with the promotion or formation of the company.
- (c) For the purposes of this paragraph a director or expert shall be deemed to have an indirect interest in a company if he has any beneficial interest in shares or debentures of a company which has an interest in the promotion of, or in the property proposed to be acquired by, the company or if he has any beneficial interest in shares or debentures in a related company.

69. A concise description of the directors' existing or proposed service contracts with the issuer or any subsidiary of the issuer, excluding contracts expiring, or determinable by the employing company without payment of compensation within 1 (one) year, or an appropriate negative statement.

70. The aggregate remuneration paid and benefits in kind granted to the directors of the issuer during the last completed financial year of the issuer, together with an estimate of the aggregate amount payable and benefits in kind to be granted to the directors, and proposed directors, for the current financial year under the arrangements in force at the date on which the offer is first made.

71. The interests of each director of the issuer in the stated capital of the issuer, distinguishing between beneficial and non-beneficial interests, or an appropriate negative statement.

72. Full particulars of any contract or arrangement existing at the date of the prospectus in which a director of the issuer is materially interested, or an appropriate negative statement.

73. For every director or proposed director (or any other person who performs an important administrative, management or supervisory function):-

- (a) A description (being his qualification or area of expertise or responsibility), and particulars of the principal functions performed by each
- (b) A brief account of the business experience of each of these persons during the last 5 (five) years.
- (c) The nature of any family relationship between the persons mentioned in sub-paragraph (a).

(d) Indicate any other directorships held by each director or proposed director.

74. Total staff strength and broad category classification.

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SCHEDULE 2

Declaration by the Issuer

Date: ... (Date of Application)...

The Chief Executive Officer
Capital Market Development Authority

Dear Sir/Madam

ISSUER ... (Name of Issuer)...

Declaration Pursuant to: Regulation on the Issuance of Securities

We, ... (Name of Issuer).... are proposing to undertake the following proposals:-

(a)

(b)

(Hereinafter referred to as “the Proposal”)

2. We confirm that after having made all reasonable enquiries, and to the best of our knowledge and belief, there is no false or misleading statement contained in, or material omission from, the information that is provided to the principal adviser/adviser(s)/expert(s) or to the Authority in relation to the above Proposal.

3. We declare that we are satisfied after having made all reasonable enquiries that the Proposal is in full compliance with the following:-

- (a) Regulation on Issuance of Securities;
- (b) The *Islamic Securities Guidelines (Sukuk Guidelines)* (if necessary);
- (c) Other requirements under the Companies Act and Maldives Securities Act 2/2006 as may be applicable.

4. Save as otherwise disclosed in the attachment accompanying this declaration, the Company has not-

- (a) been convicted or charged with any offence under the securities laws, corporations laws or other laws involving fraud or dishonesty in a court of law, for the last 10 (ten) years prior to the submission; and
- (b) been subject to any action by the stock exchange for any breach of the listing requirements or rules issued by the stock exchange, for the past 5 (five) years prior to the submission.

5. We declare that we will ensure continuous compliance with the requirements and conditions imposed by the Authority in relation to the above Proposal.

6. We undertake to provide to the Authority all such information as the Authority may require in relation to the Proposal.

** To delete if not applicable*

The above declaration has been signed by me as ...(designation or director)... of the Issuer pursuant to authority granted to me by a resolution of the Board of Directors on ...(date of resolution)...

Yours faithfully

.....

Signature

Name:

Name of Issuer:

Date:

DRAFT

SCHEDULE 3

Declaration by the Principal Adviser

Date: ...(Date of Application)...
The Chief Executive Officer
Capital Market Development Authority

Dear Sir/Madam

Principal Adviser (Name of Issuer)...

Declaration Pursuant to: Regulation on the Issuance of Securities

We ... (Name of the Principal Adviser).... are proposing to undertake the following proposals:-

- (a)
- (b)

(Hereinafter referred to as “the Proposal”)

2. We confirm that after having made all reasonable enquiries, and to the best of our knowledge and belief, there is no false or misleading information contained in, or material omission from the prospectus submitted to the Authority in relation to the above Proposal.

3. We declare that we are satisfied after having made all reasonable enquiries that the Prospectus is in full compliance with the following:-

- (a) *Regulation on Issuance of Securities;*
- (b) *Islamic Securities Guidelines(if necessary);*
- (c) The Company Act 10/96 and prospectus regulations
- (d) Other requirements under the *Maldives Securities Act 2/2006* as may be applicable.

4. We declare that we will ensure continuous compliance with the requirements and conditions imposed by the Authority in relation to the above Prospectus.

6. We undertake to provide to the Authority all such information as the Authority may require in relation to the Prospectus.

** To delete if not applicable*

The above declaration has been signed by me as ...(the Principal Adviser)... of the Issuer as assigned by a resolution of the Board of Directors on ...(date of resolution)....

Yours faithfully

.....

Signature

Name

Name of Issuer:

Date: