

# **Guidelines on Fit and Proper Requirements for Capital Market Intermediaries and Market Institutions**

**12 AUGUST 2026**



**1. Document Information**

| Item           | Details        |
|----------------|----------------|
| Approval Date  | 12 August 2026 |
| Effective Date | 12 August 2026 |
| Version        | 2.0            |

**2. Amendment History**

| Version | Approval Date  | Effective Date | Description                                                                                                                        |
|---------|----------------|----------------|------------------------------------------------------------------------------------------------------------------------------------|
| 1.0     | 2013           | 2013           | Initial issuance of the Guidelines on Fit and Propriety Requirements.                                                              |
| 2.0     | 12 August 2026 | 12 August 2026 | Comprehensive revision of the Guidelines on Fit and Proper Requirements for Capital Market Intermediaries and Market Institutions. |



## PART I – PRELIMINARY

### 1. Introduction

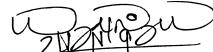
- 1.1. These Guidelines are issued by the Capital Market Development Authority (the “Authority”) pursuant to the Maldives Securities Act (2/2006).
- 1.2. These Guidelines shall be cited as the Guidelines on Fit and Proper Requirements for Capital Market Intermediaries and Market Institutions.
- 1.3. These Guidelines shall take effect from the date of their publication on the Authority’s website.

### 2. Purpose

- 2.1. These Guidelines set out the criteria and standards for assessing whether a person is fit and proper to perform functions in relation to a licensed entity, including directors, key management persons, shareholders, controllers, and other persons capable of exercising significant influence.
- 2.2. These Guidelines aim to ensure that licensed entities are directed and managed by persons of integrity, competence, and financial soundness, in order to promote investor protection, market integrity, and confidence in the capital market.
- 2.3. These Guidelines shall be applied in a manner that is proportionate to the nature, scale, and complexity of the licensed entity.

### 3. Application

- 3.1. These Guidelines establish the criteria and requirements for assessing the honesty, integrity, reputation, competence, capability, financial soundness, and overall fitness and propriety of persons to whom these Guidelines apply.
- 3.2. These Guidelines shall apply to persons associated with licensed entities and shall include the following:
  - (a) directors of entities licensed and registered under the Act;
  - (b) key management persons, including the Chief Executive Officer or Managing Director, Deputy Chief Executive Officer or Deputy Managing Director, Chief Operating Officer, Chief Financial Officer, Chief Risk Officer, Head of Compliance, and other persons responsible for the management, oversight, or performance of key business functions of a licensed entity;
  - (c) persons approved, registered, licensed, or otherwise authorized by the Authority to perform regulated activities or functions;



- (d) any person who, whether through ownership, control, position, contractual arrangements, or responsibilities, is able to exercise significant influence over the management, operations, or governance of a licensed entity.
- 3.3. These Guidelines shall not, unless otherwise expressly specified, impose fit and proper requirements on shareholders or beneficial owners solely by virtue of their shareholding or beneficial ownership.
- 3.4. A licensed entity shall identify and maintain records of any shareholder, controller, beneficial owner, or other person who:
  - (a) holds, directly or indirectly, ten per cent (10%) or more of the ownership interests or voting rights of the licensed entity;
  - (b) is capable of exercising significant influence over the management, operations, or governance of the licensed entity; or
  - (c) is otherwise required by the Authority.
- 3.5. The Authority may require any person referred to in section 3.3 to submit information, supporting documents, a fit and proper declaration, or be subject to a fit and proper assessment.
- 3.6. Exchanges shall be subject to the additional fit and proper requirements set out in Part III of these Guidelines.
- 3.7. Market institutions, including depositories, shall be subject to these Guidelines and any additional requirements that may be prescribed by the Authority.

## **PART II – GENERAL FIT AND PROPER REQUIREMENTS**

### **4. General Principles**

- 4.1. The maintenance of fit and proper standards is essential to ensure that the business of licensed entities is conducted with integrity, sound governance, and in a manner that promotes investor protection and market confidence.
- 4.2. These Guidelines serve as a gatekeeping mechanism to ensure that persons who direct, manage, or perform key functions possess the necessary integrity, competence, and financial soundness.
- 4.3. The primary responsibility for ensuring that persons responsible for a licensed entity's management and performing key business functions are fit and proper rests with the licensed entity. Where a person is licensed, registered, approved, or otherwise authorized by the Authority in their individual capacity, that person shall be responsible for complying with these Guidelines.
- 4.4. The Authority may assess the fitness and propriety of any person and may approve, refuse, impose conditions, or take regulatory action as it considers appropriate.
- 4.5. Fitness and propriety shall be assessed:



- (a) at the time of application or appointment;
  - (b) upon any change in role or responsibility;
  - (c) on a continuous basis.
- 4.6. The onus shall be on the licensed entity and the relevant person to demonstrate that such person is fit and proper.
- 4.7. The Authority shall have regard to all relevant matters and shall exercise judgment and discretion in assessing whether a person is fit and proper.
- 4.8. A licensed entity and any person subject to these Guidelines shall promptly inform the Authority of any matter which results in, or may reasonably be expected to result in, such person no longer satisfying the fit and proper criteria.
- 4.9. These Guidelines are not exhaustive and shall be read together with applicable laws and regulations.
- 4.10. The Authority may adopt a risk-based and proportionate approach.

## 5. Assessment Criteria

### 5.1. Honesty, Integrity and Reputation

5.1.1. A person must demonstrate honesty, integrity, fairness, and good reputation.

5.1.2. The Authority may consider whether the person:

- (a) has been convicted of any criminal offence, particularly those involving dishonesty, fraud, financial crime, money laundering, corruption, market misconduct, or the provision of false or misleading information;
- (b) has been subject to any adverse finding, judgment, or settlement in civil proceedings involving fraud, misrepresentation, negligence, breach of fiduciary duty, or professional misconduct;
- (c) has been subject to disciplinary action, censure, suspension, or enforcement action by any regulatory authority, exchange, professional body, or government agency;
- (d) has contravened or failed to comply with any legal or regulatory requirement;
- (e) has been involved in the management of an entity that has been wound up, insolvent, or otherwise failed due to mismanagement or misconduct;
- (f) has been dismissed, removed, or asked to resign from any position of trust on grounds of misconduct, negligence, or incompetence;
- (g) has engaged in conduct that may bring the capital market into disrepute;
- (h) is the subject of any ongoing investigation, proceedings, or allegations; or



(i) has failed to act honestly, fairly, or in the best interests of clients or stakeholders.

**5.1.3 Disclosure and assessment of past conduct:**

in assessing honesty, integrity, and reputation, the Authority may have regard to criminal, civil, regulatory, and disciplinary matters occurring within the past ten (10) years, taking into account the seriousness, relevance, and recency of the conduct, and any mitigating or extenuating circumstances.

**5.2. Competence and Capability**

5.2.1. A person must possess the necessary competence, capability, and experience.

5.2.2. The Authority may consider whether the person:

- (a) possesses appropriate academic and professional qualifications;
- (b) has relevant experience in capital markets, financial services, or related industries;
- (c) has a sound understanding of applicable laws, regulations, and governance requirements;
- (d) has demonstrated the ability to exercise sound judgment and make informed decisions;
- (e) has the ability to manage risks and perform oversight functions effectively;
- (f) has demonstrated competence in previous roles, including performance and conduct;
- (g) has been subject to findings of incompetence, negligence, or failure to perform duties adequately; and
- (h) has taken reasonable steps to maintain and enhance their professional knowledge, skills, and competence through ongoing professional development, training, industry certification programmes, professional education, or other competency-building activities relevant to their role.

**5.3. Financial Integrity and Soundness**

5.3.1. A person must demonstrate financial integrity and soundness.

5.3.2. The Authority may consider whether the person:

- (a) is an undischarged bankrupt or has been adjudicated bankrupt;
- (b) has entered into any arrangement or compromise with creditors;
- (c) has defaulted on, or failed to satisfactorily discharge, significant financial obligations

- (d) has been subject to insolvency, or similar proceedings;
- (e) has demonstrated irresponsible or reckless financial behaviour;
- (f) has been subject to enforcement action relating to financial obligations;
- (g) has financial resources inconsistent with their role or influence; or
- (h) has engaged in financial conduct that raises concerns as to integrity or reliability.

#### 5.4. Conflict of Interest and Transparency

5.4.1. A person must disclose any actual or potential conflicts of interest.

5.4.2. The Authority may consider whether the person:

- (a) holds directorships or positions in other entities that may give rise to conflicts;
- (b) holds, directly or indirectly, significant ownership interests (including 5% or more) in any corporation;
- (c) has financial, business, or personal relationships that may impair independent judgment;
- (d) has failed to disclose material interests or relationships; or
- (e) is subject to any arrangement that may result in undue influence or conflict.

### 6. Ongoing Obligations

- 6.1. A licensed entity shall ensure that all persons to whom these Guidelines apply remain fit and proper at all times.
- 6.2. Any person subject to these Guidelines shall notify the Authority in writing of any matter which results in, or may reasonably be expected to result in, such person no longer satisfying the fit and proper criteria, within 5 business days of becoming aware of such matter.
- 6.3. A licensed entity shall notify the Authority within 5 business days of:
  - (a) the appointment, reappointment, resignation, or removal of any director or key management person; and
  - (b) becoming aware of any information that may materially affect the fitness and propriety of any such person.
- 6.4. A licensed entity shall conduct a fit and proper assessment of all persons associated with that licensed entity to whom these Guidelines apply at least annually, maintain records of such assessments, and, within one (1) month after the end of its financial year, submit to the Authority the **prescribed Annual Fit and Proper Re-Certification / Ongoing**

**Declaration Form**, together with any supporting information or documentation required by the Authority

- 6.5. Any person licensed, registered, approved, or otherwise authorized by the Authority in their individual capacity shall submit to the Authority the **prescribed Annual Fit and Proper Re-Certification / Ongoing Declaration Form**, together with any supporting information or documentation required by the Authority within one (1) month after the end of the financial year or such other period as may be specified by the Authority.
- 6.6. In addition to the annual assessment required under section 6.4, a licensed entity shall conduct a fit and proper reassessment:
  - (a) where a person is appointed to a new role or assumes substantially increased responsibilities;
  - (b) where circumstances arise that may reasonably call into question the person's fitness and propriety; and
  - (c) at such other times as may be required by the Authority.
- 6.7. Where a licensed entity, or a person licensed, registered, approved, or otherwise authorized by the Authority in their individual capacity, becomes aware that such person no longer satisfies, or may no longer satisfy, the fit and proper criteria, appropriate action shall be taken and the Authority shall be informed in accordance with these Guidelines

## **7. Information and Documentation Requirements**

- 7.1. The Authority may require any person to submit such information and supporting documents as it considers necessary.
- 7.2. Such information may include, but is not limited to:
  - (a) personal and professional details;
  - (b) employment history;
  - (c) qualifications;
  - (d) directorships and ownership interests;
  - (e) regulatory and disciplinary history;
  - (f) financial information relevant to the assessment of financial soundness, including information relating to assets, liabilities, financial obligations, or such other information as may be required by the Authority;
  - (g) credit reports and clearance certificates; and
  - (h) any other relevant information.
- 7.3. The Authority may require that any declaration or information be verified or certified.



- 7.4. The Authority may prescribe such forms as it considers necessary for the purposes of these Guidelines and may revise such forms from time to time.

## **8. Assessment Approach**

- 8.1. The Authority shall adopt a risk-based and proportionate approach in assessing whether a person is fit and proper.
- 8.2. A failure to satisfy any one or more of the criteria shall not automatically result in a determination that a person is not fit and proper.
- 8.3. A person may nonetheless be considered fit and proper where, having regard to the nature and significance of the relevant matter, the substance of the applicable requirements, and the materiality of any failure, the Authority is satisfied that such person remains suitable to perform the relevant role.
- 8.4. In making its assessment, the Authority may have regard to the seriousness, relevance, surrounding circumstances, frequency, passage of time, and any mitigating or extenuating factors relating to the matter under consideration.

## **9. Powers of the Authority**

- 9.1. The Authority may, where it considers it necessary for the purposes of assessing or maintaining compliance with these Guidelines:
- (a) require the submission of information, supporting documents, or declarations;
  - (b) require the submission of updated information or a fresh fit and proper declaration;
  - (c) reassess the fitness and propriety of any person subject to these Guidelines;
  - (d) refuse approval;
  - (e) impose conditions;
  - (f) require removal, replacement, or suspension from a position or function;
  - (g) restrict the functions or responsibilities that may be performed by a person; or
  - (h) take such regulatory or enforcement action as it considers appropriate.

## **PART III – ADDITIONAL REQUIREMENTS FOR EXCHANGES**

### **10. Application to Exchanges**

- 10.1. This Part applies only to an Exchange licensed under the Stock Exchange Regulation and shall not apply to other licensed entities, including depositories, unless otherwise specified by the Authority.

- 10.2. In addition to Part II, an Exchange shall comply with the following requirements.
- 10.3. The Authority may prescribe additional fit and proper requirements for other systemically important market institutions, including depositories, having regard to their role, significance, and potential impact on market integrity, investor protection, or the orderly functioning of the capital market.

## **11. Directors of an Exchange**

- 11.1. A director shall:
- (a) be fit and proper at all times;
  - (b) act in the best interests of the Exchange and the market;
  - (c) exercise independent judgment;
  - (d) contribute to effective governance.
- 11.2. The Authority may consider the collective suitability of the board, including independence and diversity of expertise.

## **12. Key Management Persons**

- 12.1. An Exchange shall ensure that its key management persons are fit and proper at all times.
- 12.2. Key management persons shall possess the expertise necessary to:
- (a) manage exchange operations;
  - (b) ensure fair, orderly, and transparent markets;
  - (c) manage operational and regulatory risks.

## **13. Shareholders and Controllers**

- 13.1. Any person acquiring or holding shares in an Exchange shall be subject to fit and proper assessment in accordance with the Stock Exchange Regulation and shall comply with the ongoing obligations set out in these Guidelines.

### **13.2. Significant Shareholding (10% or more)**

The Authority may consider:

- (a) integrity and financial soundness;
- (b) transparency of ownership;
- (c) potential influence on governance.

### **13.3. Significant Shareholding (20% or more) – Enhanced Assessment**

The Authority shall consider:

- (a) public interest;
- (b) independence and neutrality;
- (c) conflicts of interest;
- (d) impact on governance;
- (e) market integrity and investor protection.

### **13.4. Ongoing Fit and Proper Obligations of Shareholders**

Any person who has been approved to acquire or hold shares in an Exchange shall remain fit and proper at all times.

Such persons shall notify the Authority in writing of any material change that may affect their fitness and propriety, including changes in ownership, control, financial soundness, or regulatory status, within five (5) business days of becoming aware of such change. Shareholders shall not be required to submit periodic fit and proper declarations unless otherwise directed by the Authority.

### **13.5. Reassessment by the Authority**

The Authority may, at any time, reassess the fitness and propriety of any shareholder or controller of an Exchange and may require the submission of updated information or a fresh declaration for such purpose.

## **14. Conflict of Interest and Independence (Exchange-specific)**

The Authority may assess whether any relationship or ownership structure:

- (a) compromises independence;
- (b) creates undue influence;
- (c) affects the neutrality of the Exchange.

## **PART IV – INTERPRETATION**

15. Words and expressions used but not defined in these Guidelines shall have the same meaning as assigned under the Act and applicable regulations.

- (a) “Act” means the Maldives Securities Act (2/2006).

- (b) "Authority" means the Capital Market Development Authority.
- (c) "Licensed entity" means any person, company, investment fund, market institution, or other entity licensed, registered or approved under the Act.
- (d) "Market institution" means an Exchange, depository, clearing facility, settlement system, or any other institution performing market infrastructure or market-related functions regulated under the Act.
- (e) "Controller" means a person who, directly or indirectly, has the ability to exercise control or significant influence over the management, policies, or affairs of a licensed entity, whether through ownership, voting power, contractual arrangements, or otherwise.
- (f) "Beneficial owner" means a natural person who ultimately owns, controls, or exercises significant influence over a legal person or arrangement, whether directly or indirectly.
- (g) "Fit and proper" means a person who satisfies the criteria of integrity, competence, financial soundness, and transparency and is suitable to perform the relevant role.
- (h) "Significant influence" means the ability to participate in, direct, or materially influence the management, operations, finance, governance, or strategic decisions of a licensed entity, whether directly or indirectly, through ownership, voting rights, contractual arrangements, board representation, management authority, or any other means.
- (i) "Regulated functions" means functions relating to regulated activities, client dealings, compliance, operational oversight, trading, advisory, or other activities requiring competence, integrity, or regulatory supervision under the Act.
- (j) "Key management person" means a person who has authority and responsibility for planning, directing, controlling, or overseeing the activities of a licensed entity, whether directly or indirectly.



## ANNEX 1

### Capital Market Intermediaries Fit and Proper Declaration Form

This Form is provided for the purpose of assessing compliance with the Guidelines on Fit and Proper Requirements for Capital Market Intermediaries and Market Institutions issued by the Capital Market Development Authority (the “Authority”).

This Form shall be completed by directors of licensed entities; key management persons; persons approved, registered, licensed, or otherwise authorized by the Authority to perform regulated activities or functions; and such other persons as may be required by the Authority, including shareholders, controllers, beneficial owners, or persons capable of exercising significant influence over the management, operations, or governance of a licensed entity.

#### Submission and Ongoing Obligations

This Form shall be completed and submitted at the time of appointment; proposed appointment, approval, or such other time as may be required by the Authority.

Persons subject to these Guidelines shall remain fit and proper at all times and shall notify the Authority and the licensed entity of any material change that may affect their fitness and propriety, including changes relating to integrity, competence, financial soundness, conflicts of interest, or regulatory status.

The Authority may, at any time, require the submission of updated information or a fresh declaration for the purpose of reassessing fitness and propriety.



## Declaration and Assessment Form

| SECTION I: PROFILE                                                                                                                                                             |                               |  |                                           |                                              |                            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|--|-------------------------------------------|----------------------------------------------|----------------------------|
| <b>Personal Details</b>                                                                                                                                                        |                               |  |                                           |                                              |                            |
| Title:                                                                                                                                                                         |                               |  |                                           |                                              |                            |
| Name (as per NIC):                                                                                                                                                             |                               |  |                                           |                                              |                            |
| Date of birth:                                                                                                                                                                 |                               |  |                                           |                                              |                            |
| Gender:                                                                                                                                                                        | <input type="checkbox"/> Male |  | <input type="checkbox"/> Female           |                                              |                            |
| Nationality:                                                                                                                                                                   |                               |  |                                           |                                              |                            |
| <b>Address and Contact Detail(s)</b>                                                                                                                                           |                               |  |                                           |                                              |                            |
| Permanent address:                                                                                                                                                             |                               |  |                                           |                                              |                            |
| Current address:                                                                                                                                                               |                               |  |                                           |                                              |                            |
| E-mail:                                                                                                                                                                        |                               |  |                                           |                                              |                            |
| Contact no.:                                                                                                                                                                   | Home:                         |  | Office:                                   |                                              |                            |
| <b>Marital Status Details</b>                                                                                                                                                  |                               |  |                                           |                                              |                            |
| <input type="checkbox"/> Single <input type="checkbox"/> Married ( <i>please provide spouse's details</i> ) <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed |                               |  |                                           |                                              |                            |
| Name                                                                                                                                                                           | For Maldivians                |  | For non-Maldivians                        | Name of employer ( <i>if in employment</i> ) | Details of employer        |
|                                                                                                                                                                                | NID card no.                  |  | Passport no./expiry date/country of issue |                                              | Address/office no./fax no. |
|                                                                                                                                                                                |                               |  |                                           |                                              |                            |

**SECTION II: POSITION DETAILS**

|                                                                                                                                                                                        |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| Name of licensed entity:                                                                                                                                                               |  |
| Type of licensed entity:                                                                                                                                                               |  |
| <input type="checkbox"/> Capital Market Intermediary <input type="checkbox"/> Exchange <input type="checkbox"/> Depository <input type="checkbox"/> Other Market Institution (Specify) |  |
| Position Held / Proposed Position:                                                                                                                                                     |  |
| Date of Appointment / Proposed Appointment:                                                                                                                                            |  |
| Nature of Appointment:                                                                                                                                                                 |  |
| <input type="checkbox"/> New appointment <input type="checkbox"/> Reappointment <input type="checkbox"/> Existing position <input type="checkbox"/> Change in role                     |  |

**SECTION III: QUALIFICATIONS AND EXPERIENCE****ACADEMIC AND PROFESSIONAL QUALIFICATIONS**

| School/college/university/others | Year | Certificate/degree/masters/others |
|----------------------------------|------|-----------------------------------|
|                                  |      |                                   |
|                                  |      |                                   |
|                                  |      |                                   |

**EMPLOYMENT HISTORY (PAST TEN (10) YEARS)**

| Date<br>(mmm yyyy) |    | Name of employer &<br>designation held | Description of duties | Capital<br>market/<br>financial<br>services-<br>related?<br>(Y/N) |
|--------------------|----|----------------------------------------|-----------------------|-------------------------------------------------------------------|
| From               | To |                                        |                       |                                                                   |
|                    |    |                                        |                       |                                                                   |
|                    |    |                                        |                       |                                                                   |

**LICENSING EXAMINATION (IF APPLICABLE)****Name of the relevant licensing examination module(s)**

| Module: | <input type="checkbox"/> Passed:<br>(please state date passed) | <input type="checkbox"/> Exempted:<br>(please state date exempted) |
|---------|----------------------------------------------------------------|--------------------------------------------------------------------|
|         |                                                                |                                                                    |



**SECTION IV: CORPORATE DIRECTORSHIP, OWNERSHIP AND INFLUENCE****SECURITIES HOLDINGS**

- 1) *Do you have any personal trading activities, securities holdings, or beneficial interests (which includes purchases/sales through his own nominees for/on behalf of his relatives) that may give rise to a conflict of interest or impair your independence in the performance of your duties?*

☐ No ☐ Yes (please select one of the options below)

☐ Information is attached as supporting document(s) with this submission

☐ Information is as outlined in the table below (please type "N/A" if it is not applicable)

| Name of securities | No of securities | Description of securities | Price | Acquisition /disposal | Other consideration | Date of agreement |
|--------------------|------------------|---------------------------|-------|-----------------------|---------------------|-------------------|
|                    |                  |                           |       |                       |                     |                   |

**DIRECTORSHIPS**

- 2) *Are you a director of any other corporation, whether in Maldives or elsewhere?*

☐ No ☐ Yes (please provide details)

| Name of corporation | Nature of business | Place of incorporation | Date of the appointment as a director<br>(dd mmm yyyy) | Nature of appointment<br>(executive or non-executive) |
|---------------------|--------------------|------------------------|--------------------------------------------------------|-------------------------------------------------------|
|                     |                    |                        |                                                        |                                                       |

**OWNERSHIP INTEREST**

- 3) *Do you own, either directly or indirectly, 5% or more of the voting shares of any corporation, whether in Maldives or elsewhere?*

☐ No ☐ Yes (please provide details)

| Name of corporation | Nature of business | Place of incorporation | % of ownership | Paid-up capital |
|---------------------|--------------------|------------------------|----------------|-----------------|
|                     |                    |                        |                |                 |

**SIGNIFICANT INFLUENCE**

- 4) *Do you have any arrangements, relationships, ownership interests, voting rights, contractual arrangements, board representation rights, management authority, positions, or other circumstances that enable you to exercise significant influence over the management, operations, governance, or strategic decisions of any licensed entity?*

☐ No ☐ Yes (please provide details)

## SECTION V: INTEGRITY, LEGAL AND REGULATORY

### Criminal Offences

- a. *Have you, within the past ten (10) years, in the Maldives or elsewhere, been convicted of any criminal offence, particularly those involving dishonesty, fraud, financial crime, money laundering, corruption, market misconduct, or the provision of false or misleading information?*

☐ No ☐ Yes (please provide details)

### Civil Proceedings

- b. *Have you, within the past ten (10) years, in the Maldives or elsewhere, been subject to any adverse finding, judgment, or settlement in civil proceedings involving fraud, misrepresentation, negligence, breach of fiduciary duty, or professional misconduct?*

☐ No ☐ Yes (please provide details)

### Regulatory and Disciplinary Actions

- c. *Have you, within the past ten (10) years, in the Maldives or elsewhere, been subject to any regulatory, supervisory, disciplinary, or enforcement action by any authority, exchange, or professional body?*

☐ No ☐ Yes (please provide details)

- d. *Have you, within the past ten (10) years, in the Maldives or elsewhere, been dismissed, removed, or asked to resign from any position?*

☐ No ☐ Yes (please provide details)

### Ongoing Investigations

- 5) *Are you currently subject to any investigation, inquiry, or legal proceedings?*

☐ No ☐ Yes (please provide details)

### Corporate involvement

- 6) *Have you, within the past ten (10) years, in the Maldives or elsewhere, been involved in the management of any entity that:*

- was subject to insolvency, winding-up, or receivership;
- was convicted of an offence; or
- was subject to regulatory or disciplinary action?

☐ No ☐ Yes (please provide details)

## SECTION VI: FINANCIAL INTEGRITY AND SOUNDNESS

7) Have you, within the past ten (10) years, in the Maldives or elsewhere, been declared bankrupt, adjudicated bankrupt, or subject to insolvency proceedings?

☐ No ☐ Yes (please provide details)

8) Have you, within the past ten (10) years, in the Maldives or elsewhere, entered into any arrangement or compromise with creditors?

☐ No ☐ Yes (please provide details)

9) Do you have any outstanding or unsettled financial obligations that may affect your financial soundness?

☐ No ☐ Yes (please provide details)

10) I confirm that I am not an undischarged bankrupt and have not been subject to insolvency proceedings, except as disclosed above.

☐ Confirmed ☐ Not Confirmed

## SECTION VII: CONFLICT OF INTEREST AND INDEPENDENCE

11) Do you have any actual or potential conflicts of interest that may impair your ability to act independently or in the best interests of the licensed entity?

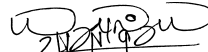
☐ No ☐ Yes (please provide details)

12) Do you have any financial, business, or personal relationships that may give rise to a conflict of interest?

☐ No ☐ Yes (please provide details)

13) Have all material interests and relationships been fully disclosed to the licensed entity and the Authority?

☐ No ☐ Yes (please provide details)



## SECTION VIII: OTHER INFORMATION

**14) Is there any other information relevant to this declaration that may assist the Authority in assessing your fitness and propriety?**

☐ No ☐ Yes (If "Yes", please specify details)

**15) Since your last submission (if applicable), have there been any material changes to the information previously provided?**

☐ No ☐ Yes (If "Yes", please specify details)

## SECTION IX: DECLARATION

I solemnly, sincerely, and truly declare and affirm that:

- All information provided in this application and its annexures is true, complete, and accurate;
- I satisfy the fit and proper criteria set out in the Fit and Proper Guidelines issued by the Authority;
- I undertake to notify the Authority and the licensed entity in writing within five (5) business days of becoming aware of any matter that may affect my fitness and propriety.
- I consent to the Authority verifying the information provided with relevant regulatory, governmental, or other authorities.

Signature

Name:

Date (dd mmm yyyy):

## SECTION X: CERTIFICATION BY LICENSED ENTITY

We confirm that:

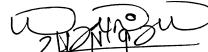
- this declaration has been reviewed by the licensed entity;
- to the best of our knowledge, the individual satisfies the fit and proper requirements applicable to the relevant role;
- any material concerns identified have been disclosed to the Authority.

Name of Authorized Officer:

Designation:

Signature:

Date (dd mmm yyyy):



**SECTION XI: SUPPORTING DOCUMENT - Please provide annexures for the following information**

| No. | Description                                                                                                                       | Submission |     |          |
|-----|-----------------------------------------------------------------------------------------------------------------------------------|------------|-----|----------|
|     |                                                                                                                                   | Yes        | N/A | Appendix |
| 1.  | <b>Identification:</b> A copy of the applicant's NIC (for locals) or Passport (for non-Maldivians).                               |            |     |          |
| 2.  | <b>Photograph:</b> One (1) recent colored passport-sized photograph.                                                              |            |     |          |
| 3.  | <b>Academic Credentials:</b> Attested copies of all relevant academic certificates (Degree, Diploma, etc.)                        |            |     |          |
| 4.  | <b>Professional Competence:</b> Attested copies of relevant industry examination results or professional membership certificates. |            |     |          |
| 5.  | <b>Curriculum Vitae (CV) / Resume</b>                                                                                             |            |     |          |
| 6.  | <b>Bank Statements:</b> Recent bank statements of last 6 months from all active personal and business accounts                    |            |     |          |
| 7.  | <b>Criminal and Debt Record Clearance:</b> Duly completed and signed authorization from relevant authorities                      |            |     |          |
|     | <b>a) Maldives Police Service</b>                                                                                                 |            |     |          |
|     | <b>b) Department of Judicial Administration (JDA)</b>                                                                             |            |     |          |
|     | <b>c) Prosecutor General's Office (PG)</b>                                                                                        |            |     |          |
|     | <b>d) Credit Information Bureau, Maldives Monetary Authority</b>                                                                  |            |     |          |
|     | <b>e) Anti-Corruption Commission (ACC)</b>                                                                                        |            |     |          |
|     | <b>f) Maldives Inland Revenue Authority (MIRA) Tax Clearance Form</b>                                                             |            |     |          |






## ANNEX 2

# Fit and Proper Declaration and Assessment Form for Shareholders and Controllers of an Exchange

### Scope of Application

This Form shall apply to any person seeking to acquire or hold, whether directly or indirectly, ten per cent (10%) or more of the shares or voting rights in an Exchange, or such other persons as may be required to obtain the approval of the Authority under the Stock Exchange Regulation.

Persons who meet only the notification threshold of five per cent (5%) shall comply with the notification requirement and shall not be subject to the fit and proper assessment under this Form unless otherwise directed by the Authority.

### Application of Sections

Sections A to H of this Form shall apply to all applicants.

Section I shall apply only where the proposed shareholding equals or exceeds twenty per cent (20%) of the shares or voting rights in an Exchange.

### Submission and Ongoing Obligations

This Form shall be completed and submitted at the time of application for approval to acquire or increase shareholding in an Exchange in accordance with the Stock Exchange Regulation.

Shareholders shall not be required to submit this Form on a periodic basis. However, any person who has been approved to acquire or hold shares in an Exchange shall promptly notify the Authority of any material change that may affect their fitness and propriety, including changes in ownership, control, financial condition, or regulatory status.

The Authority may, at any time, require the submission of updated information or a fresh declaration for the purposes of reassessing the fitness and propriety of any shareholder.



## Declaration and Assessment Form

### A. APPLICANT DETAILS

1. Name of Applicant (Individual / Entity):
2. Type: ☐ Individual ☐ Company ☐ Other (specify)
3. Registration / Identification Number:
4. Country of Incorporation / Nationality:
5. Registered Address / Residential Address:
6. Contact Details (Phone / Email):

### B. SHAREHOLDING DETAILS

7. Name of Exchange:
8. Current Shareholding (%):
9. Proposed Shareholding (%):
10. Nature of Interest: ☐ Direct ☐ Indirect ☐ Beneficial

### C. OWNERSHIP AND CONTROL STRUCTURE

11. Provide details of the ownership structure of the applicant, including all intermediate entities.

|  |
|--|
|  |
|--|

12. Identify all ultimate beneficial owners and persons acting in concert, including percentage ownership and nature of influence or control:

| Name | Nationality | % Ownership | Nature of Control |
|------|-------------|-------------|-------------------|
|      |             |             |                   |

13. Provide an ownership structure chart (attach separately).

### D. SOURCE OF FUNDS

14. Describe the source of funds for the acquisition.

|  |
|--|
|  |
|--|



15. Provide supporting documentation (e.g., bank statements, audited financials).

## E. INTEGRITY, LEGAL AND REGULATORY HISTORY

### Criminal Offenses

16. Have you, within the past ten (10) years, in the Maldives or elsewhere, been convicted of any criminal offence, particularly those involving dishonesty, fraud, financial crime, money laundering, corruption, market misconduct, or the provision of false or misleading information?

☐ No ☐ Yes (provide details)

### Civil Proceedings

17. Have you, within the past ten (10) years, in the Maldives or elsewhere, been subject to any adverse finding, judgment, or settlement in civil proceedings involving fraud, misrepresentation, negligence, breach of fiduciary duty, or professional misconduct?

☐ No ☐ Yes (provide details)

### Regulatory and Disciplinary Actions

18. Have you, within the past ten (10) years, in the Maldives or elsewhere, been subject to any regulatory, supervisory, disciplinary, or enforcement action by any authority, exchange, or professional body?

☐ No ☐ Yes (provide details)

### Ongoing Investigations or Proceedings

19. Are you currently subject to any investigation, inquiry, or legal proceedings?

☐ No ☐ Yes (if yes, provide details)



## F. FINANCIAL SOUNDNESS

20. Have you, within the past ten (10) years, in the Maldives or elsewhere, been subject to insolvency, bankruptcy, restructuring proceedings, or any arrangement or compromise with creditors?

☐ No ☐ Yes (provide details)

21. Provide financial statements for the past three (3) years (attach).

22. Provide details of any outstanding or material financial obligations that may affect financial soundness.

## G. CONFLICT OF INTEREST AND INDEPENDENCE

23. Do you have any interests in:

- trading participants (brokers/dealers);

☐ No ☐ Yes (provide details)

- listed companies;

☐ No ☐ Yes (provide details)

- other market intermediaries;

☐ No ☐ Yes (provide details)

24. Do any relationships, arrangements, or positions exist that may give rise to a conflict of interest or impair the independence or neutrality of the Exchange?

☐ No ☐ Yes (provide details)

## H. CONTROL AND INFLUENCE

25. Describe any rights or arrangements that enable you to exercise control or significant influence over the Exchange, including:

- voting rights;



- shareholder agreements;
- veto rights;
- rights to appoint or remove directors or key management persons.

## I. ENHANCED FIT AND PROPER ASSESSMENT

***(Applicable where shareholding equals or exceeds Twenty Per Cent (20%))***

*This Section shall apply in addition to the requirements set out in Sections A to H and reflects the enhanced fit and proper assessment required for significant shareholders under the Stock Exchange Regulation.*

### Public Interest Consideration

26. Explain how the proposed shareholding supports:

- market integrity;
- investor protection;
- orderly and fair functioning of the Exchange;
- development of the capital market.

### Impact on Governance

27. Describe the intended level of involvement in:

- board representation;
- management oversight;
- strategic decision-making.

### Independence and Neutrality

28. Explain how the proposed shareholding will not adversely affect:

- the independence of the Exchange;






- neutrality in trading and market operations.

### Strategic Intent

29. Provide details of:

- purpose of the investment;
- expected level of control or influence;
- investment horizon (short-term / long-term).

### Systemic Risk and Market Impact

30. Assess any potential risks arising from the proposed shareholding, including:

- concentration of ownership;
- conflicts with existing market participants;
- impact on market confidence.

### J. OTHER INFORMATION

31. Is there any other information relevant to this application?

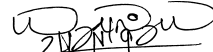
☐ No ☐ Yes (provide details)

### K. DECLARATION

I/We hereby declare that:

- The information provided is true, complete, and accurate;
- The applicant satisfies the fit and proper criteria under the applicable Guidelines;
- The proposed shareholding complies with the Stock Exchange Regulation;
- I/We undertake to notify the Authority of any material changes;



- I/We consent to the Authority verifying the information provided with relevant authorities.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Date: \_\_\_\_\_

#### L. CERTIFICATION BY EXCHANGE

We confirm that:

- this declaration has been reviewed by the Exchange;
- to the best of our knowledge, the applicant satisfies the fit and proper requirements applicable to the proposed shareholding or control;
- any material concerns identified have been disclosed to the Authority.

Name of Authorized Officer: \_\_\_\_\_

Designation: \_\_\_\_\_

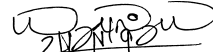
Signature: \_\_\_\_\_

Date: \_\_\_\_\_

#### M. SUPPORTING DOCUMENTS

| No. | Document                                                      | Submitted (Yes / NA) |
|-----|---------------------------------------------------------------|----------------------|
| 1.  | Certificate of incorporation / Identification document        |                      |
| 2.  | Ownership structure chart                                     |                      |
| 3.  | Audited financial statements (3 years)                        |                      |
| 4.  | Source of funds documentation                                 |                      |
| 5.  | Bank statements / financial records                           |                      |
| 6.  | Regulatory declarations (if applicable)                       |                      |
| 7.  | Tax clearance / credit reports (if applicable)                |                      |
| 8.  | Any additional supporting documents required by the Authority |                      |



## ANNEX 3

### Annual Fit and Proper Re-Certification / Ongoing Declaration Form

#### Purpose

This Form is provided for the purpose of annual re-certification of continued compliance with the Guidelines on Fit and Proper Requirements for Capital Market Intermediaries and Market Institutions issued by the Capital Market Development Authority (the “Authority”).

This Form shall be completed by directors, key management persons, persons approved, registered, licensed, or otherwise authorized by the Authority to perform regulated activities or functions and such other persons as may be required by the Authority or the licensed entity for the purposes of continuous fit and proper assessment.

This Form supports the ongoing obligations set out in the Guidelines and shall be used for annual assessment as well as disclosure of any material changes affecting fitness and propriety.

#### Submission and Ongoing Obligations

This Form shall be submitted annually by the licensed entity as part of its fit and proper assessment obligations and may also be required at any time upon request by the Authority.

Any person subject to these Guidelines shall remain fit and proper at all times and shall promptly notify the Authority and the licensed entity of any material change affecting their fitness and propriety, including changes relating to integrity, competence, financial soundness, conflicts of interest, or regulatory status.

The Authority may, at any time, require updated information, supporting documents, or a fresh declaration for the purpose of reassessing fitness and propriety.



## Declaration and Assessment Form

| SECTION I: PROFILE                                                                                                                                                             |                               |  |                                           |                                              |                            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|--|-------------------------------------------|----------------------------------------------|----------------------------|
| <b>Personal Details</b>                                                                                                                                                        |                               |  |                                           |                                              |                            |
| Title:                                                                                                                                                                         |                               |  |                                           |                                              |                            |
| Name (as per NIC):                                                                                                                                                             |                               |  |                                           |                                              |                            |
| Date of birth:                                                                                                                                                                 |                               |  |                                           |                                              |                            |
| Gender:                                                                                                                                                                        | <input type="checkbox"/> Male |  | <input type="checkbox"/> Female           |                                              |                            |
| Nationality:                                                                                                                                                                   |                               |  |                                           |                                              |                            |
| <b>Address and Contact Detail(s)</b>                                                                                                                                           |                               |  |                                           |                                              |                            |
| Permanent address:                                                                                                                                                             |                               |  |                                           |                                              |                            |
| Current address:                                                                                                                                                               |                               |  |                                           |                                              |                            |
| E-mail:                                                                                                                                                                        |                               |  |                                           |                                              |                            |
| Contact no.:                                                                                                                                                                   | Home:                         |  | Office:                                   |                                              |                            |
| <b>Marital Status Details</b>                                                                                                                                                  |                               |  |                                           |                                              |                            |
| <input type="checkbox"/> Single <input type="checkbox"/> Married ( <i>please provide spouse's details</i> ) <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed |                               |  |                                           |                                              |                            |
| Name                                                                                                                                                                           | For Maldivians                |  | For non-Maldivians                        | Name of employer ( <i>if in employment</i> ) | Details of employer        |
|                                                                                                                                                                                | NID card no.                  |  | Passport no./expiry date/country of issue |                                              | Address/office no./fax no. |
|                                                                                                                                                                                |                               |  |                                           |                                              |                            |

**SECTION II: POSITION DETAILS**

|                                                                                                                                                                                        |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| Name of licensed entity:                                                                                                                                                               |  |
| Type of licensed entity:                                                                                                                                                               |  |
| <input type="checkbox"/> Capital Market Intermediary <input type="checkbox"/> Exchange <input type="checkbox"/> Depository <input type="checkbox"/> Other Market Institution (Specify) |  |
| Current Position Held:                                                                                                                                                                 |  |
| Date of Initial Appointment:                                                                                                                                                           |  |
| Reporting period covered:                                                                                                                                                              |  |

**SECTION III: ANNUAL CONFIRMATION**

- 1) I confirm that I continue to satisfy the fit and proper criteria set out in the applicable Guidelines issued by the Authority.

☐ Yes ☐ No

If "No", provide full details:

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|  |
|--|

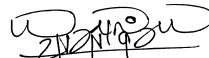
**SECTION IV: CHANGES SINCE LAST DECLARATION**

- 2) Since your last declaration, have there been any changes in relation to the following matters?

| Matter                                                       | Yes                      | No                       |
|--------------------------------------------------------------|--------------------------|--------------------------|
| a. Criminal convictions or offences                          | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Civil proceedings or adverse judgments                    | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Regulatory, disciplinary, or enforcement actions          | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Ongoing investigations or legal proceedings               | <input type="checkbox"/> | <input type="checkbox"/> |
| e. Employment status, resignation, or removal                | <input type="checkbox"/> | <input type="checkbox"/> |
| f. Financial condition (bankruptcy, insolvency, debts, etc.) | <input type="checkbox"/> | <input type="checkbox"/> |
| g. Directorships or external positions                       | <input type="checkbox"/> | <input type="checkbox"/> |
| h. Ownership interests (including 5% or more holdings)       | <input type="checkbox"/> | <input type="checkbox"/> |
| i. Conflicts of interest                                     | <input type="checkbox"/> | <input type="checkbox"/> |
| j. Any other matter relevant to fitness and propriety        | <input type="checkbox"/> | <input type="checkbox"/> |

If "Yes" to any of the above, provide full details:

|  |
|--|
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## SECTION V: FINANCIAL SOUNDNESS CONFIRMATION

3) I confirm that:

- I am not an undischarged bankrupt;
- I have not been subject to insolvency proceedings, except as disclosed;
- I do not have any material undisclosed financial obligations that may affect my fitness and propriety.

☐ Confirmed

☐ Not Confirmed

If not confirmed, provide details:

## SECTION VI: CONFLICT OF INTEREST CONFIRMATION

4) I confirm that:

- I have disclosed all actual or potential conflicts of interest;
- no undisclosed financial, business, or personal relationships exist that may impair my independence, judgment, or ability to act in the best interests of the licensed entity.

☐ Confirmed

☐ Not Confirmed

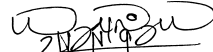
If not confirmed, provide details:

## SECTION VII: OTHER INFORMATION

5) Is there any other information relevant to your continued fitness and propriety that should be disclosed to the Authority?

☐ No

☐ Yes (if yes, provide details)



## SECTION VIII: DECLARATION

6) I hereby declare that:

- the information provided in this Form and its annexures is true, complete, and accurate;
- I continue to satisfy the fit and proper criteria under the applicable Guidelines;
- I undertake to promptly notify the Authority and the licensed entity of any matter that may affect my fitness and propriety;
- I consent to the Authority verifying the information provided with relevant regulatory, governmental, professional, or other authorities.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

## SECTION IX: CERTIFICATION BY LICENSED ENTITY

We confirm that:

- the licensed entity has reviewed this declaration;
- to the best of our knowledge, the individual continues to satisfy the fit and proper requirements applicable to the relevant role;
- any material concerns identified have been notified to the Authority in accordance with the Guidelines.

Name of Authorized Officer: \_\_\_\_\_

Designation: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_



## SECTION X: SUPPORTING DOCUMENTS

| No. | Description                                                                                                                                                                                                                                                                                                                  | Submission |     |          |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----|----------|
|     |                                                                                                                                                                                                                                                                                                                              | Yes        | N/A | Appendix |
| 1.  | <b>Updated Identification (if changed):</b> A copy of the applicant's NIC (for locals) or Passport (for non-Maldivians).                                                                                                                                                                                                     |            |     |          |
| 3.  | <b>Updated Academic Credentials (if any changes):</b> Attested copies of all relevant academic certificates (Degree, Diploma, etc.)                                                                                                                                                                                          |            |     |          |
| 4.  | <b>Updated Professional Competence (if any changes):</b> Attested copies of relevant industry examination results or professional membership certificates.                                                                                                                                                                   |            |     |          |
| 5.  | <b>Updated Curriculum Vitae (CV) / Resume</b>                                                                                                                                                                                                                                                                                |            |     |          |
| 6.  | <b>Bank Statements:</b> Recent bank statements of last 12 months from all active personal and business accounts                                                                                                                                                                                                              |            |     |          |
| 7.  | <b>Criminal and Debt Record Clearance:</b> Duly completed and signed authorization from relevant authorities<br><b>a) Maldives Police Service</b><br><b>b) Department of Judicial Administration (JDA)</b><br><b>c) Prosecutor General's Office (PG)</b><br><b>d) Credit Information Bureau, Maldives Monetary Authority</b> |            |     |          |
|     | Anti-Corruption Commission (ACC)                                                                                                                                                                                                                                                                                             |            |     |          |
| 8.  | Maldives Inland Revenue Authority (MIRA) <b>Tax Clearance Form</b>                                                                                                                                                                                                                                                           |            |     |          |