

Prospectus (where the issuer is a foreign public authority)

Items	Notes
Policy statement	
About the fact that the information contained in the Prospectus is based on true facts, that no facts have been omitted, and that all necessary measures have been taken to ensure the accuracy and completeness of such information	<p>Sample: We, the undersigned,</p> <p>Confirm that, prior to the preparation of this Prospectus, we have reviewed the 'Regulations on requirements for prospectus and information memorandum' approved by Resolution No. 05 of 27 January 2016 of the State Committee for Securities of the Republic of Azerbaijan.</p> <p>Declare that all information included in this Prospectus relating to the issue by _____ (the "Company") of _____ (in words) interest-bearing (or discount), unsecured (or secured), uncertificated, registered bonds, each with a nominal value of _____ (in words) manats (or, where applicable, the relevant currency), is based on true facts, that no material facts have been omitted, and that all necessary measures have been taken to ensure the accuracy and completeness of such information.</p> <p>Individuals (first, last, middle names and positions held) and legal entities (names and registered addresses) responsible for all or part of the information contained in this Prospectus, together with their signatures and the dates of signing.</p>
Table of Contents	The table of contents shall be presented in a clear and detailed manner.
1. Important notices	
1.1. This document forms the introductory section of the Prospectus	
1.2. Any decision to invest in securities should be made by the investor only after reading the prospectus	
1.3. The persons who have prepared the prospectus shall be held civilly liable where the information contained in the prospectus is misleading, inaccurate or inconsistent, or where material information necessary to assist investors in deciding whether to invest in the securities has not been provided.	
Table of Contents	The table of contents shall be presented in a clear and detailed manner.
2. Issuer information	
2.1. Name of the Issuer and description of its fields of activity in its home country	
2.2. The most recent events relevant to the assessment of the Issuer's creditworthiness	<p>Description of material events that have occurred in recent periods (or, where available, over the last three years) and that have affected, or may affect, the Issuer's financial stability, cash flows, or ability to meet its debt obligations in a timely manner. Such events may include, inter alia:</p> <ul style="list-style-type: none"> -a brief description of the sources used by the Issuer for financing over the last three years (such as loans, issuance of securities, etc.) and the relevant terms thereof. -changes in the Issuer's credit rating. -changes in the Issuer's principal sources of revenue (e.g., the loss or acquisition of significant contracts). -external and internal developments affecting economic and political stability (such as increases in inflation, currency devaluation, geopolitical tensions, etc.), and similar events.
2.3. Structure of the economic sectors of the Issuer's country	This section provides general information on the structure of the economy of the Issuer's home country, including the main economic sectors (such as agriculture, industry, and services) and the respective shares of these sectors in the overall economic structure.
2.4. Gross domestic product of the Issuer's country by economic sectors for the last two fiscal years	This section presents statistical data on the GDP of the Issuer's home country for the last 2 fiscal years, including the contribution of economic sectors (agriculture, industry, and services, etc.) to the GDP formation.
3. Information about securities	
3.1. Type of bonds	
3.2. Currency of bonds	
3.3. Restrictions attached to the bonds	This section describes any restrictions relating to the purchase and sale, circulation, and exercise of rights attached to the bonds. Such restrictions may include, inter alia, limitations whereby the bonds are offered solely to specific categories of investors, requirements for consent prior to the transfer of the bonds to third parties, and legal encumbrances relating to collateral (for example, restrictions on the use of the collateral for securing other obligations).
3.4. A description of the rights attached to the bonds	This section sets out the content and scope of the rights granted to bondholders under applicable legislation and the terms of the issuance. The rights conferred refer to the financial and non-financial entitlements arising from the bond, including the rights of the bondholder as the owner of the bond.
3.5. The interest rate of the bonds. The dates and terms for payment of interest and principal on the bonds. Where the interest rate is not fixed, the method used to calculate the interest rate, the underlying basis for such calculation, and the sources used to determine that basis	This section specifies the annual interest rate of bonds in a clear and precise manner. It also provides detailed information on the dates and periods for the payment of interest and repayment of the nominal (principal) value of bonds. Where the interest rate is not fixed in advance (e.g., in the case of floating-rate bonds), the section shall set out the basis on which the interest rate is determined, including the relevant reference benchmarks and the method of calculation. In such cases, detailed and substantiated information shall also be provided regarding sources of benchmark rates and platforms or publications where such rates are published.
3.6. A description of the security and the terms of the collateral securing the secured bonds	This section provides detailed information on the type, nature and terms of the collateral provided in respect of secured bonds issued by the Issuer.
3.7. The terms and conditions for the buyback (repurchase) of the bonds	This section sets out the legal and financial terms and conditions relating to the early redemption (buy-back) of the bonds issued by the Issuer.
3.8. The yield indicator, including a brief description of the method of calculating the yield	This section provides a concise and clear explanation of how the annual yield (rate of return) to be received by investors is calculated. The following key information shall be disclosed: the frequency of interest payments; the method used for calculating interest income; total amount of income per bond; and the expression of such income as an annual percentage rate. Where bonds are issued at a discount, it shall be stated that the bonds are discount instruments, and information shall be provided on the simple annual yield indicator.
3.9. The name of the bondholders' representative	Where a representative is appointed to safeguard the rights of bondholders (investors), brief information on such representative shall be provided. Where no representative is appointed, it may be stated that "no representative has been designated."
3.10. Where secured bonds are offered, clear and detailed information on the impact of the value of the collateral on the repayment of the bonds and the interest payable thereon	This section provides detailed information on the extent to which the value of collateral provided in respect of secured bonds ensures the timely and full repayment of the principal amount of bonds and the payment of interest thereon. It shall also include a risk warning indicating that fluctuations in the market value of collateral, as well as deterioration in market conditions, may give rise to risks for investors.
3.11. Information on whether the issuer intends to apply for admission of the bonds to trading on a regulated market. Where such an application is intended, details of the regulated market on which the bonds will be admitted to trading and the conditions for such admission.	This section provides information on whether an application has been submitted by the Issuer for the admission of bonds to trading on a regulated market. Where such an application is envisaged, the name of the regulated market on which bonds are expected to be admitted to trading shall be indicated, together with a brief description of that market, including its address, contact details, website and areas of activity. In addition, conditions for the admission of bonds to trading on that market shall be described by reference to the 'Regulations on the admission to trading, listing, maintenance of listing and delisting of securities on the Baku Stock Exchange.'

4. Risk factors	
4.1. Risk factors necessary to assess the market risks associated with the offered securities	This section draws investors' attention to the risks associated with relevant securities. It includes information on the liquidity of bonds, the existence or absence of a secondary market, and the potential impact of future conditions in the securities market on the value of bonds. It also addresses the potential impact of the Issuer's financial condition on the value of bonds, as well as other relevant risk factors.
4.2. Risk factors that may affect the issuer's ability to meet its obligations in connection with the bond issuance	Changes in economic conditions, financial and liquidity difficulties, deficiencies in management, legal and regulatory changes, political instability, market risks, and natural disasters may adversely affect the Issuer's ability to meet its obligations. This section provides information on risk factors that may impact the Issuer's ability to fulfill its obligations, taking into account the specific characteristics of the sector in which the Issuer operates.
5. Offer	
5.1. The reason for the issuance, where it is different from profit generation or hedging of certain risks	Where the primary purpose of the bond issuance is other than profit generation or risk hedging, other purposes of the issuance shall be disclosed for the purpose of informing investors. Such purposes may include, inter alia, investments in fixed capital, meeting liquidity requirements, and strategic objectives.
5.2. A description of the terms and conditions of the offer	Information is provided on the key terms of the offering, including the placement timelines, disclosure requirements, and the method and procedure of placement.
5.3. Detailed information on the interests of persons involved in the issuance, including any conflicts of interest	Information is provided on the interests of the persons involved in the issuance (including the Baku Stock Exchange (BSE), the Central Securities Depository (CSD), underwriter(s), and other relevant parties), as well as any conflicts of interest. It shall also be stated whether any conflicts of interest exist between the parties involved.
5.4. The amount of taxes and expenses payable by the purchaser of the bonds.	This section provides information on taxes payable by investors in connection with the purchase of bonds and interest income received therefrom, as well as other potential costs. By way of example, such information may include: withholding tax at source; applicable tax rates and conditions for legal entities and natural persons in accordance with the Tax Code of the Republic of Azerbaijan; brokerage or investment company service fees; banking charges; fees for opening a custody account; and, where applicable, additional service fees charged by investment firms and other related costs.
Information required about bonds	
6. Primary information	
6.1. Detailed information concerning the interests of persons involved in the issue, including conflicts of interest	Information shall be provided on the interests of persons involved in the issuance (including the BSE, the NDC, the underwriter(s), etc.) and any conflicts of interest. It is recommended that the existence or absence of any conflict of interest between the parties be disclosed.
6.2. Detailed information concerning the reasons for the offer of the bonds and the use of proceeds	This section contains detailed information from the issuer regarding the reasons for the offer of the bonds and the intended use of the proceeds from their placement.
6.3. Details of the amount and sources of additional funds required if the proceeds are insufficient to finance the proposed projects	
6.4. Detailed information where the proceeds are intended to be used to finance the acquisition of other undertakings, to repay or restructure debt, or to acquire assets not related to the issuer's principal activities.	
7. Information about bonds	
7.1. Legislation regulating the issuance of securities	
7.2. Type of bonds	
7.3. The number and nominal value of the securities offered, with separate disclosure for newly issued and existing bonds	Information regarding bonds in circulation and newly issued bonds is set out in tabular form.
7.4. Currency of bonds	
7.5. The place of establishment of the central securities depository maintaining custody of the bonds and the record of rights thereto	Required information regarding the National Depository Center.
7.6. Information concerning the rating of the offered bonds (where applicable) and the factors influencing such rating	This section sets out any credit rating assigned to the offered securities, where applicable. The information shall include the level of the rating (e.g. "BB+", "Baa2", etc.), the name of the credit rating agency (such as Moody's, S&P, Fitch or other), and the date on which the rating was assigned. In addition, a brief and clear explanation shall be provided of the key financial and non-financial factors affecting the rating, such as the Issuer's financial stability, debt burden, revenue streams, market risk, legal environment, and other relevant considerations. Where no credit rating has been assigned to the offered securities, it shall be sufficient to state that "no credit rating has been assigned to the offered securities."
7.7. Rights attached to the bonds, the procedures for exercising such rights, and any restrictions thereon	See Items 3.3 and 3.4
7.8. Interest rate of the bonds (if determined)	
7.9. Maturity and repayment dates of the bonds and the payment schedule for interest	Clear information on the dates of payment of the nominal value and interest.
7.10. Limitation period for claims relating to the payment of interest and principal	Provisions of the Civil Code on limitation periods shall be observed.
7.11. Method of determination of the bond interest rate where the interest rate is not specified	See Item 3.5
7.12. Information on the potential adverse effects of market events on the underlying asset of the bonds (where applicable) and on bond settlement, including the applicable rules or procedures for addressing such events	Information on potential adverse market events, including increases in interest rates, liquidity constraints, or economic uncertainties, and their negative impact on the underlying asset of bonds (if any) and on payments and settlements under the bonds. In such cases, the issuer shall also provide information on the contingency mechanisms it will apply to ensure timely and full payments, such as reserve funds, rights to defer payments, or restructuring procedures.
7.13. Name of the payment settlement agent	
7.14. Clear and detailed information on the impact of the value of the collateral on the repayment of the bonds and the payment of interest thereon, where secured bonds are offered	See: Item 3.10
7.15. Conditions for the repurchase of the bonds	See Item 3.7
7.16. Yield rate and the method for its calculation	See Item 3.8
7.17. Information on the organisation representing investors (if applicable)	See Item 3.9
7.18. Date and number of the decision on the issuance of the bonds and the name of the issuer's governing body that adopted the decision	
7.19. Restrictions on the acquisition of the bonds (if any)	This section provides information on any restrictions applicable to the acquisition of offered bonds. Such restrictions may fall under the following categories: Legal restrictions: For example, legislation may prohibit certain categories of investors from acquiring the bonds (such as foreign nationals, or persons operating in certain industry sectors). Regulatory or administrative restrictions: For example, restrictions on the sale of bonds within a specified period, or investment limits applicable to certain investment funds or institutions. Internal rules of the Issuer: Restrictions provided for in the Issuer's charter or in agreements between shareholders regarding the acquisition of the bonds. Other restrictions: For example, preferential rights granted to certain investor groups, placement within specific investor segments, or other rules applicable during the sale process.
7.20. Information on withholding tax on income from the bonds and the issuer's obligation to withhold tax at source.	
8. Terms and conditions of the offer	

8.1. Start and end dates of the offer and placement	
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8.2. Period during which amendments to the prospectus may be made while the offer remains valid, and the procedure for making such amendments	The requirements of Article 10 of the Law of the Republic of Azerbaijan on the Securities Market should be taken into account.
8.3. Description of the circumstances in which the offer may be suspended or deferred	The requirements of the Law of the Republic of Azerbaijan on the Securities Market should be taken into account.
8.4. Where subscription for the bonds is conducted, the following information:	
8.4.1. Procedures for subscription to the bonds	The timeframes stipulated under the 'Regulations on subscription to and placement of investment securities' must be taken into account.
8.4.2. Procedures and timelines for the withdrawal of subscription orders and the repayment of any excess amounts paid by subscribers	
8.4.3. Minimum and/or maximum subscription amount (by number or total volume of securities to be subscribed for)	
8.5. Procedure for conducting the auction where the bonds are placed through auction	Detailed information about the auction (single-price or competitive, as well as the start and end dates) shall be specified.
8.6. Terms and procedures for payment of the bond price and delivery of the bonds to investors	The requirements of Article 8.1 of the Law of the Republic of Azerbaijan on the Securities Market and Items 3.5 and 3.7 of the 'Regulations on subscription to and placement of investment securities' must be taken into account.
8.7. Information on different categories of potential investors	
8.8. Procedures for notifying investors of the commencement of the bond sale and whether the sale may be initiated prior to such notification	
8.9. Offer price of the bonds, or where not determined, the method of its determination, including information on the persons involved in and responsible for the pricing process	
8.10. Amount of taxes and expenses payable by the bond purchaser	See Item 5.4
8.11. Information on the underwriter(s) responsible for the placement of the bonds on a firm commitment or best efforts basis (including name, licence, and address), and the fees payable for such services	The required information shall be provided, indicating whether the placement is conducted on a firm commitment or best-efforts basis.
8.12. Date of conclusion, or expected conclusion, of the underwriting agreement.	
9. Admission to trading and its regulation	
9.1. Information as to whether the issuer intends to apply for admission of the bonds to trading on a regulated market. Where such an application is intended, details of the regulated market to which the bonds will be admitted and the conditions for such admission to trading	See Item 3.1
9.2. Market maker(s) information	Where market maker(s) are envisaged, detailed information is provided.
10. Credit ratings	
10.1. Credit ratings assigned to the issuer or its debt securities at the issuer's request or with its cooperation in the rating process.	Detailed information is provided on the credit ratings assigned to the issuer or its debt securities. For additional information, please refer to Item 7.6.
11. Issuer information	
11.1. Name of the issuer and a description of its principal areas of activity in its country of incorporation	
11.2. Issuer's registered office, address, and telephone number	
11.3. Recent developments relating to the assessment of the issuer's solvency	Description of material events that have occurred in recent periods (or, where available, over the last three years) which have affected, or may affect, the Issuer's financial stability, cash flows, or ability to meet its debt obligations in a timely manner. Such events may include, inter alia: -a brief overview of the funding sources used by the Issuer over the last three years (including loans, issuance of securities, and other financing instruments) and the key terms thereof. -changes in the Issuer's credit rating. -changes in the Issuer's principal sources of revenue (e.g., the acquisition or loss of significant contracts). -external and internal events affecting economic and political stability (such as inflationary pressures, currency devaluation, geopolitical tensions, etc.), among others.
11.4. Structure of the economic sectors in the issuer's country of incorporation	This section provides general information on the structure of the economy of the Issuer's home country, including the main economic sectors (agriculture, industry, and services, etc.) and their respective shares in the overall economic structure.
11.5. Gross Domestic Product of the Issuer's country by economic sectors for the previous two fiscal years	This section presents statistical data on the GDP of the Issuer's home country for the last two fiscal years, together with the respective contributions of economic sectors (agriculture, industry, services, etc.) to GDP formation.
11.6. Description of the political system and government of the Issuer's country	This section provides brief and objective information on the political system of the Issuer's home country, including the main branches of state power, as well as the structure and functions of the current governmental authorities
11.7. Information on regulated markets on which the Issuer's securities are admitted to trading.	This section provides complete and accurate information on the regulated markets on which the Issuer's securities are admitted to trading.
12. Public Finance and Trade	
12.1. Information for 2 fiscal years preceding the date of preparation of the Prospectus:	
12.1.1. Tax and budget systems	This section provides general information on the tax and public budgetary system of the Issuer's home country, including the types of taxes, the main sources of revenue, the State's fiscal policy, and the principles of budget planning
12.1.2. Repayment structure of outstanding debt (in particular specifying debt maturing within less than one year) and total public debt	This section provides information on the total amount of public debt, including the shares of domestic and external debt, their maturity profiles, and, in particular, debt falling due within less than one year
2.1.3. Foreign trade and the balance of payments	This section provides information for the last two years on the Issuer's country's export and import volumes, foreign trade balance, current account balance, and overall balance of payments.
12.1.4. Foreign exchange reserves	This section provides information on the level of the country's official foreign exchange reserves, the composition of such reserves (gold, convertible currencies, etc.), the stability of their level, and their impact on the country's ability to meet its payment obligations.
12.1.5. Financial position and resources, including liquid deposits in the national currency	This section provides information on the State's liquid financial resources, including deposits denominated in the national currency, the budget surplus or deficit, and short-term financial reserves
12.1.6. Revenue and expenditure indicators	This section provides statistical information on the State budget revenues (income) and expenditures for the last two fiscal years, on the basis of which the State's fiscal position and financial balance are assessed.
13. Legal proceedings	
13.1. Information on legal proceedings over the last year that have affected, or may affect, the Issuer's financial position or profitability.	Information is provided on any existing litigation and other legal proceedings, if any.