

EMPLOYEE SHARE OWNERSHIP SCHEMES/PLANS (ESOPS)

Regulation 111 of the Capital Markets (Collective Investment Schemes) Regulations, 2001

A. DOCUMENTS IN SUPPORT OF APPLICATION

	Requirement
1.	Application Letter
2.	Proposed Trust Deed;
3.	Proposed Scheme Rules;
4.	Names of the Proposed Trustees;
5.	Board of Directors resolution approving the establishment of ESOP Unit Trust and the appointment of the proposed trustees;
6.	Shareholders' approval for the establishment of the ESOP Unit Trust and the terms of the Trust Deed (where already obtained)

NOTE: Regulation 111 (v) stipulates that the Authority may require additional information

B. TRUST DEED – DISCLOSURE REQUIREMENTS CHECKLIST

Requirement	Met: Y, N or N/A	Indicate the paragraph and page number of the Trust Deed where the requisite disclosure has been made
Every Trust Deed to an ESOP Unit Trust shall include the following particulars –		
(i) Parties to the Trust Deed		
(ii) Interpretation of terms used in the Trust Deed		
(iii) Declaration of trust		
(iv) Appointment and removal procedures for trustees		
(v) Procedure for creation and issuance of units		
(vi) Method of pricing and valuation of units		
(vii) Procedure for repurchase of units		
(viii) Procedure for income distribution		
(ix) Apportionment of unit holders' entitlements in respect of dividends, rights and capitalization issues		
(x) Company's and trustees covenants		
(xi) Restrictions on the trustees		
(xii) Trustees fees and charges		
(xiii) Liability of the trustees		
(xiv) Register of unit holders and records of trust fund charges and commissions		
(xv) Audit and periodic reports		

	(xvi) Procedures for winding up		
	(xvii) Applicable law		
	(xviii) Procedure for variation of Trust Deed		
	(xix) Procedure for settlement of disputes		

C. SCHEME RULES - DISCLOSURE REQUIREMENTS CHECKLIST

Requirement	Met: Y, N or N/A	Indicate the paragraph and page number of the Scheme Rules where the requisite disclosure has been made
Every ESOP Unit Trust shall have scheme rules which shall include the following:-		
(i) eligibility for membership		
(ii) procedure for saving and/or acquisition and repurchase of units;		
(iii) maximum individual holding		
(iv) employee rights in respect to units		
(v) pricing and valuation of units		
(vi) in case of an options scheme there shall be a procedure for granting options, maximum limit, executive rights in respect to units and entitlement in the event of reconstruction or winding up		
(vii) the price at which an ESOP Unit Trust shall allot the units to the employee, the price at which the trustees shall re-purchase units and the liability for incidental expenses but such re-purchase shall reflect the latest traded price of the company's shares at the securities exchange		