

Prospectus (where an issuer is an international organization)

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 '<i>Regulations on requirements for prospectus and information memorandum</i>' 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><i>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 Base Prospectus, together with their signatures and the dates of signing.</i></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.	
Summary section	The summary shall not exceed 7% of the total length of the prospectus or 15 pages. The information contained in the summary must be presented in a clear and comprehensible manner.
2. Issuer information	
2.1. issuer's name and legal status	
2.2. Issuer's organizational-legal form	
2.3. A brief description of the issuer's objective and functions	
2.4. Information on sources of funding, guarantees, and the obligations to be performed by members in favor of the issuer	
2.5. Recent events relating to the assessment of the issuer's solvency	<p>Significant events that have occurred in recent periods (where information is available, covering the last 3 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 shall be disclosed. Such events may include, inter alia:</p> <ul style="list-style-type: none"> -A brief description of the sources of financing used by the issuer over the last three years (e.g., loans, issuance of securities, etc.) and their key terms. -Changes in credit ratings. -Changes in the issuer's principal sources of revenue (e.g., the loss or acquisition of major contracts). -External and internal events affecting economic and political stability (for example, increases in inflation, devaluation, geopolitical tensions, etc.).
2.6. Selected audited financial information covering the last two financial years, together with a description of any changes in the issuer's financial position since the date of the most recent audited financial statements	

3. Information about securities	
3.1. Type of bonds	
3.2. Currency of bonds	
3.3. Restrictions applicable to the bonds	This section shall describe any restrictions relating to the purchase, transfer, circulation, and exercise of rights attached to bonds. Such restrictions may include, inter alia, limitations on offering the bonds only to certain categories of investors, requirements for consent for the transfer of bonds to third parties, or legal obligations relating to the collateral (e.g., prohibitions on using the collateral to secure other obligations).
3.4. Description of the rights attached to the bonds	This section shall describe the nature and scope of the rights conferred on bondholders under applicable legislation and the terms and conditions of the issue. The rights attached to the bonds include both financial and non-financial rights arising from ownership of the bonds.
3.5. Interest rate of bonds; the dates and period for payment of interest and principal. Where the interest rate is not fixed, a description of the method for determining the interest rate of the bonds, including the basis for its calculation, relevant information on such basis, and the sources used for its determination	This section shall specify the annual interest rate applicable to the bonds in a clear and precise manner. It shall also include detailed information regarding the dates and periods for payment of interest and repayment of the nominal value (principal) of the bonds. Where the interest rate has not been determined in advance (for example, in the case of floating rate bonds), it is recommended that clear and substantiated information be provided on the benchmark indicators used for determining the interest rate, the methodology for calculating such rate, as well as the sources of, and publication channels for, the relevant benchmark indicators.
3.6. Description and terms of the securitization provided for secured bonds	This section provides detailed information on the type, nature, and terms of the securitization provided for the issuer's secured bonds.
3.7. Terms and conditions for the redemption (buy-back) of the bonds	This section explains the legal and financial terms and conditions relating to the issuer's early redemption (buy-back) of the issued bonds.
3.8. Yield indicator, presented in summary form with an indication of the method used for its calculation	This section provides a brief and simple explanation of how the annual yield (rate of return) for investors is calculated. The key information to be included is: payment frequency; method used for calculating interest income; total income per bond; annual yield expressed as a percentage. Where bonds are issued at a discount, it is recommended to indicate that the bonds are discount bonds and provide information on the annual simple yield indicator.
3.9. Name of the representative of the bondholder.	Where a representative is appointed to protect the rights of bondholders (investors), a brief description of such representative shall be provided. If 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 shall be provided 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 how the value of the collateral provided for secured bonds affects the timely and full repayment of the principal amount and interest payable on the bonds . It is important to include a warning that fluctuations in the market value of the collateral and deterioration in market conditions may give rise to risks for investors
3.11. Information on whether the issuer intends to apply for the admission of the bonds to trading on a regulated market. Where such an application is intended, information shall be provided on the regulated market on which the bonds will be admitted to trading, as well as the conditions for admission to trading.	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 fulfil 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 purpose of the bond issuance is different from profit generation or hedging of risks, other reasons for the issuance shall be disclosed to inform investors. For example, investments in fixed assets, meeting liquidity needs, strategic objectives, and similar purposes.
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; the trading fee of the Baku Stock Exchange (BSE); 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.
Required information on bonds	
6. Primary information	
6.1. Detailed information regarding the interests of persons participating in the issuance, including conflicts of interest	Information is provided regarding the interests of persons participating in the issuance (BSE, NDC, underwriter company/companies, etc.) and any cases of conflicts of interest. It is recommended to indicate whether any conflict of interest exists between the parties.
6.2. Detailed information on the reasons for the bond offering and the use of proceeds from the placement of the bonds	This section provides detailed information from the issuer regarding the reasons for the bond offering and the purposes for which the proceeds from the placement of the bonds will be used .
6.3. The amount and sources of additional funds required if the proceeds obtained are insufficient to finance the intended projects	
6.4. Detailed information where the proceeds are intended to be used to finance the acquisition of other enterprises, to repay or restructure debts, or to acquire assets unrelated 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 being offered (with information on newly issued and existing bonds presented separately)	Information on bonds currently in circulation and newly issued bonds is presented in table form.
7.4. Currency of bonds	
7.5. Location of the central depository responsible for the custody of the bonds and the registration of rights thereto	
7.6. Information on the rating of the offered bonds (if any) and the factors affecting such rating	<p>This section sets out any credit rating assigned to the offered securities, where applicable. The information shall include the rating level (e.g. "BB+", "Baa2", etc.), the name of the credit rating agency (such as Moody's, S&P, Fitch or other), and the date of assignment of the rating.</p> <p>In addition, it is recommended to provide a brief and clear explanation of the key financial and non-financial factors influencing the rating, such as the Issuer's financial stability, debt burden, revenue streams, market risk, and legal environment, among others.</p> <p>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."</p>
7.7. Rights attached to the bonds, the procedures for exercising those rights, and any restrictions relating thereto	See Items 3.3 and 3.4
7.8. The interest rate (yield) on the bonds (if determined)	
7.9. Maturity date of the bonds and the payment dates of the principal and interest	Precise information is provided on the timing of the payment of the nominal value and interest payments.
7.10. Limitation period for claims relating to the payment of interest and principal	The requirements relating to the limitation period under the Civil Code are taken into account
7.11. Where the interest rate is not fixed, the method for calculating the interest rate of the bond	Bax: 3.5-ci bond
7.12. Information on the adverse effects of market events on the underlying asset of the bonds (if any) and on settlements under the bonds, as well as the rules or procedures for managing or 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 settlement agent for payments	
7.14. 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 payment of interest thereon	See: Item 3.10
7.15. Terms and conditions for the repurchase (buy-back) of the bonds	See Item 3.7
7.16. The yield rate and the method of its calculation	See Item 3.8
7.17. Information on the organization representing the investors (if any)	See Item 3.9
7.18. The 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)	<p>This section provides information on any restrictions applicable to the acquisition of offered bonds. Such restrictions may fall under the following categories:</p> <p>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).</p> <p>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.</p> <p>Internal rules of the Issuer: Restrictions provided for in the Issuer's charter or in agreements between shareholders regarding the acquisition of the bonds.</p> <p>Other restrictions: For example, preferential rights granted to certain investor groups, placement within specific investor segments, or other rules applicable during the sale process.</p>
7.20. Information on withholding tax on income from the bonds. The issuer's obligations regarding the withholding of tax at source on income from the bonds.	
8. Terms and conditions of the offer	

8.1. Start and end dates of the offer and placement	
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	If the offer price is not known in advance, an explanation is provided of the methodology on which the price will be determined. It is also recommended to provide information on the persons involved in the price-setting process and their responsibilities in this 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. Issuer's full name, organizational-legal form	
11.2. Issuer's location, organizational-legal form, address and phone number	
11.3. Issuer's governing bodies and corporate governance arrangements	
11.4. A brief description of the issuer's objectives and functions	
11.5. Information on sources of funding, guarantees, and the obligations to be performed by members in favor of the issuer	Information shall be provided on the issuer's principal sources of financing (e.g. internal funds, loans, investments), any guarantees provided for the issuer's obligations (if applicable), as well as any financial or other resources that are required to be provided by the issuer's members under obligations
11.6. Recent events relating to the assessment of the issuer's solvency	Significant events occurred in recent periods (where information is available, covering the last 3 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 shall be disclosed. Such events may include, inter alia: -A brief description of the sources of financing used by the issuer over the last three years (e.g., loans, issuance of securities, etc.) and their key terms; -Changes in credit ratings; -Changes in the issuer's principal sources of revenue (for example, the loss or acquisition of major contracts); -External and internal events affecting economic and political stability (for example, increases in inflation, devaluation, geopolitical tensions, etc.).
11.7. A list of issuer's members	It is recommended to provide detailed information in the form of a table.
11.8. Information on the regulated markets on which the issuer's securities are admitted to trading.	This section provides complete and accurate information on the regulated markets where the issuer's securities are admitted to trading..
12. Financial information	
12.1. The most recently published audited financial statements for the last two years, prepared in accordance with the accounting and auditing principles adopted by the issuer, as well as a brief description of those accounting and auditing principles	The prospectus shall include the audited financial statements for the last two years , prepared and published in accordance with the accounting and auditing principles adopted by the issuer, as well as a brief description of the accounting and auditing standards used in the preparation of those financial statements (e.g., IFRS, GAAP, etc.)
12.2. Information on changes in the issuer's financial position since the end date of the most recently published audited annual financial statements.	Information shall be provided on any material changes in the issuer's financial position since the date of the most recently audited annual financial statements. If no such changes have occurred, a statement may be included to the effect that: "no material change in the issuer's financial position has occurred since the most recently audited annual financial statements."
13. Legal proceedings	
13.1. Information on legal proceedings that have had or are expected to have a material effect on the issuer's financial position or profitability within one year.	Information shall be provided on any legal proceedings over the past year that have had or may have a material impact on the issuer's financial position or profitability .