

Proposed Amendments to ECSRC Reporting Rules 2015

Page No.	Item	Amendment
Securities (Accounting and Financial Reports) Rules (No. 1 of 2015) – Form ECSRC-K		
Cover Page	Interpretation	Included the following definition of the term “ <u>material</u> ” <i>“refers to information that will likely influence or change the decision of a reasonable investor whether or not to buy, sell or hold securities in your company if the information in question was omitted or misstated.”</i>
	Information on Outstanding Shares	Removed table indicating the number and class of outstanding shares, and transferred it to the Registration Statement in the Securities (Registration Statement) Rules (No. 2 of 2015). This information is also reported on the quarterly reporting forms.
Page ii	4. Other reports to be submitted to the Commission	Item 1(a) line six: inserted the word “ supporting ” between the phrase “other...papers and documents”.
		Include as item 2(a) line four: inserted the word “ supporting ” between the phrase “other....papers and documents”.
Page 2	Schedule 1: ECSRC-K	SIGNATURES: The first sentence amended to include in parenthesis ‘ or any other person performing the same roles under a different title ’. This will avoid queries on who the signatories should be where the roles are similar but the job titles may be different to what is contained in the form.
Page 3	2. Properties	The first part of line one in the instructions which reads: “Provide a list of properties owned” was reworded as follows to include information on leased properties: “Provide a list of properties owned and leased..... ”
Page 4:	3. Legal Proceedings	The instructions which reads: “Furnish information on any proceedings that were commenced or were terminated during the current financial year. Information should include date of commencement or termination of proceedings. Also include a description of the disposition thereof with respect to the reporting issuer and its subsidiaries” was reworded as follows to provide better clarity of what is expected: “Describe any legal proceedings commenced or terminated during the reporting year. Include the court or regulatory body, the date instituted, the principal parties, and the present status of the case.” In the event that such disclosures are

Proposed Amendments to ECSRC Reporting Rules 2015

Page No.	Item	Amendment
	4. Submission of Matters to a Vote of Security Holders	<p>subject to confidentiality restrictions, the reporting may only include a summary of the main issues that would be material to the investor.</p> <p>The heading: “Security holders changed to Shareholders”</p> <p>The first paragraph which reads: “If any matter was submitted to a vote of security holders through the solicitation of proxies or otherwise during the financial year covered by this report, furnish the following information....”</p> <p>was reworded as follows to specify shareholders: “If any matter was submitted to a vote of shareholders through the solicitation of proxies or otherwise during the financial year covered by this report, furnish the following information if not already reported to the Commission.”</p> <p>4(c): Removed the phrase “<i>including a separate tabulation with respect to each nominee of office.</i>” Reporting issuers indicated difficulties in obtaining this information. The Secretariat assessed that it could be eliminated as it was deemed to not be as useful for investors.</p> <p>4(e): Changed “<i>security holders</i>” to “<i>shareholders</i>”.</p>
Page 4:	7. Disclosure about Risk Factors	Line one - the phrase “ <i>may have an impact on</i> ” was revised to “ <i>impacted</i> ”. This is to specify that the discussion should not be forward looking but should be related to the results in the report being submitted.
	8. Changes in Securities and Use of Proceeds	8(a): Inserted for clarity, the phrase “ and not already reported to the Commission ” to follow the phrase “materially modified” to avoid duplication in reporting as in some cases the information may be reported to the Commission in an earlier report, depending on the timing and/or materiality of the change.
Page 5	9. Defaults upon Senior Securities	a) The paragraph which reads: “If there has been any material default in the payment of principal, interest, sinking or purchase fund instalment, or any other material default not satisfied within 30 days, with respect to any indebtedness of the reporting issuer or any of its significant subsidiaries exceeding 5 percent

Proposed Amendments to ECSRC Reporting Rules 2015

Page No.	Item	Amendment
		<p>of the total assets of the reporting issuer and its consolidated subsidiaries, identify the indebtedness. Indicate the nature of the default....”</p> <p>was reworded as follows to provide better clarity:</p> <p>“Describe any material default in the payment of principal, interest, a sinking or purchase fund instalment or any other material default not satisfied within 30 days. The default is material if the indebtedness exceeds 5 per cent of the total assets of the reporting issuer and its consolidated subsidiaries. Indicate the nature of the default and include the amount of the default and the total arrears on the date of filing this report.”</p>
Page 5	<p>10. Management’s Discussion and Analysis of Financial Condition, Liquidity & Capital Resources, and Results of Operation.</p> <p>Directors and Executive Officers of Reporting Issuers- (Biographical details)</p>	<ul style="list-style-type: none"> • The forms required a number of specific areas for discussions on these various topics, however to prevent repetitions, all the topics were combined so that there will be one discussion. Instructions on the forms will be maintained, however they will all be combined. Reporting issuers complained that since these areas are related the discussion was often repetitious. They further suggested that combining the sections would allow easier readability for the reader. • Removed line that reads, “<i>Discussion of liquidity and capital resources may be combined whenever the two topics are interrelated;</i>” This sentence is no longer necessary due to the merging of the various parts for one discussion. • Results of Operations – Off-Balance Sheet: Part (viii) was deleted from the instructions as there is another area allocated for Off-Balance Sheet transactions. <p>This section has been removed and will no longer be required as part of the Form ECSRC-K, as these will be captured in the Annual Registration Statement on Form RS-2.</p>
Page 6	Schedule 2: Form ECSRC-OR	Final paragraph before the table to replace “ common stock ” with “ shares ”
Page 7	Signature page	SIGNATURES: The first sentence to include the words in parenthesis ‘ or any other person performing the same roles under a different title ’. This will avoid queries on who

Proposed Amendments to ECSRC Reporting Rules 2015

Page No.	Item	Amendment
		the signatories should be where the roles are similar but the job titles may be different to what is contained in the form.
Page 8	Information to be included in form ECSRC-OR.	<ol style="list-style-type: none"> 1. Financial Statements <ol style="list-style-type: none"> (a) Condensed Balance Sheet replaced with Condensed Statement of Financial Position. (b) and (c): Replaced “<i>interim three, six and nine months</i>” with “<i>the year-to date six or nine months</i>” for better clarity in the instructions. 2. Management’s Discussion and Analysis of Financial Condition, Liquidity & Capital Resources, and Results of Operation now combined for one discussion. 3. Disclosure of Risk Factors: Line one- the phrase “may have an impact on” was revised to “impacted”. This is to specify that discussion should not be forward looking but should be related to the results in the report being submitted.
Page 9	Changes in Securities and Use of Proceeds	5 (a) Inserted for clarity, the phrase “ and not already reported to the Commission ” to follow the phrase “materially modified” to avoid duplication in reporting as in some cases the information may be reported to the Commission in an earlier report, depending on the timing and/or materiality of the change.
Appendix I	Executive Officers and Other Key Personnel of the Company	The biographical data form was updated to include the following information: <ul style="list-style-type: none"> - Email address - Date of birth
Appendix II	Directors of the Company	The biographical data form was updated to include the following information: <ul style="list-style-type: none"> - Email address - Date of birth - Other Directorships currently held - Included a section for share ownership, other directorships and related party transactions. This allows for greater transparency.
Securities (Registration Statement RS-1) Rules (No. 2 of 2015)		
Page No.	Item	Amendment
Cover Page	Reporting issuers	Item 4- removed as it is no longer necessary, as item3 is sufficient.
Page ii	Registration Statement Item 6	Item 6 amended to read: “ <i>A reporting Issuer must annually update its registration statement on form RS-2 within one hundred and twenty days after the end of its financial year</i> ”.

Proposed Amendments to ECSRC Reporting Rules 2015

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	Item 8	Item 8 amended to read: “The registration statements along with the accompanying documentation must be filed with the Commission via electronic mail to info@ecsrc.com). ESCRC’s physical address was removed.
Page 3	Part 1 - Offer Statistics for Securities Offering	Included “ <i>minimum investment amount (debt)</i> ”. This now facilitates offers of debt securities.
Page 7	Part III - Description of Securities	<p>1. Revised “Description of Share Capital to “Description of <i>existing</i> Share Capital”.</p> <p>2. (a) Revised “The securities offered hereby are” to “The Securities <i>being</i> offered are”.</p> <p>(b) Revised ‘<i>NUMBER...TYPE</i>’ to “<i>NUMBER/AMOUNT...TYPE</i>”</p> <p>This is to facilitate offers of debt securities.</p>
Page 13	Part VI - Offer Statistics for Registration	Changed format of information requested into a table format to allow sufficient spacing for the information requested. Presently, the space only allows for information on one type or issue of securities in the past five years.
Page 14	Part VII - The Company	Reordered the instructions to improve logical flow of information for better readability and assessment.
Page 20	Part X – Substantial Shareholders	1a) Included the words ‘ <i>Give an appropriate negative statement if there are no substantial shareholders</i> ’.
Pages 24 & 25	Biographical data forms- Executive Officers and Directors	<p>1. Included section for email address.</p> <p>2. Changed the request from “Age” to ‘<i>Date of Birth</i>’. As suggested by a reporting issuer, in that this information will remain the same regardless of the time.</p> <p>3. Included a section for share ownership, other directorships and related party transactions. This allows for more transparency.</p>
Page 27	Part XV - Signatures	Inserted the phrase ‘ <i>or any other person performing the same roles under a different title</i> ’ in the first paragraph. This will avoid queries on who the signatories should be where the roles are similar but the job titles may be different to what is contained in the form.
Securities (Registration Statement RS-2) Rules (No. 2 of 2015)		
Page 32	Capitalization	Included page to capture the capitalization of the company, similar to what is on the RS-1
Page 14	Dividend Policy	Included Page to capture the dividend of the company, similar to what is on the RS-1
Page 8	Directors Remuneration and Benefits	Included a table to capture information on the directors compensations received or accrued during the period of the report.

Proposed Amendments to ECSRC Reporting Rules 2015

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Page 36 & 37	Biographical Data	Pages relocated to the end of the form, before the Signature page.
Page 38	Signatures	SIGNATURES: The first sentence to include the words in parenthesis ' or any other person performing the same roles under a different title '. This will avoid queries on who the signatories should be where the roles are similar but the job titles may be different to what is contained in the form.