

**Capital Market Development Authority**

**REGULATION ON REGISTRATION OF SHARIAH ADVISERS**

**(With the amendments up to 28 Jan 2014))**

**2013/R-54**

**21 July 2013**

**Amendments:**

**Section 4(a)** – broadened the criteria to include LLB with acceptable shariah subjects

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| Introduction          | 1. The Registration of Shariah Advisers Guidelines is issued by the Capital Market Development Authority (CMDA) under section 60 (a) of the Maldives Securities Act 2/2006.   |
| Purpose               | 2. The objective of these regulations is to govern the registration of Shariah advisers. Registered Shariah advisers may advise on sukuk structuring and Islamic capital market products.   |
| Definitions           | 3. Unless otherwise specified in these regulations, the following definitions shall apply to these regulations.<br><br>‘approved list’ shall mean list of registered shariah advisers under these regulations.<br><br>‘shariah adviser’ shall mean any person registered as a shariah adviser under these regulations.<br><br>‘Authority’ shall mean Capital Market Development Authority formed under Maldives Securities Act (2/2006).<br><br>‘Corporate proposal’ shall mean any proposal submitted to the Authority for approval in relation to issuance, offer for subscription or offer for sale of securities, including the information memorandum and other documents required under these regulations.  |
| Criteria for approval | 4. Applicants seeking to be registered as a shariah adviser shall meet all of the following requirements.<br><br>(a) The applicant should have at least a degree in Shariah particularly in fiqh muamalat or Islamic jurisprudence or Islamic law, from an institution recognized by the Maldives Qualification Authority; OR, shall have a Bachelor of Law degree and must have completed shariah subjects acceptable to the Authority.<br><br>(b) have at least two years of relevant experience and/or exposure in Islamic finance<br><br>(c) has passed an examination set by the Authority in the field of Islamic finance OR is registered as a Shariah adviser with the securities commission or capital market regulator of another jurisdiction.<br><br>(d) Meet the ‘fit and proper’ requirements set by the Authority. |

Registration, renewal procedures and fees	5.	<p>(a) To register as a Shariah adviser, an applicant is required to submit the application form prescribed in the annex of these regulations to the Authority.</p> <p>(b) Upon receiving the application, if the Authority is satisfied that the applicant meet the criteria set in these regulations, the Authority shall issue confirmation of registration and include the name of the person in the approved list.</p> <p>(c) Authority shall update the approved list and notify any change to the approved list in the Authority's website.</p> <p>(d) Shariah advisers must submit application for renewal, prescribed in the annex to these regulations, prior to expiry of two years from the date of registration or renewal.</p> <p>(e) Shariah advisers must pay an annual fee of MVR 1,200 (Maldivian Rufiyaa One thousand two hundred) to the Authority. (Pro-rata basis for the first year).</p> <p>(f) Applicants seeking registration who are required to sit in the examination for Shariah advisers must pay an examination fee of MVR 250 (Maldivian Rufiyaa Two fifty) to the Authority.</p>
Responsibilities of the advisers	6.	<p>(a) Shariah advisers must at all times maintain confidentiality of all the information obtained or received from clients.</p> <p>(b) Shariah advisers must ensure that there are no conflicts of interests in undertaking projects for the clients.</p> <p>(c) Upon agreement to provide service to a client, the Shariah adviser must notify the same to the Authority.</p> <p>(d) The Shariah adviser must cooperate with the Authority in reviewing proposals submitted to the Authority.</p>
Review of the Shariah Adviser	7.	The Authority may undertake a review of the conduct of an Adviser to assess whether the adviser complies with these regulations.
Removal from the approved list	8.	<p>(a) The Authority may remove the name of an adviser from the approved list where the Authority is satisfied that the adviser fails to maintain the requirements of these regulations.</p> <p>(b) The Authority may remove the name of an adviser from the approved list where the Authority is satisfied that the adviser is no more fit and proper to act as a Shariah adviser. However, removal shall be made only after giving a reasonable opportunity to the adviser to respond to the Authority, and upon serving a written explanation for the removal from the approved list.</p>
Power to issue directions	9.	Where the Authority deems it necessary for the protection of the public interest, or for the integrity of the capital market, or for any other reason, the Authority may issue a direction to the adviser in writing.
Amendments to these regulations	10.	The Authority may make necessary amendments to these regulations. All amendments will have effect only upon publication in the official

gazette.

- Commencement 11. These regulations shall commence on the date of publication in the official gazette.
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## Annex

### Application form for [Registration/renewal of registration]\* of Shariah Adviser

\* *strike through accordingly*

(a) Information about the applicant

- i. Name
- ii. Identity card number (for locals); passport number (for others)
- iii. Permanent address
- iv. Present address
- v. Contact number(s)
- vi. Email address
- vii. Educational qualification and experience (for educational qualifications please give (a) the name of the qualification, the institution, country, year and specialization (if any))
- viii. Employment history (please give the name of the employer; the designation; brief description of the responsibilities and the period of employment)

(b) Declaration

I, (*name of the applicant, ID card number*), hereby declare that all information given in this application and attached documents are true and accurate to the best of my knowledge, and that I would abide by the regulation on shariah advisers, and that I have read the Maldives Securities Act and the regulations made under the Act, and I understand that it is an offence to furnish untrue or misleading information in the applications submitted to the Authority.

Name:

Signature:

Date:

(c) Documents required

- i. CV
  - ii. Two recent photographs of passport size
  - iii. Copy of NIC or passport
  - iv. Accredited and attested copies of educational qualifications
  - v. Completed record clearance form (form can be obtained from the Authority)
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