

Capital Market Development Authority (CMDA)

REGULATION ON GOVERNMENT SECURITIES IN THE SECONDARY MARKET

Regulation Number: 2023/R-181

(Unofficial English Translation)

Chapter 1

Preliminary

- Introduction and title**
1. (a) This regulation is enacted by the Capital Market Development Authority under section 63 of the Maldives Securities Act (Law no: 2/2006).
 - (b) This regulation shall be cited as “Regulation on Government Securities in the Secondary Market”.
- Scope**
2. This regulation shall be applicable to government securities listed in the stock exchange.

Chapter 2

Requirements for the Listing of Government Securities

- Government securities eligible for listing**
3. (a) Securities issued via public offer.
 - (b) Securities previously issued via private placement or newly issued securities through private placement.
- Requirements**
4. This provision applies to all government securities that are eligible for listing.
 - (a) An offer document must be prepared and published alongside all invitations on the sale of government securities;
 - (b) An application shall be submitted to the stock exchange for the listing of government securities following the listing rules of the stock exchange;

- (c) (1) As stated in subsection (b) of this section, the submission shall include the offer document, and said offer document shall be submitted to the Authority;
- (2) If any changes are made to the offer document specified in subsection (c)(1) of this section, the revised offer document shall be submitted to both the Authority and the stock exchange.
- (d) The government securities shall be freely tradable;
- (e) As per this regulation, All transactions involving government securities must be conducted in dematerialized form;
- (f) Transactions involving government securities must comply with the provisions of this regulation and the listing rules of the stock exchange.
- Listing government securities previously issued in the primary market** 5. (a) Listing of government securities previously issued in the primary market shall take place in accordance with section 4 of this regulation.
- (b) Under subsection (a) of this section, when listing previously issued government securities, any conflicts with the requirements outlined in section 4 (d) and/or (e) must be addressed by submitting an addendum to the investor and obtaining their consent.

Chapter 3

Miscellaneous Provisions

- Providing Information** 6. The issuer of government securities shall provide the Authority with any relevant information considered necessary regarding the listing of government securities or the securities themselves.

Conflict or violation of the regulation

7. In the event of a conflict or violation of the regulation, the Authority has the discretion to notify and instruct the party responsible to address and rectify the issue.

Definitions

8. In this Regulation, unless the context otherwise requires, the following terms shall have the meanings as defined below.

- (a) “Act” shall mean the Maldives Securities Act (2/2006).
- (b) “Authority” shall mean the Capital Market Development Authority established under the Maldives Securities Act (2/2006)
- (c) “Government Securities” shall have the same meaning as defined in the Maldives Securities Act (2/2006) and includes any financial instrument determined by the Authority to be government securities.
- (d) “Issuer of securities” shall mean an entity or entities designated by the government for the purpose of issuing government securities.
- (e) “Offer Document” shall mean an invitation or any amendments to that invitation extended to investors providing relevant information for the purchase of government securities.
- (f) “Dematerialize” shall mean electronic trading of securities and the electronic depositing of securities in the depository, without any physical certificates.
- (g) “Stock Exchange” shall mean the stock exchange licensed by the Capital Market Development Authority under Maldives Securities Act (2/2006).
- (h) “Securities Depository” shall mean the securities depository licensed by the Capital Market Development Authority under Maldives Securities Act (2/2006).

Commencement

9. This regulation shall take effect from the date of its publication in the Gazette.