



SHORT FORM PROSPECTUS REQUIREMENTS

Section 30B of the Capital Markets Act

1. DOCUMENTS IN SUPPORT OF APPLICATION

Requirement	
1.	Incorporation document of the Issuer
2.	Memorandum and Articles of Association where applicable
3.	Board of Directors Resolution authorizing the issue
4.	Shareholders Resolution authorizing the issue where the securities to be issued are convertible. If the securities are not convertible a confirmation that ratification by shareholders shall be sought.
5.	Agreements Relating to the Issue
6.	Short Form Prospectus incorporating Legal Opinion and Accountant's Report

2. DISCLOSURE REQUIRED

No.	Requirement	Met Y/N/NA	Indicate the paragraph and page number of the Prospectus where the requisite disclosure has been made
1	A description of the company's/entity's principal activities, stating the main categories of products sold and/or services offered. Where the issuer or its subsidiaries carry on or propose to carry on two or more businesses which are material having regard to the profits or losses, assets employed or to be employed, or any other factor, information as to the relative importance of each such business.		
2	Identity of directors, senior management and advisers (i.e. persons responsible for the information disclosed)		
3	A declaration in the following form:		
	The directors of [the issuer], whose names appear on page [] of the prospectus, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with facts and does not omit anything likely to affect the import of such information.		

No.	Requirement	Met Y/N/NA	Indicate the paragraph and page number of the Prospectus where the requisite disclosure has been made
4	The names, addresses and qualifications of the auditors who have audited the issuer's annual accounts in accordance with IFRS for the last two financial years.		
5	The names and addresses of the issuer's bankers, legal advisers, reporting accountants and any other expert to whom a statement or report included in the prospectus has been attributed.		
6	<p>A statement that the Authority has approved the Short-Form Prospectus with the following Cautionary Statement:</p> <p>"In approving the Short Form Prospectus, the Capital Markets Authority do not take responsibility for the disclosures made."</p>		
7	The target investors and why in the opinion of the Issuer, they qualify as sophisticated investors.		
8	Use of Proceeds		

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9	Note Trustee/Registrar and their address		
10	Information on the issuer		
a	The name, registered office and, if different, head office of the issuer. If the issuer has changed its name within the last three years, the old name must be printed in bold type under the new name.		
b	The country of incorporation of the issuer, where applicable.		
c	The date of incorporation and the length of life of the issuer, except where indefinite.		
d	The legislation under which the issuer operates and the legal form which it has adopted under that legislation.		
e	A description of the issuer's principal objects and reference to the clause(s) of the memorandum of association which empower the company to raise funds (<i>where applicable</i>).		

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F	A general description of the business carried or to be carried on by the issuer and its subsidiaries (if any), and where the issuer or its subsidiaries will carry on two or more businesses that are material having regard to the profit and losses, assets employed, or to be employed, a general description of each such business;		
11	The audited accounts of the issuer or, in the case of a group, the consolidated audited accounts of the issuer and its subsidiary undertakings for each of the three financial years preceding the publication of the prospectus, including, in the case of a company incorporated in Kenya, all notes, reports or information required by the Companies Act.		
12	Details of guarantors where the issue is guaranteed.		
13	Details of the current debt profile of the issuer.		
14	Divided Policy		

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15	<p>Include 3 year projected financial statements for the business including assumptions therein</p> <p>Details of valuation methodology used to arrive at the price of the securities issue must also be detailed</p>		
16	<p>a) Details of any material changes in the businesses of the issuer during the past five years.</p>		
	<p>b) Any material change in the financial or trading position of the issuer and its subsidiaries that has occurred since the end of the last financial period for which either audited annual financial statements or unaudited interim reports have been published and if this disclosure was reviewed and reported on by the applicant issuer's auditors, or an appropriate negative statement.</p>		
17	<p>Provide the following information regarding the Issue:</p> <p>a. Details of credit support offered to the securities issuance, if any;</p> <p>b. In the event that securities or the issuer has received a rating, provisional or otherwise from an approved Rating Agency, details thereof together</p>		

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	<p>with any information the issuer may have on a pending revision of the said Rating;</p> <ul style="list-style-type: none"> c. Whether the issuance would have a minimum or maximum subscription and the use of the minimum and maximum subscription; d. Related party disclosures where more than 10% of the net proceeds are to be utilized to either acquire assets owned by a related party or retire indebtedness incurred within the 2 preceding years from a related party; e. Disclose any significant acquisitions completed in the run up to the issuance of the securities; any acquisitions made at least ninety (90) days before the proposed issue; f. Information on any other source of funding to augment funds raised through the security issuance; where applicable; g. Material characteristics of the securities being issued; h. The total amount of securities to be issued; i. Offer Timetable j. Method and time limits for paying up securities; and k. Method and time limits for delivery of securities, as applicable, to the investors. 		

No.	Requirement	Met Y/N/NA	Indicate the paragraph and page number of the Prospectus where the requisite disclosure has been made
18	Information on any legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware) which may have or have had in the recent past (covering at least the previous four months) a significant effect on the group's financial position or an appropriate negative statement.		
19	Information concerning the group's principal future investments (including new plant, factories, and research and development, if any).		
20	The basis for any statements made by the issuer regarding its competitive position shall be disclosed.		
21	Details regarding handling of events of default and disclosure on whether there is negative pledge.		
22	Provide information on the risk factors and mitigation measures therein that are specific to the issuer or its industry.		

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23	Where a profit forecast or estimate appears, the principal assumptions upon which the issuer has based its forecast or estimate must be stated. Where so required, the forecast or estimate must be examined and reported on by the reporting accountants or auditors. There must also be confirmation from the issuer that the forecast has been made after due and careful enquiry by the directors.		
24	Directors and employees		
a	The full name, age (or date of birth) home or business address, nationality and function in the company of each of the following persons and an indication of the principal activities performed by them outside the company where these are significant with respect to the group:		
b	directors, alternate and proposed directors of the issuer and each of its material subsidiaries including details of other directorships;		
c	the senior management of the issuer including the Chief Executive, Board Secretary and Finance Director, with details of professional qualifications and period of employment with the issuer for each such person. If the Issuer is not a company as defined in the Companies Act, full disclosure must be made in relation to the person with corresponding powers and duties;		

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d	A statement showing the aggregate of the direct and indirect interests of the directors in, and the direct and indirect interests of each director holding in excess of 3% of the share capital of the issuer, distinguishing between beneficial and non-beneficial interests, or an appropriate negative statement. The statement should include by way of a note any change in those interests occurring between the end of the financial year and the date of publication of the prospectus, or if there has been no such change, disclosure of that fact.		
25	Major shareholders and related party transactions		
	The following information shall be provided regarding the issuer's major shareholders, which means shareholders that are the beneficial owners of at least 3% or more of the issuer's voting securities:		
a	provide the names of the major shareholders, and the number of shares and the percentage of outstanding shares of each class owned by each of them as of the most recent practicable date, or an appropriate negative statement if there are no major shareholders;		
b	disclose any significant change in the percentage ownership held by any major shareholders during the past three financial years; and		

No.	Requirement	Met Y/N/NA	Indicate the paragraph and page number of the Prospectus where the requisite disclosure has been made
c	indicate whether the issuer's major shareholders have different voting rights, or an appropriate negative statement.		

CORPORATE GOVERNANCE REQUIREMENTS:

NB: Where the issuer is not a company. The applicable governance structure should be disclosed.

	REQUIREMENTS	MET Y/N	COMMENT
1	Identify reasons for non-compliance, where the company is not fully compliant, and indicate steps on how to comply.		
2	Have an effective board to offer strategic guidance, lead the company and be accountable to shareholders.		
3	Board to establish relevant committees to perform specific mandates.		
4	Board to specifically establish an audit and nominating committee.		

5	Board composes of a balance of executive and non-executive directors (including at least one third independent and non-executive directors of diverse skills or expertise (should be disclosed in the annual report).		
6	Every person, save for a corporate director, who is a director of a listed company shall not hold such position in more than three public listed companies at any one time		
7	Clear separation of roles and responsibilities of the chairman and chief executive.		
8	The Board should establish a nominating committee, whose chairman shall be an independent director, which will consider candidates for directorship proposed by Chief Executive and shareholders.		
9	Establishment of an audit committee of at least three independent and non-executive directors by the board who shall report to it.		