

Capital Market Development Authority (CMDA)

First Amendment to the Regulation on Continuing Disclosures and Obligations of Issuers (CDOI)

2019/R-1050

Regulation Number: 2022/R-258

(Unofficial Translation)

The following amendments are to be brought to the Regulation on Continuing Disclosure and Obligations of Issuers (Regulation Number: 2019/R-1050);

1. Following definitions are to be added following section 4(n) of the Regulation;

4.

(o) ‘Authority’ shall mean Capital Market Development Authority (CMDA) established by the Maldives Securities Act 2/2006.

(p) ‘Public Disclosure Platform (PDP)’ shall mean the internet portal implemented according to the CDOI regulation where securities issuer’s information is publicly disclosed collectively.

(q) ‘Issues with PDP’ shall mean any malfunction of the PDP system or issues in running the PDP due to any reason.

(r) ‘Initial Public Offering’ or ‘Initial Securities Issuance’ shall mean a company issuing its securities for the first time.

(s) ‘CDOI Regulation’ shall mean Regulation No: 2019/R-1050 (Regulation on Continuing Disclosure and Obligations of Issuers).

2. A new Chapter 7 to be added following Section 37 of the Regulation. The current Chapter 7 is to be renumbered as Chapter 8, and all subsequent sections are to be renumbered accordingly.

Chapter 7

Registering in PDP and disclosure of information

38. Registering in PDP

(a) Following the registration of the prospectus of the initial securities issuer, a focal point of the issuer must be appointed through a link issued by the Authority via the PDP. Prior to sending the issuer's name to be listed in the stock exchange, the issuers' focal point must be registered in the PDP.

(b) Notwithstanding subsection (a), issuers that are already listed on the stock exchange at the time the First Amendment to the CDOI Regulation takes effect must submit an application to the PDP for the appointment of a focal point within one month of the regulation's effective date.

39. The obligation to disclose information through PDP

(a) Effective from the date the First Amendment to the CDOI Regulation comes into effect, securities issuers must register in the PDP accordingly. In addition, securities issuers are required to promptly upload the information outlined in the CDOI Regulation to the PDP.

(b) Securities issuers must formulate a guideline in accordance with this regulation, regarding the disclosure of information through PDP.

(c) Securities issuers are obliged to monitor whether the officers assigned to disclose information through PDP are following the guidelines mentioned in the subsection (b).

40. Guidelines for the circumstances where there is an issue with PDP

(a) If the required information cannot be disclosed through the PDP due to a platform issue, it must be disclosed as soon as the issue is resolved.

(b) The Authority has the power to impose a penalty on securities issuers who, without a valid reason, fail to comply with subsection (a) of this section.

3. In accordance with this amendment, the sections will be renumbered starting from Section 38 due to the addition of the new chapter. An additional section (Section 43) will be inserted following the current Section 39, and the remaining sections will be renumbered accordingly, starting from Section 40.

43. Exempted Investment Funds

Investment funds established under Section 23 of the Regulation on Registration and Management of Investment Funds (2015/R-57) must comply with the provisions of the CDOI Regulation applicable to private investment funds.

However, these investment funds are not required to adhere to the other provisions of the CDOI Regulation.

4. The chapters and sections of the regulation shall be renumbered in accordance with this amendment.
 5. Specific sections referenced in the regulation must be amended to reflect the renumbered sections as per the changes in this amendment.
 6. This regulation shall come into effect on the date of its publication in the Gazette.
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