

রেজিস্টার্ড নং ডি এ-১

বাংলাদেশ



গেজেট

কর্তৃপক্ষ কর্তৃক প্রকাশিত

মঙ্গলবার, জুলাই ১৬, ২০২৪

[বেসরকারি ব্যক্তি এবং কর্পোরেশন কর্তৃক অর্থের বিনিময়ে জারীকৃত বিজ্ঞাপন ও নোটিশসমূহ]

NOTIFICATION

13 June 2024

No. BSEC/CMRRCD/2023-422/80/PRD/152—Whereas the Commission is entrusted with the responsibility to register, regulate and control the activities related to collective investment scheme under দফা (গ) of উপ-ধারা (২) of ধারা ৮ of the বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন) [Clause (c) of sub-section (2) of section 8 of the Bangladesh Securities and Exchange Commission Act, 1993 (Act No. XV of 1993)];

Whereas for development of the securities market, it is expedient to introduce real estate investment trust fund as collective investment scheme to finance real estate sector and to create scope for investment in such fund;

Now, therefore, in exercise of the powers conferred by sub-section (1) of section 24, read with clause (c) of sub-section (2) of section 8 of the Bangladesh Securities and Exchange Commission Act, 1993 (Act No. XV of 1993), the Bangladesh Securities and Exchange Commission hereby makes, after prior publication, the following Rules, namely: -

CHAPTER I PRELIMINARY

1. Short title and commencement. –

- (1) These rules may be called the “Bangladesh Securities and Exchange Commission (Real Estate Investment Trust Fund) Rules, 2024”.
- (2) These rules shall be applicable for registration, regulation and supervision of the real estate investment trust funds, real estate fund managers, trustees and other parties of such funds and for matters connected therewith and incidental thereto.

(২২১৬৫)

মূল্য : টাকা ৪৮.০০

2. Definitions. -

(1) In these Rules, unless there is anything repugnant in the context or subject-

- (1) “Act” means the বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন) [the Bangladesh Securities and Exchange Commission Act, 1993 (Act No. XV of 1993)];
- (2) “asset manager” means a ‘সম্পদ ব্যবস্থাপক’ as defined under clause (খ) of sub-rule (১) of rule ২ of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচুয়াল ফান্ড) বিধিমালা, ২০০১;
- (3) “capital call” means the demand made by a manager of the REIT fund for payment of all or part of the remaining amount of the subscription committed by the investors of such fund;
- (4) “Commission” means the Bangladesh Securities and Exchange Commission established under section 3 of the বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন);
- (5) “committed fund” means the total amount of commitments received from the investors to invest in the fund as per the scheme declared in the prospectus or constitutive document;
- (6) “constitutive documents” means the principal documents and agreements governing the formation of a REIT fund including the trust deed, scheme, prospectus, subscription agreement, investment management agreement and all other related material documents;
- (7) “connected person” means a “connected person” as defined in clause (8) of sub-rule (1) of rule 2 of the “Bangladesh Securities and Exchange Commission (Alternative Investment) Rules, 2015”.
- (8) “corpus” or “fund corpus” means the total amount realized from and committed by the investors to a REIT fund as on a particular date;
- (9) “depository” means any depository established under the ডিপজিটরি আইন, ১৯৯৯ (১৯৯৯ সনের ৬ নং আইন);

- (10) “development scheme” means such REIT scheme where a REIT fund makes investment with the object of development of an exclusive real estate project, which also starts from land acquisition to construction or refurbishment of the property within a specific period;
- (11) “direct investment” means such investment made by a REIT fund in any income generating real estate directly in its name or ownership;
- (12) “eligible investor” means the person registered with the exchange as eligible investor or qualified investor;
- (13) “indirect investment” means such investment made by a REIT fund in debt securities, asset backed securities (ABS) or Islami shari’ah based securities (ISBS) of any investee and such securities are issued by the investee specially to support its real estate project;
- (14) “infrastructure investment” means such investment made by a REIT fund in any infrastructure directly or indirectly;
- (15) “investee” means any issuer of debt securities, asset backed securities or Islami shari’ah based securities (ISBS); and such securities are issued specially to support its real estate project where a REIT fund has option to make investment;
- (16) “investible fund” means realized fund at a given time net off estimated administrative and management expenses of the fund;
- (17) “investment management agreement” or “IMA” means an agreement between REIT manager and trustee depicting details procedure of management of a REIT fund;
- (18) “investment committee” means a committee to approve investments of the fund comprising at least 03 (three) members;
- (19) “NAV per unit” means NAV of a fund divided by total number of units outstanding at a given time;
- (20) “net asset value or NAV” means total assets of a fund excluding total liabilities at a given time;
- (21) “Ordinance” means the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969);

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- (22) “paid-up size” means the total amount of the REIT fund paid-up at face value by the unit holders;
- (23) “prospectus” means an offer document, containing information and disclosures specified in **Schedule ‘G’** of these Rules, inviting investors to invest in the REIT fund;
- (24) “property manager” means an eligible company who is appointed by the REIT manager for management of the REIT property on contractual basis;
- (25) “property management” means any activity related to construction, construction management, maintenance service and all other ancillary activities related to management of REIT property, either in part or full of the said activities.
- (26) “property development activities” means any activity which involves construction or development or extension or modernization of a REIT property, which makes the fund being unable to receive or be entitled to any rental income from that REIT property in part or full during the period of construction or development or extension or modernization;
- (27) “private offer” means an offer of units of REIT fund to the eligible investors in a way other than public offer;
- (28) “public offer” means an initial offer or repeat offer of units of REIT fund made to the public;
- (29) “real estate” means land and all other properties or assets or resources, including: (i) all attachments above the land; (ii) all things that form a natural part of the land; (iii) all things that are developed or installed, including buildings and site improvements; and (iv) all permanent building attachments such as plumbing, heating and cooling systems, electrical wiring and built-in items such as elevators, etc. and all rights, benefits and interests therein, whether it is freehold or leasehold, and whether the purpose or use thereof is residential, commercial or industrial, but excludes mineral, oil, gas or other natural assets and resources;
- (30) “real estate investment trust (REIT)” means a trust established under the Trust Act, 1882 (Act No. II of 1882), on whose name a REIT fund is formed with the approval of the Commission under these Rules to invest or propose to invest in the real estate;

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- (31) “REIT asset or property” means all real estates and other assets or properties of a REIT fund acquired under the title ownership of the REIT fund;
- (32) “REIT manager (hereinafter referred to as ‘RM’)” means a company registered under these Rules for managing any REIT fund;
- (33) “REIT fund” or “fund” means any fund established or constituted in Bangladesh in the form of trust, which is to:
- (i) collect subscription from eligible investors by way of private offer or public offer or in combination of both;
 - (ii) issue its units in dematerialized form;
 - (iii) invest directly or indirectly in the real estate in accordance with a defined investment policy for the benefits of its unit holders;
 - (iv) be formed with or without specific tenure; and
 - (v) be formed after raising subscription through the issuance of units under any approved REIT scheme;
- (34) “realized fund” means the total amount of fund paid-up by the unit holders out of the fund corpus;
- (35) “rental scheme” means such REIT scheme where REIT fund makes investment in the real estate in its ownership with an object to generate rental income;
- (36) “REIT scheme” or “scheme” means the business plan and fund-pooling proposition for each REIT fund communicated or published through the prospectus or constitutive documents;
- (37) “related party” means “ a “ স্বার্থ সংশ্লিষ্ট পক্ষ” as defined in the দফা (ত) of উপ-বিধি (১) of বিধি ২ of the “বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (সুবিধাভোগী ব্যবসা নিষিদ্ধকরণ) বিধিমালা, ২০২২”;
- (38) “Schedule” means the Schedule annexed to these Rules;
- (39) “shari’ah based fund” means a REIT fund which invests in any income-generating real estate directly or indirectly under any shari’ah mode;

- (40) “shari’ah board” means a council or board for any shari’ah based REIT fund, which is responsible to validate the the structure of the fund and related deeds, agreements in light of the shari’ah as being shari’ah-compliant;
- (41) “sponsor” means any institutional eligible investor, any real estate company or any company subscribing initially, jointly or solely, to form a REIT fund;
- (42) “subscription agreement” means an agreement, between the REIT manager and the eligible investor(s) to subscribe the fund under private offer;
- (43) “trustee” means a company registered with the Commission, and appointed in respect of any REIT fund established under these Rules;
- (44) “trust deed” or “deed of trust” means the deed executed under the Trust Act, 1882 between the sponsor(s) and the Trustee in respect to the REIT fund;
- (45) “unit” means a portion of beneficial interest of the investors in the REIT fund;
- (46) “unit capital” means the total amount of the REIT fund paid-up at face value by the unit holders.
- (47) “unit holder” means any investor, who is the legal owner of one or more units of the fund and whose name appears in the depository or in the register of REIT fund;
- (2) Unless otherwise repugnant for any purpose, words and expressions used herein and not defined, but defined in the Trust Act, 1882 (Act No. II of 1882), the Registration Act, 1908 (Act No. XVI of 1908), the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), ব্যাংক-কোম্পানী আইন, ১৯৯১ (১৯৯১ সনের ১৪ নং আইন), বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন), কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন), ডিপজিটরি আইন, ১৯৯৯ (১৯৯৯ সনের ৬ নং আইন), বীমা আইন, ২০১০ (২০১০ সনের ১৩ নং আইন), ফাইন্যান্স কোম্পানী আইন, ২০২৩ (২০২৩ সনের ৫৯ নং আইন) and Rules and Regulations made under the above Acts and Ordinances shall have the same meanings respectively assigned to them in the said Acts and Ordinances.

CHAPTER II REIT SCHEME AND REIT FUND

3. Formation and Types of REIT Funds. -

- (1) A REIT fund shall be constituted in the form of a trust under the Trust Act, 1882 (Act No. II of 1882) and the trust deed to be registered under the Registration Act, 1908 (Act No. XVI of 1908);
- (2) After being registered under sub-rule (1), the trust shall open a bank account in the name of REIT fund with initial subscription by the sponsor(s);
- (3) Before registration of the trust under sub-rule (1), the draft trust deed and draft scheme for each REIT fund shall be approved by the Commission;
- (4) Every REIT fund shall be registered with the Commission under these Rules;
- (5) A REIT fund shall be formed with an object to launch either a development scheme or a rental scheme;
- (6) Each scheme of a REIT fund shall include, among other, a business plan alongwith the target project(s) or investment and target size, tenure (in case of development scheme), characteristics, investment strategy, etc.;
- (7) A REIT fund excepting development scheme shall be formed primarily with the intent of rental income;
- (8) A REIT fund may be formed with or without specific tenure; which shall be disclosed in the REIT scheme and constitutive documents:

Provided that the tenure of any REIT fund excepting development scheme shall not be less than 15 (fifteen) years:

Provided further that in case of development scheme, tenure of the REIT fund shall be specific; i.e., closed-end, which shall not be more than 10 (ten) years in any form;

- (9) A REIT fund shall be formed to make selective type of investment and operate entirely in its respective investment arena as per approved scheme only;

- (10) A REIT fund shall be invested both directly in real estate or through indirect investment in the real estate within the ceiling mentioned in rule 28;
- (11) A REIT fund may be operated as a general fund or a shari'ah based fund;
- (12) In case of shari'ah based fund, the fund manager shall conduct mudaraba or wakala agreement or any other agreement with the trustee and such agreement shall be vetted by shari'ah supervisory board (SSB);
- (13) A REIT fund shall have the following criteria:
- (a) minimum fund corpus shall be at least Tk.2,000,000,000.00 (taka two billion) and subscription by the sponsors(s), single or jointly, shall not be less than 20% (twenty percent) of the corpus of any REIT fund:
- Provided that if the REIT fund is intended to invest exclusively in the real estate project(s) in the City Corporation area, the minimum fund corpus shall not be less than Tk.30,00,000,000.00 (taka three billion).
- (b) minimum investment by the REIT Manager (RM) shall be at least 2% (two percent) of the fund corpus:
- Provided that, if the RM acts as a sponsor of any REIT fund, this investment shall be made in addition to its investment as a sponsor of the fund.
- (14) The sponsor(s) of the fund shall subscribe initially at least 50% (fifty percent) of its total committed subscription to the fund before registration of the fund and shall deposit the subscribed amount to the bank account opened under sub-rule (2);
- (15) The REIT fund is to be formed by collecting subscription by way of private offer or public offer or in combination of both;
- (16) A REIT fund shall declare cash dividend only:
- Provided that at least 90% of the distributable net income on yearly basis shall be disbursed as dividend:
- Provided further that the fund shall not disburse any cash dividend out of its non-funded or revaluation gain arises from revaluation of assets.

- (17) All investment in a REIT fund made by the sponsor(s) or REIT manager (RM) shall be locked-in for 03 (three) years from the date of issuance of units:

Provided that at least 10% (ten percent) of the sponsor(s) or RM's contribution to the fund shall be locked in upto liquidation of the fund:

Provided further that excepting development scheme, after expiry of lock-in period of 03 (three) years, any sponsor may transfer its full holdings of units of REIT fund only to another eligible sponsor whose share of unit shall also be locked-in for the same lock-in period as above.

- (18) The RM along with its connected person(s), related party and sponsor(s) shall disclose their total investment in the REIT fund to the Trustee when the investment is made; and to the investors in the annual report of the REIT fund.

4. Registration of REIT Fund. -

- (1) On and from the commencement of these Rules, no REIT fund shall be formed or operated or continued to operate unless it is registered under these Rules.
- (2) The RM and Trustee shall jointly apply for registration of the fund with a draft prospectus or constitutive document alongwith **Schedule A**, with an application fee of Tk. 1,00,000.00 (taka one hundred thousand) only by way of bank draft or payment order issued in favour of the Bangladesh Securities and Exchange Commission.
- (3) The REIT fund shall have the following eligibility criteria for registration, namely:-
- (a) the fund is formed as a trust and has opened bank account in the name of the REIT fund having minimum subscription by the sponsor(s);
 - (b) the trust deed permits it to carry on the activities of a REIT fund;
 - (c) the trust deed is prepared in accordance with **Schedule H** and prospectus is prepared in accordance with **Schedule G**;

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- (d) the key investment team of the RM shall have adequate experience, with at least one member, either internal or external, having not less than five years' experience in construction & property management related to real estate;
- (e) the RM and the Trustee appointed by the sponsor(s) shall be registered by the Commission under these Rules;
- (f) the RM may appoint a property manager who have sufficient experienced manpower for property management, and logistics to discharge its duties effectively;
- (g) the investment objective, the target investors, proposed corpus, investment style or strategy and proposed tenure of the fund are clearly described in the application and the prospectus or constitutive documents; and
- (h) the sole object of the fund is to carry out activities in furtherance of the interest of the unit holders, in accordance with the REIT scheme stated in the constitutive documents.
- (4) On receipt of the application under sub-rule (2), the Commission shall examine it, and if it is satisfied that all the requirements of these Rules are fulfilled, may accord registration to the REIT fund and issue a registration certificate as prayed for as per **Schedule "B"**, within 30 (thirty) days of receipt of the application.
- (5) If the Commission finds that the applicant does not fulfil all the requirements of these Rules or any additional submission is required, it may, within 20 (twenty) days of receipt of the application, instruct the applicant to fulfil the requirements within such time as the Commission may determine, and the Commission may accord registration, as prayed for, within 20 (twenty) days of such fulfilment.
- (6) If the Commission finds that the applicant does not fulfil any of the requirements of these Rules, or where a direction to fulfil such requirements was given under sub-rule (5) and the applicant fails to fulfil such requirements, the Commission may reject the application, stating the reasons thereof.
- (7) If the Commission decides to award registration to the fund, the RM shall pay, within 15 (fifteen) days of such decision, registration fee @ 0.10% of the fund corpus only through a bank draft or payment order issued in favour of the Bangladesh Securities and Exchange Commission.

5. Conditions of certificate. -

- (1) The registration certificate granted for any REIT fund under these Rules shall, inter-alia, be subject to the following conditions: -
 - (a) the fund shall abide by the provisions of these Rules and other applicable laws;
 - (b) the fund shall not carry on any other activity other than its permitted activities;
 - (c) the fund shall forthwith inform the Commission in writing, if there is any material change in the information already submitted.
- (2) A REIT fund which has been granted registration for a particular category of investment as per approved scheme, cannot change its scheme without approval of the Commission.
- (3) A REIT fund may collect partial commitments from the eligible investors or institutional investors or any other investors under private offer up-to a maximum period of 03 (three) months from the date of its registration and declare the target fund size in the draft prospectus and other constitutive documents to the Commission:

Provided that the target fund size shall be declared in the constitutive documents alongwith the proportion of private offer and public offer:

Provided further that in case of public offer, not more than 40% (forty percent) of the target fund size shall be collected through private offer.

- (4) If a REIT fund collects commitments under the provision of sub-rule (3), it shall have to collect 5% of the committed amount from the investors at the time of commitment which may be forfeited by the fund if the committed amount is not paid-up by any investor within 02 (two) weeks from the date of notice of capital call.
- (5) A REIT fund shall be invested in full as per approved scheme within a period of 18 (eighteen) months from the date of closure of the subscription:

Provided that upon application of the RM with recommendation of the trustee, the Commission may extend time for maximum 06 (six) months period, but not exceeding 03 (three) months in a single phase.

6. Annual fee.-

- (1) The fund registered under these Rules shall pay an annual fee @ 0.10% of the paid-up size of the REIT fund for development scheme and 0.05% of the paid-up size of the REIT fund for rental scheme to the Commission through a bank draft or payment order issued in favour of the Bangladesh Securities and Exchange Commission within 01(one) month of end of each financial year.
- (2) If any RM fails to pay the annual fee within the stipulated time, it shall be liable to pay from the REIT manager's own account, a penalty of Tk.50,000.00 (taka fifty thousand) only for each month of default or part thereof.

7. Cancellation of registration of a fund. - The Commission, if thinks fit, may cancel the registration of a fund after informing the trustee and providing the RM and the Trustee an opportunity of being heard, if:

- (1) the Commission determines that such action is necessary in the interest of the unit holders; or
- (2) the unit holders, through a special resolution, request the Commission on reasonable ground to cancel the registration of the fund; or
- (3) the trustee satisfies the Commission, on reasonable ground that continuation of the fund may be detrimental to the interest of its unit holders; or
- (4) the RM has kept 70% of the total fund uninvested for more than 01 (one) year without having any reasonable ground in favour of the unit holders or any force majeure issues:

Provided that on what reasonable ground, the fund may be uninvested that shall be mentioned in the constitutive documents.

- (5) the RM can't acquire desired land or property within 180 (one hundred eighty) days without having any reasonable ground in favour of the unit holders or any force majeure issues.

8. Effect of cancellation of registration of a fund. -

- (1) Where the Commission decides to cancel the registration of a REIT fund, the Commission shall instruct the Trustee to proceed for winding-up of the fund in terms of these Rules.
- (2) The liquidation of assets and distribution of the fund upon revocation of the trust shall be made by the Trustee in accordance with the winding-up procedure
- (3) The trust shall stand be extinguished after disposal of all assets and distribution of proceeds to the unit holders.

**CHAPTER III
REIT MANAGER AND ITS ROLE****9. Eligibility of Registration of REIT Manager (RM). –**

- (1) A REIT manager shall be registered under these Rules and no person shall act as RM to manage any REIT fund without such registration.
- (2) An eligible person shall apply for registration as a REIT manager to the Commission as per **Schedule ‘C’** along with an application fee of Tk. 1,00,000.00 (taka one hundred thousand) only through a bank draft or payment order issued in favour of the Bangladesh Securities and Exchange Commission.
- (3) The applicant shall have the following eligibility criteria to apply for registration, namely:
 - (a) It is a public limited company registered in Bangladesh or statutory organization having paid-up capital of at least Tk 200 (two hundred) million in case of owned by any local or joint venture applicant, but at least Tk. 300 (three hundred) million in case of wholly-owned foreign applicant:

Provided that the Commission may allow an eligible asset manager or fund manager or portfolio manager to be registered under this rule as an RM having less than paid-up capital of Tk. 200 million with the condition that such applicant shall raise its capital at required level as mentioned above at clause (a) within 06 (six) months of getting registration under this rule;
 - (b) it has to maintain minimum net worth of 75% (seventy-five percent) of its total paid up capital on continuous basis;

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- (c) it maintains adequate financial, technical, infrastructural and organizational facilities and human resources, and employs appropriate systems, procedures, technologies, processes and personnel to discharge REIT fund management services in a proper and efficient manner on an ongoing basis;
 - (d) neither the applicant, nor any of its directors is a loan defaulter based on the latest CIB report of Bangladesh Bank and is not also a defaulter in payment of any obligation of any debt securities including ISBS;
 - (e) neither the RM of the fund, nor any of its affiliates or directors has any related party relation with the respective Trustee to the REIT fund;
 - (f) it has no track record of default, negligence or non-compliance with any of the securities laws for discharging its duties in the last 05 (five) years, if it is in any way connected with the securities market;
 - (g) it maintains satisfactory internal controls & internal audit and written compliance and risk management procedures addressing all applicable regulatory requirements.
 - (h) it has at least 02 (two) directors including 01 (one) independent director who have at least 05 (five) years of experience in developing or managing large real estate projects.
 - (i) it prepares its financial statements as per International Financial Reporting Standards (IFRS) as applicable in Bangladesh, and audited as per International Standards on Auditing (ISA);
 - (j) it appoints a Chief Executive Officer (CEO), a Chief Investment Officer (CIO) and a compliance officer each having a relevant academic background and at least 07 (seven) years relevant professional experience;
- (4) On receipt of the application under rule 9(2), the Commission shall examine it, and if it is satisfied that all the requirements of these Rules are fulfilled, the Commission may accord registration as per **Schedule 'D'** to the REIT manager, as sought for, within 30 (thirty) days of receipt of the application.

- (5) If the Commission finds that the applicant does not fulfil all the requirements of these Rules or any additional submission is required, it may, within 20 (twenty) days of receipt of the application, direct the applicant to fulfil the requirements within such time as the Commission may determine, and the Commission may accord registration as prayed for within 20 (twenty) days of such fulfilment.
- (6) If the Commission finds that the applicant does not fulfil any of the requirements of these Rules, or where a direction to fulfil certain requirements was given under sub-rule (5) and the applicant fails to fulfil such requirements, the Commission may reject the application, stating the reasons thereof.
- (7) If the Commission decides to award registration to the applicant, it shall pay, within 15 (fifteen) days of such decision, registration fee of Tk. 5,00,000.00 (taka five hundred thousand) only through a bank draft or payment order issued in favour of the Bangladesh Securities and Exchange Commission.

10. Annual Fee.-

- (1) The REIT fund manager registered under these Rules shall pay an annual fee of Tk. 1,00,000.00 (taka one hundred thousand) only to the Commission through a bank draft or payment order issued in favour of the Bangladesh Securities and Exchange Commission within 1(one) month of end of each financial year.
- (2) If any REIT fund manager fails to pay the annual fee within the stipulated time, it shall be liable to pay a penalty of Tk.25, 000.00 (taka twenty five thousand) for each month of default or part thereof.

11. Transfer of management of the funds and surrender of registration certificate of a REIT Manager.

- (1) The RM or the Trustee or the unit holders, if think necessary to do so, may transfer the management of a fund to another RM, subject to approval of at least $\frac{2}{3}$ rd (two-third) majority of the unit holders by value of their investment in the fund in a general meeting, and thereafter get approval of the Commission;
- (2) The RM shall apply to the Commission for cancellation of its registration or appointment, if it transfers the management of all the funds managed by it to other RM(s), within 06 (six) months of the last transfer.

12. Duties and responsibilities of RM. - An RM shall:

- (1) manage the fund in accordance with these Rules as well as the constitutive documents and all applicable laws including notifications, guidelines and directives issued under those in the interest of unit holders, without gaining any undue advantage for itself or any of its connected persons;
- (2) ensure that in case of a capital call, the investors are given at least two weeks' time in writing to make the payments against such calls;
- (3) carry out all transactions involving the fund on an arm's length basis;
- (4) ensure that the manager, its directors and employees and members of the investment committee do not have related party relation or any material interest in any investee;
- (5) ensure collection of KYC and other documents from the investors, if applicable;
- (6) disseminate or disclose proper information to the investors so that they can understand the constitutive documents and fully aware of the risk & return potentials of the investment in the fund;
- (7) prepare a business plan and an 'investment and property management guidelines' with the approval of the Trustee and ensure strict compliance of the said guidelines and business plan;
- (8) ensure that the investments made are properly identified and held for the benefit of the unit holders in accordance with the provisions of the constitutive documents, these Rules and all other applicable laws;
- (9) ensure that all investments are made as per the approved scheme & investment guidelines with prior approval of the investment committee:

Provided that the REIT manager shall take investment decision for investment in real estate property with prior approval of the investment committee, but shall also obtain consent from the Trustee before disbursement of fund for investing in any real estate property;

- (10) closely monitor the status of real estate property and also the status of the respective projects;
- (11) not delegate its investment management functions to any other person;

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- (12) maintain at its registered office, proper books and records of accounts and activities undertaken, preferably by using fintech, in order to enable forming a true and fair view of:
- (a) the assets and liabilities of the fund;
 - (b) profits and losses accruing out of the operation of the fund;
 - (c) transactions undertaken with respect to the fund;
 - (d) amounts received in respect of issue of units;
 - (e) analysis of fund utilization by the investees and real estates projects;
 - (f) investments made out of the investible fund; and
 - (g) pay-outs, if any, by way of distributions to the unit holders;
- (13) maintain books and following records of the fund till 05 (five) years after winding up of the fund:
- (a) the title deeds of real estate property and other assets under the ownership of the fund;
 - (b) valuation policies and practices;
 - (c) investment strategies;
 - (d) particulars of investors and their contribution;
 - (e) rationale for the investments made;
 - (f) settlement of the fund and payment made to the unit holders; and
 - (g) all constitutive documents of the fund.
- (14) within 90 (ninety) days of closing of the accounting year of the fund, prepare financial statements of each fund as per the International Financial Reporting Standards (IFRS) and get those audited as per International Standards on Auditing (ISA) by an auditor or audit firm enumerated in the panel of auditors as declared by the Commission from time to time;
- (15) within 30 (thirty) days of completion of the audit, transmit the following documents certified by the Trustee to the unit holders and the Commission:
- (a) annual report;
 - (b) balance sheet stating details of investments depicting cost and realizable value of such investments;

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- (c) income statement;
 - (d) cashflow statement;
 - (e) auditors' report to the unit holders on the accounts including comments on the investments made by the fund; and
 - (f) statement of movement in NAV per unit of the fund;
- (16) also provide the annual report, a report to the investors including the following information, as may be applicable to the fund: -
- (a) financial information of the assets invested;
 - (b) investments made to each real estate or security and return on such investments;
 - (c) material risks and how they are managed which shall include, among others:
 - i. concentration risk at fund level;
 - ii. foreign exchange risk at fund level;
 - iii. leverage risk at investee levels;
 - iv. liquidation risk (i.e. change in exit environment) of assets and securities;
 - v. strategy risk (i.e. change in or divergence from business strategy) at investee level;
 - vi. reputation risk at investee level;
 - vii. extra-financial risks, including environmental, social and corporate governance risks, at fund and investee level; and
 - viii. transaction with connected person;
- (17) transmit half yearly unaudited financial statements and report of the fund to the trustee and the Commission;
- (18) invest and manage the investible funds in accordance with the approved scheme and objectives depicted in the constitutive documents;
- (19) ensure that no material change in the approved scheme of the fund is made without the approval of the trustee and the Commission;
- (20) undertake valuation of assets of the fund as per the valuation methodology, at least semi-annually, by an independent valuer appointed by the Trustee, other than statutory auditors of the fund, RM and the Trustee:

Provided that the valuation shall be conducted by an eligible valuer enlisted with the Commission:

Provided further that till the Commission enlist the panel of valuers, an audit firm appointed from the panel of auditors of the Commission may conduct the valuation;

- (21) disseminate NAV per unit of the fund at least half-yearly to the unit holders, the Trustee and the Commission;
- (22) ensure that the valuation methodology of the fund is prepared in accordance with the international valuation standards (IVS) and IFRS;
- (23) immediately inform the Commission of any special resolution passed by the unit holders;
- (24) ensure that after the extinguishment of the fund, the trust is dissolved and the proceeds are distributed amongst the unit holders;
- (25) copies of the constitutive documents, financial statements and others shall make available in the official website of the REIT manager and trustee for the investors;
- (26) immediately inform the Commission in writing if there is any change in the information already submitted;
- (27) review policies and procedures, and their implementation, on a regular basis, or as a result of business developments, to ensure their continued appropriateness;
- (28) act responsibly in a fiduciary capacity towards the investors and shall disclose to the investors, all conflicts of interests as and when they arise or seem likely to arise;
- (29) establish and implement written policies and procedures to identify, monitor and appropriately mitigate conflicts of interest throughout the scope of business;
- (30) maintain high level principles on avoidance of conflicts of interest with connected persons;
- (31) ensure transparency and disclosure of information to investors, among others, on the following:
 - (a) financial, operational, portfolio, transactional information and risk management regarding fund investments;
 - (b) any fees ascribed to the RM or Trustee; and any expenses charged to the fund;

- (c) any inquiries/legal actions by legal or regulatory bodies of any jurisdiction, as and when occurred;
 - (d) any material liability arising during the fund's tenure, as and when occurred;
 - (e) any breach of provision of the prospectus or agreements or any other constitutive documents, as and when occurred; change in control of the Trustee, sponsors, RM and investees; and
 - (f) any transaction(s) with connected person(s);
- (32) ensure that any loss or expense resulted from negligence of the RM, its officers or appointed persons is not charged to the fund;
 - (33) address all investor complaints;
 - (34) provide any information sought by the Commission;
 - (35) maintain all records as may be specified by the Commission;
 - (36) take all reasonable steps to address all sorts of conflict of interests;
 - (37) ensure transparency and disclosures as specified in these Rules and the constitutive documents;
 - (38) lay down procedure for settlement of disputes between or among the investors, fund, manager, Trustee or sponsor through arbitration or any such other mechanism as mutually decided between the investors, the Trustee and the manager;
 - (39) ensure insurance coverage, fire safety requirement of property or real estate under REIT fund;
 - (40) prepare code of conduct for the directors and employees of RM to mitigate conflict of interest; and
 - (41) conduct special meeting of unit holders as and when required.

13. Appointment of Property Manager. – A property manager of any fund may be appointed by the REIT Manager, under its discretion, subject to the following eligibility criteria, namely:

- (1) the property manager must have at least 05 (five) years of experience in construction, development and management of real estate property or projects at least in 03 (three) large projects under its management.
- (2) where an RM has an equity interest in the property manager, the RM shall disclose it to the Trustee before appointment of property manager and get approval of the Trustee for such appointment, with an intimation to the Commission.

- (3) The property manager may be entitled to a negotiable fee within the ceiling specified by the Commission from time to time:

Provided that the fee to be given to any property manager by the REIT manager, it shall be within the ceiling of fee allocated for the REIT Manager.

14. Fund formation and management fee. –

- (1) An RM is entitled to REIT fund formation fee of 01% (one percent) of the paid-up size of REIT fund after successful operation of the fund:

Provided that the RM may receive in each year maximum @ 20% (twenty percent) out of total formation i.e., 100% fee within 05 (five) years of fund formation.

- (2) The RM shall be entitled to an annual fund management fee @1% (One percent) of paid-up size of REIT fund or year-end NAV of the fund, whichever is lower in case of development scheme and @ 10% (ten percent) of the annual operating income in case of rental scheme:

Provided that if any RM performs the role of property manager by itself with its own human resources, the RM shall be entitled to an annual fee of maximum 0.50% of the paid-up size of REIT fund in case of development scheme and @ 2.5% (two point five percent) of the annual operating income in case of rental scheme:

Provided further that the fund management fee including property management fee shall not be more than 1.50% (one point five percent) of the paid-up size of REIT fund or NAV of the fund, whichever is lower in case of development scheme and not more than 12.5% (twelve point five percent) of the annual operating income in case of rental scheme:

- (3) An RM may be entitled to performance fee, if introduced, by the order of the Commission from time to time.

CHAPTER IV
REGISTRATION, APPOINTMENT OF TRUSTEE AND ITS ROLE

- 15. Registration and Appointment of the Trustee.** – (1) The Trustee of any REIT fund shall be appointed by the sponsor(s) with prior approval of the Commission and with due registration under these Rules.
- (2) The Trustee shall apply for registration to the Commission as per **Schedule ‘E’** along with required information & documents and application fee of Tk. 50,000.00 (taka fifty thousand) only through a bank draft or payment order issued in favor of the Bangladesh Securities and Exchange Commission.
- (3) The Trustee shall have the following eligibility criteria to apply for registration, namely: -
- (a) Any company already registered as trustee with the Commission or any public limited company, which has minimum paid-up capital of Tk. 200 (two hundred) million:
- Provided that if any registered trustee company complies with all requirement for registration under these Rules shall also have minimum total capital as per the Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019;
- (b) has adequate experienced manpower in the real estate sector and legal academic qualifications to discharge its duties as a Trustee;
- (c) has management experience of at least one mutual fund or alternative investment fund or any other fund approved by the Commission;
- (d) neither the Trustee, nor any of its affiliates or directors have any relation with the RM or connected person of the RM;
- (e) neither the trustee, nor any of the proposed members of the Board of Trustee of the fund shall have any relation with REIT manager or investees under the fund;
- (f) Board of Trustee shall constitute of at least 05 (five) members including at least 02 (two) independent members (i.e., not from the trustee company) having minimum 05 (five) years experience in the real estate sector;
- (g) neither the Trustee, nor any of its members of the Board of Trustee is a loan defaulter on the basis of latest CIB **report**;

- (h) do not act as arranger or advisor of the fund nor pursue any investor to or not to invest; and
 - (i) has no track record of default, cancellation of any fund management role by the investors or regulators, negligence or non-compliance with any of the securities laws for discharging its duties, if it is in any way connected with the securities market.
- (4) On receipt of the application under sub-rule (2), the Commission shall examine it, and if satisfied that all the requirements under sub-rule (3) and other requirement, of these Rules are fulfilled, the Commission may accord registration to the Trustee as per **Schedule F** to act as a trustee to the REIT fund, as sought for, within 30 (thirty) days of receipt of application.
- (5) If the Commission finds that the applicant does not fulfil any of the requirements of these Rules or any additional submission is required, it may, within 20 (twenty) days of receipt of the application, direct the applicant to fulfil the requirements within such time as the Commission may determine, and the Commission may accept the appointment, as prayed for, within 20 (twenty) days of such fulfilment.
- (6) If the Commission finds that the applicant does not fulfil any of the requirements of these Rules, or where a direction to fulfill certain requirements was given under sub-rule (4) and the applicant fails to fulfil such requirements, the Commission may reject the application of appointment, stating the reason thereof.
- (7) If the Commission decides to award registration to the Trustee, it shall pay, within fifteen days of such decision, registration fee of Tk. 50,000.00 (taka fifty thousand) only through a bank draft or payment order issued in favour of the Bangladesh Securities and Exchange Commission.

16. Duties and responsibilities of the Trustee. –

- (1) The Trustee shall have to perform the following duties and responsibilities in addition to those described in the trust deed concerned, namely: -
- (a) shall act on behalf of and for the exclusive interest of the investors or unit holders;
 - (b) shall ensure compliance with all the requirements of these Rules;
 - (c) shall issue units to the investors upon receiving full payment against such units;

- (d) shall ensure that the issuance of units is carried out in accordance with the provisions of these Rules, the prospectus, constitutive documents and any directions, guidelines or orders if issued by the Commission;
- (e) shall maintain the register of unit holders;
- (f) shall preserve the trust deed and other constitutive documents in its office for observation of the investors and also made available in its official website;
- (g) shall call the unit holders' meeting and enforce the decisions thereof;
- (h) shall take adequate steps to redress grievances of the investors within one month from the date of receipt of any complaint and shall keep the Commission informed about the number, nature and other particulars of the complaints received and the manner in which such complaints have been redressed;
- (i) shall sue or to be sued on behalf of the unit holders;
- (j) shall exercise due diligence and vigilance in carrying out its functions and duties under the constitutive documents, these Rules and all other applicable laws;
- (k) shall ensure that the title to all REIT assets or properties of the fund is lawfully vested in the trust;
- (l) shall hold all the title deeds, agreement, porcha, dakhila, rent receipt and all other legal deeds, on updated basis, of REIT properties or assets of the fund in its custody on behalf of the unit holders in accordance with the provisions of the constitutive documents, these Rules and all other applicable laws:

Provided that for safe custody of securities or financial assets of the REIT fund, trustee may appoint any custodian registered with the Commission:

Provided further that even after appointment of custodian the trustee shall be responsible for safe custody of REIT assets, properties, title documents or financial assets of the REIT fund;

- (m) shall not delegate any of its duties;
- (n) shall not legally or beneficially own the units of the fund;
- (o) shall receive or ensure payments from eligible investors for subscription of units and deposit the money received by the fund in a scheduled bank account maintained entirely for this purpose;

- (p) shall appoint auditors of the Fund upon its establishment or in the event of any vacancy:

Provided that the auditor so appointed shall be from amongst the panel of auditors of the Commission and it shall not be the auditor(s) of the RM or the Trustee and the auditor shall not be appointed for more than 03 (three) consecutive years;

- (q) shall appoint an independent valuer for valuation of the fund's investment;
- (r) shall form an independent Shariah Supervisory Board for a shari'ah based REIT fund;
- (s) shall monitor the activities of the REIT manager in respect of investments out of the investible fund in accordance with the constitutive documents, these Rules or any other applicable law;
- (t) shall approve an investment committee for the fund upon recommendation of the RM;
- (u) shall submit quarterly reports to the Commission on the following matters:
- i. information on investments and investees;
 - ii. status of all the REIT assets and properties;
 - iii. information of income and expenses of the fund and returns paid to investors;
 - iv. information of lock-in, if applicable;
 - v. information and status of complaints lodged by the unit holders; and
 - vi. any other information as the Commission may require from time to time;
- (v) shall authorize the RM including signatories to open bank accounts, BO accounts and securities trading accounts in the name of the fund;
- (w) shall approve person(s) of RM to represent in the board of directors of investees, if required, upon recommendation of the RM; and
- (x) shall immediately inform the Commission regarding any action of the RM that contravenes any provision of the constitutive documents, these Rules or any other applicable laws.

- (2) The trustee shall ensure the appointment of property manager, if RM requires and also monitor the activities of property manager as per these Rules.
- (3) the trust deed or the terms of appointment of the Trustee cannot be varied or modified without prior approval of the Commission.
- (4) the Trustee shall enter into an investment management agreement with the RM.
- (5) the Trustee shall be entitled to an annual Trustee fee including the custodianship fee of maximum 0.30% of the paid-up fund size.

17. Cancellation of registration and appointment of the Trustee and replacement of a new Trustee. —

- (1) The Commission may, considering the appeal of at least $\frac{2}{3}$ rd (two-third) majority of the unit holders by value of their investment in the fund or in the event of negligence of duties of the Trustee or in the public interest, if it thinks fit, cancel registration or appointment of the Trustee and replace the Trustee by a new Trustee:

Provided that before cancellation of registration or appointment, the Trustee shall be given an opportunity of being heard.

- (2) A Trustee can resign with prior approval of the Commission which shall not be effective until appointment of a new Trustee and handing over charges by the resigning Trustee.
- (3) A Trustee shall cease to exist as Trustee of a fund upon full and final redemption of all the units at the end of operational life of the fund.
- (4) To replace the Trustee, the unit holders shall appoint a new Trustee by a resolution passed by all unit holders as per the Trust Act, 1882 and submit for approval of the Commission.
- (5) The new Trustee shall meet the qualification requirements of these Rules.
- (6) The Trustee who is replaced shall handover its charges to the new Trustee after it gets approval of the Commission and up to that period the existing Trustee shall carry on its responsibilities as Trustee to the fund.

CHAPTER V**Valuer and Valuation**

- 18. Appointment of Valuer.** - (1) The Trustee shall appoint a valuer for each REIT fund from the panel of valuers if published, or from the panel of auditors enlisted, with the Commission, as per the provision of these Rules.
- (2) The valuer shall not be appointed for a consecutive period exceeding 03 (three) years.
- (3) The valuer of any REIT fund shall not be statutory auditor of the REIT fund.
- (4) The trustee shall, within 02 (two) working days of appointment of the valuer of REIT fund, inform the Commission of such appointment with a copy of the contract entered into with the valuer.

19. Criteria for a Valuer. -

(1) No person shall be appointed as a valuer unless it fulfils the following criteria:

- (a) registered as eligible valuer with the Financial Reporting Council (FRC), if required, and shall be enlisted in the panel of valuers, if published, of the Commission:

Provided that till the Commission publishes the panel of valuer, any audit firm which is in the panel of auditors of the Commission shall be eligible as a valuer of a REIT fund;

- (b) shall have qualified & experienced technical professionals to conduct technical valuation of real estate property:

Provided that technical professional shall be structural engineer or architect and also be a member of Institute of Engineers of Bangladesh (IEB) or Institute of Architects of Bangladesh (IOAB);

- (c) The valuer shall have professional experience of conducting valuation of real estate projects or properties for at least 03 (three) years;
- (d) The valuer is not denied or disqualified for membership of the recognized professional organization or any sanction, disciplinary proceedings or investigation which might lead to disciplinary action by any relevant regulatory authority or recognized professional organization;

- (2) The valuer, in consultation with the technical professional, shall conduct the valuation of real estate properties or projects:
Provided that such valuation report shall include the report of technical professional, if suggested by the Trustee.
- (3) The valuer must not accept any engagement in conducting valuation of the REIT assets or properties in such case where there may be an actual or potential conflict of interest.
- (4) the valuer shall be independent and shall satisfy the following requirements:
 - (i) the valuer shall have no related party relation or any relation in any way with the RM, trustee or any of their directors or officers;
 - (ii) the valuer does not have any financial, professional or other interests that may affect its ability to render unbiased professional services to the REIT fund; and
 - (iii) its promoters, directors, members or partners, as the case may be, have never been convicted of any offence involving moral turpitude.

20. Roles and responsibilities of the Valuer. – The valuer shall:

- (a) not hold units of the REIT fund for which it has been appointed as a valuer;
- (b) at least once in every year value the real estate and produce a Valuation Report on all real estate acquired or intended to be acquired, developed or sold by the RM for the REIT fund;
- (c) ensure that the valuation methodology adopted by it is in line with the International Valuation Standard (IVS) as well as global best practices prevalent in the real estate industry;
- (d) have to determine the REIT fund's NAV per unit, a fair and accurate valuation of all assets/properties and liabilities of the REIT fund and must be conducted according to the relevant standards of IFRS and IAS.
- (e) ensure that its opinion and valuation is objective and independent to its business or commercial relationships;
- (f) immediately inform the RM and the Trustee of any circumstances or factors that come into the knowledge of the valuer which can reasonably affect the accuracy of the last Valuation Report submitted by the valuer;

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- (g) use the appropriate valuation approaches, showing adequate substantiation and in compliance with the relevant valuation standards such as International Valuation Standards or other applicable valuation standards recognized by Financial Reporting Council or other appropriate professional bodies;
- (h) ensure that the data adopted are adequate, verified, correctly analyzed and followed through in arriving at the value conclusion. Adjustments made must be consistent, appropriate, justified and with explanatory notes provided;
- (i) confirm that they have verified that the ownership possession and use of the assets are due to the REIT Fund in its valuation report; and
- (j) follow the requirements or valuation guidelines (General requirements, Disclosure requirements and Ethical principles) issued by the Commission from time to time.
- 21. Declaration by the Valuer.** - The valuer, at the time of appointment and at the end of each quarter, shall furnish a declaration to the RM and the Trustee, stating that it meets all the requirements specified in rule 20.
- 22. Basis of valuation.** –(1) The definition and source of the basis of valuation used shall be cited in the valuation report. A basis of valuation is a statement of the fundamental measurement assumptions of a valuation which does not contradict with the applicable valuation and accounting standards.
- (2) Any assumptions used in the valuation shall be clearly stated in the valuation report, and must be realistic, relevant and adequately substantiated by reference to physical, functional and market factors.
- (3) The valuer shall value the REIT assets or properties on the basis of market value or fair value:
- Provided that in case of valuation of immovable assets or properties under the REIT fund, it shall also consider the technical report on current replacement cost basis:
- Provided further that in determining the market value or fair value of immovable property, the valuer shall conduct a market survey in the respective region where the real estate property or project is situated.
- 23. Annual fee of the Valuer.** – The valuer shall be paid an amount of annual fee as determined by an agreement between the valuer and the trustee, with prior approval of the Commission and such annual fee shall not be contingent upon the amount of value of the real estate assets or properties as valued by the valuer.

24. Limitation of approved valuation. –

- (1) Acceptance of any documents relating to valuation of REIT assets or properties or issuance of any approval or permission based on such documents shall not be construed as an endorsement of accuracy of such valuation by the Commission.
- (2) The valuer shall, at all time, perform its roles and responsibilities with due competence, honesty, integrity and professionalism, and shall remain impartial while rendering professional services.

25. Removal of a Valuer. -

- (1) The Commission may remove any valuer if:
 - (a) the valuer goes into liquidation, becomes bankrupt or if a receiver or administrator is appointed over its assets; or
 - (b) the RM or the Trustee states in writing showing appropriate reason that change of the valuer is desirable in the interest of the unit holders; or
 - (c) the majority unit holders pass a resolution requiring the removal of the valuer; or
 - (d) the valuer contravenes any provision of the Act, Ordinance, these Rules, or any directives, code or guidelines made there under by the Commission from time to time.
- (2) for the purpose of clause (c) of sub-rule (1), the Commission may instruct to call a meeting of the unit holders on a petition of 20% (twenty percent) unit holders in terms of value of the investment and the valuer shall be given the opportunity to be present in the meeting and defend itself.
- (3) The Commission shall not remove the valuer under this rule unless it has provided the valuer an opportunity of being heard.
- (4) Upon retirement or removal of the valuer, the trustee shall appoint a new valuer that meets all the criteria and requirements of these Rules with intimation to the Commission of such appointment or get permission of the Commission, if required.

26. Discretion of the Commission to cause valuation. -

- (1) The Commission, if it deems necessary, may cause valuation of REIT fund or any REIT asset or property by appointing a valuer.
- (2) The valuation carried out under sub-rule (1) shall be final and binding on all concerned.
- (3) Any fees and costs incurred in this respect shall at first instance be paid by the trustee and shall be reimbursed from the REIT fund.

CHAPTER VI**INVESTMENT CONDITIONS AND RESTRICTIONS**

27. Investment in a fund. - The REIT manager (RM) may raise capital for a fund from the investors through issuance of units in accordance with the following conditions:

- (1) the fund shall be raised from any investors whether resident or non-resident Bangladeshi or foreign by way of issuance of units upon realization of the subscription;
- (2) the proposed fund corpus shall be disclosed in the prospectus or constitutive documents;
- (3) the minimum subscription under private offer to the units of a fund shall be Tk. 300,000.00 (taka three hundred thousand) by any eligible Institutional Investor and Tk. 50,000 (taka fifty thousand) by any other eligible investor:

Provided that minimum subscription under public offer to the units of a fund shall be Tk. 10,000/= (taka ten thousand) by each public investor:

Provided further that the Commission may refix the minimum subscription requirement under public or private offer from time to time.

- (4) the offer to the units of a fund shall be made through a scheme wise prospectus or constitutive documents for subscription through private offer or public offer or in both;

28. Investment conditions and restrictions. - All investments from the investible fund shall be made subject to the following conditions: -

- (1) the RM shall make such investments which are in conformity with the investment management agreement and approved scheme;
- (2) the investible fund shall not be invested in any project having relation with a connected person to the sponsor(s) or the RM or the Trustee or the custodian;

(3) Investment parameters:

- (a) In case of rental scheme, at least 80% (eighty percent) of the fund corpus shall be invested directly in the income generating real estate and maximum 20% (twenty percent) of the fund corpus shall be invested through indirect investment in such AA rated debt securities or ISBS of investee which is issued preferably to finance its real estate or infrastructure project:

Provided that during initial 03(three) years, the RM may make indirect investment of maximum 60% (sixty percent) of the fund corpus.

- (b) In case of development scheme, any investment in real estate property by the REIT fund shall not be exclusively used for acquisition of land property:

Provided that if the acquisition of land is a part of approved development scheme, such acquisition shall be within the ceiling as described in the scheme:

Provided further that the fund shall not use more than 40% (forty percent) of the paid-up size for the land acquisition purpose.

- (c) the REIT fund shall not be invested in acquisition of any real estate property which is encumbered against any loan obligation.
- (d) the investment in real estate shall not be for trading intent, rather it shall be for long term investment.
- (e) the investment under clause (a) in real estate property or project shall be made at least after completion of two-third portion of the property development activities in the respective real estate under business plan or at least after incurring of two-third portion of total project cost as described in the corresponding business plan.
- (f) in case of delay in fulfilling the requirement of investment under clause (a) under direct investment, the unused portion of realized fund may be invested only in government securities or money market instruments as recognized by Bangladesh Bank up-to a maximum period of 01 (one) year:

Provided further that out of the maximum ceiling mentioned at clause (a) under indirect investment, i.e., other than real estate, the unused portion of realized fund may also be investable in government securities or AA rated debt securities or ISBS issued by any issuer;

- (g) investment in any single real estate property under clause (a) shall be for minimum 07 (seven) years period, which shall be reported at deed value:

Provided that the deed value shall also include the legal & ancillary expenses related to registration & acquisition of real estate property:

Provided further that if any real estate property is required to dispose of before 07 (seven) years period, it requires to take approval of the Trustee with due intimation to the Commission mentioning the reason thereof.

- (h) investment in a single real estate property or project or debt securities or ISBS of a single investee shall not exceed 25% (twenty five percent) of the fund corpus:

Provided that in a special case, the Commission may allow maximum 40% (forty percent) of the fund corpus in any single real estate property or debt securities including ISBS of a single investee which is issued to support its real estate project:

Provided further that if the REIT fund holds the controlling interest of any real estate project the above provision may be waived by the Commission subject to special recommendation of the trustee;

- (i) investment in real estate property under development scheme shall be exclusively by the REIT fund having title ownership over the property, and such property shall not be lease hold land or property;
- (j) the investment under clause (b) in development scheme shall be made in line with the approved scheme and business plan;
- (k) no fund shall invest in any real estate property or in any securities of any non-listed real estate portfolio company other than approved scheme or business plan:

Provided that in case of investment in any securities of listed real estate company, it does not require to include in the business plan component wise;

- (4) in compliance with sub-rule (3), any investment made by a REIT fund under indirect investment in any non-listed securities shall be made fully in pure debt securities including ISBS;
- (5) no REIT fund shall borrow funds directly or indirectly and engage in leverage activities;
- (6) in case of an Islamic REIT fund, the activities of the investee must be Shariah compliant and in determining the Shariah compliance status of the investee and investments, the REIT manager shall disclose the Shariah screening methodology prepared by the Shariah Supervisory Board for such issue in the prospectus or constitutive documents;
- (7) investment made by an Shari'ah based REIT fund shall be made in such mode or real estate property or project or securities, which shall be Shariah compliant;
- (8) investment made by the REIT fund either through direct investment or indirect investment must disclose the liquidation plan in the business plan or prospectus or constitutive documents:

Provided that the liquidation plan shall also include the use of investment proceeds in the last year of the fund.

- (9) investment made by the REIT fund shall be in those real estate properties, which has received regulatory permission from the competent authority and the concerned developer shall be a member of recognized real estate association (e.g., REHAB).

29. Listing and transfer of investments. -

- (1) The units of a REIT fund which pooled through public offer or both of private and public offer shall be listed with any stock exchange in Bangladesh for secondary trading:

Provided that units of a REIT fund which pooled only through private offer shall not be listed with any stock exchange for secondary trading.

- (2) An investee issued debt securities including ISBS in which any REIT fund has made investment more than 25% (twenty five percent) in such securities shall not apply for listing of such debt securities with any stock exchange within 02 (two) years from the date of last investment made in it by a REIT fund.

30. Life of the fund. –

- (1) A REIT fund shall be established for a minimum period of 15 (fifteen) years for rental scheme and maximum ten (10) years period for development scheme, which shall be disclosed in the prospectus or constitutive documents.
- (2) In case of development scheme, if a REIT fund is initially formed with a closed-end nature with a specific tenure, and if allowed by initially approved constitutive documents, the tenure of the fund may be extended for a further period of maximum 02 (two) years beyond its disclosed tenure.
- (3) In case of rental scheme, if a REIT fund is initially formed with an open-end nature without having any specific tenure, and if allowed by the initially approved constitutive documents, the fund may be fixed at specific tenure.
- (4) The life of a REIT fund may be extended under sub-rule (2) or shortened or fixed under sub-rule (3), subject to approval of at least 2/3rd (two-third) majority of the unit holders by value of their investment in the fund, in a general meeting to be held at least 6 (six) months before maturity of the fund and subsequent approval of the Commission.
- (5) The commission may issue order for winding up of any REIT fund in such circumstances where the investors' interest is hampered, or suspected to be hampered.

CHAPTER VII
MISCELLANEOUS

31. Enquiry and Inspection. -

- (1) The Commission may, on its own motion or upon receipt of any information or complaint, appoint one or more persons as enquiry or inspection officer to undertake enquiry on any matter or inspection of the books of account, records and documents relating to a real estate investment trust fund, the REIT manager, the Trustee or any other person for any of the following reasons, namely: -
 - (a) to ensure that the books of accounts, records and documents are being maintained in the manner specified in these Rules;
 - (b) to enquire or inspect complaints received from unit holders, investors or any other person, on any matter having a bearing on the activities of the real estate investment trust fund or any other person related to it;
 - (c) to ascertain whether the provisions of the Act, the Ordinance and these Rules are being complied with by the real estate investment trust fund, the REIT manager, the Trustee and any party related thereto;
 - (d) to enquire or inspect the affairs of a real estate investment trust fund, the REIT manager and the Trustee in the interest of the securities market or the investors.
- (2) The enquiry or inspection shall be made in accordance with the relevant provisions of the Act.

32. Allowable expenses. -

- (1) The REIT manager is entitled to charge the following expenses to the fund:
 - (a) Expenses relating to formation and floatation of the fund;
 - (b) Fees payable to the Commission;
 - (c) Trustee fee;
 - (d) Fund management fee;
 - (e) Auditors' fee;

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- (f) Valuers' fee;
 - (g) Property management fee; and
 - (h) Other fees related to the fund.
- (2) The total expenses shall not be charged to the REIT fund exceeding 3% of the year end NAV of the fund and such charges shall be approved by the Trustee and clearly disclosed in the constitutive documents and annual report of the fund with head wise break-up.
- 33. Submission of reports to the Commission.** –The Commission may at any time call upon the Real Estate Investment Trust Fund, the REIT manager, the Trustee or any of the contractual party with the fund to file such reports, as the Commission may think fit, with respect to the activities of the Real Estate Investment Trust Fund and the concerned person shall submit such reports as called upon.
- 34. Call for information and documents. -**
- (1) The Commission may at any time call for any information and documents from a Real Estate Investment Trust Fund or REIT manager or sponsor or Trustee or unit holders or any contractual party of the fund with respect to any matter relating to the fund or for the assessment of risk or prevention of fraud.
 - (2) Where information and documents are called for under sub-rule (1) it shall be furnished within the time specified by the Commission.
- 35. Winding up of the fund. -**
- (1) **Conditions of winding up:** A REIT fund formed as a trust shall be wound up:
 - (a) when the tenure of the fund as mentioned in the constitutive documents comes to an end; or
 - (b) in the opinion of the Trustee, winding up of the fund is necessary in the interests of the unit holders; or
 - (c) if 66% (sixty-six percent) of the unit holders by value of their investment in the fund pass a resolution at a meeting that the fund be wound up; or

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- (d) if the Commission so directs in the interests of the investors; or
 - (e) if 70% of the fund corpus remain uninvested without any reasonable ground other than any force majeure issue for a period longer than one (01) year; or
 - (f) by order of a competent court.
- (2) **Intimation and notice:**
- (a) the Trustee of the REIT fund shall inform the Commission of the circumstances leading to the winding up of the fund as soon as those arise;
 - (b) the Commission shall examine the information and if thinks appropriate, instruct the Trustee to proceed for winding-up;
 - (c) the Trustee and REIT manager shall separately send notices intimating investors of the circumstances leading to the winding up of the fund and publish the same in at least one Bangla and one English newspaper.
- (3) **Consequences of the notice:** On and from the date of publication of the notice under sub-rule (2):
- (a) no further investments shall be made out of the fund;
 - (b) no business activities of the fund shall be carried out;
 - (c) no further fund shall be raised;
 - (d) no further units shall be issued; and
 - (e) no payment shall be made.
- (4) **Process of winding up:**
- (a) within 30 (thirty) days from the date of publication of notice under sub-rule (2), the Trustee shall hold a meeting of unit holders where authorization of 75% (seventy-five percent) of the investors present by value of their investment in the fund shall be required to empower the Trustee to take necessary actions for winding up:
- provided that in the events mentioned in clause (a), (c), (d), (e) or (f) of sub-rule (1) of Rule 35, the said meeting shall not be required;

- (b) the Trustee, if empowered under clause (a), shall proceed for liquidation of the assets of the fund in the best interest of the unit holders, and the proceeds accruing to the unit holders shall be distributed to them in proportion to their respective interest in the assets of the fund as on the date when the decision for winding up was taken, through bank drafts or payment orders, after satisfying all liabilities due under the fund and making appropriate provisions for meeting the expenses in respect of the winding up.

(5) Reporting regarding winding up:

- (a) Within 30 (thirty) days from the completion of the winding up, the Trustee shall forward to the Commission and the unit holders, a report on the winding up certified by the auditors of the fund containing particulars such as circumstances leading to the winding up, the steps taken for liquidations of assets of the fund, expenses of winding up, net assets available for distribution to the unit holders, payments made to the unit holders etc.;
- (b) upon receiving the report under clause (a), the Commission shall, if satisfies that all the procedures have been observed appropriately, cancels the registration of the fund.

36. Clarification, instructions. -

- (1) The Commission may provide clarifications of any provision of these Rules in case of arising any confusion; and
- (2) The Commission may issue instructions and guidelines under these Rules.

37. Contravention. – If any Real Estate Investment Fund, REIT manager or Trustee or any other person violates any of the provisions of these Rules, the Act or the Ordinance or furnishes false, incorrect or misleading information or suppresses any information, the Commission may take appropriate actions under the বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন) or the Securities and Exchange Ordinance, 1969, as applicable.

SCHEDULE – A
[See Rule 4(2)]

Application for registration of a REIT Fund

A. Information to be furnished:

- (1) Name of the fund:
- (2) Type of the fund (General/Islamic with specific tenure or without specific tenure):
- (3) Size and tenure of the fund:
- (4) Nature of the fund (Development scheme /Rental scheme):
- (5) Name and brief description of the sponsor(s) along with amount and percentage of contribution to be made by each of them:
- (6) Name of the REIT manager with registration number & date:
- (7) Name of the Trustee with registration number & date: (with a copy of appointment of trustee of the fund)
- (8) Name of the auditors:
- (9) Description of Shari'ah Supervisor Board (SSB), in case of Islamic funds:
- (10) Name of the Valuer:
- (11) Name of the property manager, if any:
- (12) Names of the prospective investors, if any:
- (13) Names of the prospective investees, if any:
- (14) Names of the sectors/industries where the fund intends to invest:

B. Documents to be submitted:

- (1) Structure of the fund;
- (2) Draft REIT scheme;
- (3) Draft Trust Deed;
- (4) Draft Subscription Agreement;
- (5) Draft Investment Management Agreement;
- (6) Estimated Valuation of the real estate;
- (7) Due Diligence Certificate of the REIT manager (as per **Schedule 'I'**);

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- (8) Due Diligence Certificate of the Trustee (as per **Schedule ‘J’**);
 - (9) Copies of appointment letter and registration certificate of the Trustee;
 - (10) Copies of appointment letter and registration certificate of the REIT manager;
 - (11) Brief profile of members of the key investment team of the REIT manager;
 - (12) Brief profile of members of the investment committee for the fund;
 - (13) Brief description of the Shariah council, if applicable;
 - (14) Draft valuation methodology; and
 - (15) All other draft agreement(s) and other relevant documents as required by the Commission.

(Name, signature with date and stamp of the REIT manager)

(Name, signature with date and stamp of the Trustee)

Schedule – B
[See Rule 4(4)]

Certificate of Registration REIT Fund

In exercise of the powers conferred by section 10 of the বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন) read with rule 4(4) of the Bangladesh Securities and Exchange Commission (Real Estate Investment Trust Fund) Rules, 2024, the Commission hereby grants a certificate of registration to _____, as REIT Fund, subject to the conditions specified in the Act and the Rules or as may be imposed hereafter by the Commission.

Category of the REIT Fund: Development Scheme/Rental Scheme.

Registration number of the REIT Fund is _____.

For and on behalf of

BANGLADESH SECURITIES AND EXCHANGE COMMISSION

Authorized Officer

SCHEDULE – C
[See Rule 9(2)]

Application for Registration of a REIT Manager

A. Information to be furnished:

- (1) Name:
- (2) Addresses of the registered office and corporate head office with telephone number(s), fax number(s), e-mail address:
- (3) Name, designation, telephone and cell phone numbers and e-mail address of the contact person(s):
- (4) Legal status of the REIT manager (whether company/statutory body):
- (5) Date and place of incorporation/ establishment and date of commencement of business, which applicable:
- (6) Short description of business:
- (7) Other business activities of the REIT manager:
- (8) Capital and shareholding structure:
- (9) Net worth as per latest audited financial statements:
- (10) Names and addresses of the REIT manager's auditors:
- (11) Latest status of loan or any other debt obligations of the REIT manager and its directors:
- (12) Whether fund manager or any of its directors has any relation with the capital market, if any, details:
- (13) Name, educational qualification and experience of the CEO and compliance officer:
- (14) Name, experience, educational qualification and profession of the directors of the REIT manager:
- (15) Name and experience of other key executives of the REIT manager:
- (16) Organizational structure:
- (17) Description of necessary infrastructure for rendering REIT management services:
- (18) Names and addresses of subsidiary or associate companies of the REIT manager, if any:
- (19) Brief description of funds already managed or formed by the REIT manager with present status, if any:
- (20) Any other information as required by the Commission.

B. Documents to be submitted:

- (1) Memorandum and Articles of Association or such other constitutive documents;
- (2) Certificate of Incorporation;
- (3) Certificate of Commencement of Business, if applicable;
- (4) Audited financial statements for the latest accounting year;
- (5) Board resolution deciding to work as a REIT manager;
- (6) Bankers' certificate and bank statements evidencing share money deposited against paid-up capital;
- (7) Brief profile of CEO, Chief Investment Officer, compliance officer and other key executives;
- (8) Office layout;
- (9) CIB Undertakings of the REIT manager and its directors; and
- (10) Any other documents as required by the Commission.

For and on behalf of the REIT manager
(Name, signature with date and stamp of the applicant)

SCHEDULE – D

[See Rule 9(4)]

Certificate of Registration to Act as REIT Manager

In exercise of the powers conferred by section 10 of the বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন) read with rule 9(4) of the Bangladesh Securities and Exchange Commission (Real Estate Investment Trust Fund) Rules, 2024, the Commission hereby grants a certificate of registration to _____, to act as a REIT Manager, subject to the conditions specified in the Act and the Rules or as may be imposed hereafter by the Commission.

Registration number of the REIT Manager is _____.

For and on behalf of

BANGLADESH SECURITIES AND EXCHANGE COMMISSION

[Authorized Officer]

Schedule – E
[See Rule 15(2)]

Application for registration of Trustee to a REIT fund

A. Information to be contained:-

- (1) Name of the applicant:
- (2) Legal status and core business of the applicant:
- (3) Registered address and telephone numbers of the applicant:
- (4) Name, address and telephone number of the compliance officer for the REIT fund:
- (5) Date of incorporation:
- (6) Date of commencement of business:
- (7) Authorized capital:
- (8) Paid-up capital:
- (9) Net worth:

B. Documents to be submitted:-

- (1) Certified copy of memorandum and articles of association;
- (2) Certified copy of certificate of incorporation and certificate of commencement of business;
- (3) Certified copy of particulars of directors;
- (4) Certified copy of return of allotment of shares, or annual summary of share capital;
- (5) Copies of licenses for the applicant's core business;
- (6) Latest audited financial statements;
- (7) Resolution of the board of directors deciding to act as Trustee to the fund;
- (8) An affidavit containing the declarations under Rule 15(3)(d), (e), (f) and (g);
- (9) Description of manpower and logistic support/infrastructure to discharge its duties as a trustee;
- (10) Bio-data of the Chief Executive Officer and Compliance Officer;
- (11) CIB undertakings; and
- (12) Draft trust deed, if any, for any forthcoming issue of REIT fund;

(Name, signature with date and stamp of the Chief Executive Officer)

Schedule – F
[See Rule 15(4)]

Certificate of Registration to Act as Trustee

In exercise of the powers conferred by section 10 of the বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন) read with rule 14(4) of the Bangladesh Securities and Exchange Commission (Real Estate Investment Trust Fund) Rules, 2024, the Commission hereby grants a certificate of registration to _____, to act as a “Trustee of any REIT fund”, subject to the conditions specified in the Act and the Rules or as may be imposed hereafter by the Commission.

Registration number of the Trustee is _____.

For and on behalf of
BANGLADESH SECURITIES AND EXCHANGE COMMISSION

[Authorized Officer]

SCHEDULE – G**[See Rule 2(23), Rule 4(3)(c)]****Format and contents of the Prospectus**

(Notice: - This is not an exhaustive list. The REIT manager is obliged to disclose any other information that may be necessary to enable the eligible investors to make informed decision.)

A. Material Information:

- (1) In addition to the information specifically required by these Rules, the placement memorandum shall contain all material information necessary to enable the investors to make an informed assessment of the fund, the investment, the REIT manager, the Trustee, the units being offered, the rights and obligations of the unit holders, the REIT manager, the Trustee and all other parties attaching to the fund.
- (2) The Commission may require disclosure of additional information in the placement memorandum as it considers appropriate for a particular fund, which shall be complied with.
- (3) If the Commission requires such disclosure, it shall inform the REIT manager of the additional information in writing.

B. Information to be included in the Placement Memorandum-

- (1) Cover Page of the placement memorandum: On the cover page of the placement memorandum, the following information shall be furnished, namely: -
 - (a) Name and address of the REIT manager:
 - (b) Name and address of the Trustee:
 - (c) Issue date of the placement memorandum:
 - (d) The following statement: “If you have any query about this document, you may consult the REIT manager and the Trustee”:
 - (e) The following statement in bold type:

“APPROVAL OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE OFFER OF UNITS OF THIS FUND UNDER THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION (REAL ESTATE INVESTMENT TRUST FUND) RULES, 2024. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS APPROVAL THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE CORRECTNESS OF ANY OF THE INFORMATION AND STATEMENTS MADE OR OPINION EXPRESSED IN THE

PROSPECTUS AND OTHER CONSTITUTIVE DOCUMENTS. SUCH RESPONSIBILITY LIES WITH THE REIT MANAGER, ITS DIRECTORS AND OFFICERS, AND THE TRUSTEE. THIS PROSPECTUS IS APPROVED TO OFFER THE UNITS TO THE INVESTORS AND COMPETENT TO UNDERSTAND THE RISK & RETURN POTENTIALS TO INVEST AND COMMIT CAPITAL TO THE FUND. INVESTORS ARE ADVISED TO MAKE THEIR OWN ANALYSIS REGARDING THE INVESTMENT BEFORE MAKING THE INVESTMENT DECISION."

- (f) A statement that the REIT manager accepts the responsibility for the accurateness and correctness of information contained in the placement memorandum at the date of publication.
- (2) Table of contents.
 - (3) Report to the unit holders.
 - (4) Due diligence certificates.
 - (5) Risk factors and the REIT manager's perception about all risks likely to arise in respect of the fund, the Investments, management of the fund, investees and sectors thereof, business environments, national and international policies and all other related factors are to be clearly disclosed.
 - (6) Details of the REIT manager.
 - (7) Details of the investment committee.
 - (8) Details of the Trustee.
 - (9) Description of Valuer to the fund.
 - (10) Description of Shai'ah Supervisory Board, if applicable.
 - (11) Summary of the material clauses of the trust deed.
 - (12) Investment opportunities and investment strategy of the fund.
 - (13) Description of the approved REIT scheme.
 - (14) Manner of investment to the units of the fund with terms and conditions.
 - (15) Obligations and rights of the Trustee, REIT manager and eligible investors.
 - (16) Dividend policy.
 - (17) Details of fees and charges to be paid by the fund.
 - (18) Description of Auditors to the fund.
 - (19) Accounting year of the fund.

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- (20) Particulars and frequency of the financial reports to be sent to the unit holders.
 - (21) An overview of the applicable regulatory and legal framework.
 - (22) Circumstances and procedure for the revocation of the trust and mechanism for the distribution of assets of fund, upon the extinction or revocation of the trust.
 - (23) Retirement or removal of the Trustee, or REIT Manager.
 - (24) Circumstances and procedure for the change of REIT manager upon the request of the unit holders.
 - (25) Exit procedure of the unit holders.
 - (26) Meetings of the unit holders.
 - (27) Complaints and settlement procedure.
 - (28) Disclosures and declarations required under these Rules.
 - (29) Details of the utilization of proceeds of the fund.
 - (30) Features of the fund, namely: -
 - (1) Type of the fund (General/Islamic with specific tenure or without specific tenure):
 - (2) Size and tenure of the fund:
 - (a) Nature of the fund (Development scheme/rental scheme):
 - (b) Basic features of the units;
 - (c) Transferability/Liquidity;
 - (d) Returns to investors.
 - (31) Description of the investees, if ascertained any, among others, including the following:-
 - (a) Capital structure;
 - (b) Brief financial information;
 - (c) Business;
 - (d) Business prospects;
 - (e) Management;
 - (f) Profile of Directors/Owners of the investee;
 - (g) Description of assets and liabilities/financial position.
 - (32) Details of the property where the fund is likely to invest, among others, the following factors:

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- (a) SWOT Analysis;
 - (b) Details of the key factors;
 - (c) Entry or exit barriers;
 - (d) Future potentials of the projects; and
 - (e) Government support or fiscal policies, if any.
- (33) Modus Operandi of the fund including:
 - (a) Application procedure;
 - (b) Issuance of unit certificate.
 - (34) Any other information that the Commission may specify.
 - (35) Application form for allotment of units with KYC of the applicants.

Each page of the draft prospectus to be duly signed and stamped by the chief executive officers of the REIT Manager (RM) and the Trustee.

SCHEDULE – H
[See Rule 4(3)(c)]

Format and contents of the Trust Deed

The Trust Deed must contain *inter alia* the following clauses:

- (1) Date and place of execution:
- (2) Name and legal status of the parties concerned:
- (3) Objectives of the fund:
- (4) Definitions:
- (5) Relation between the parties:
- (6) Governing Laws:
- (7) Registered address of the Trustee:
- (8) Commencement and termination of the trust:
- (9) Costs involved with the fund and by whom the costs are to be assumed:
- (10) Description of the parties:
- (11) Description of the fund:
 - (a) Type of the fund (General/Islamic with specific tenure or without specific tenure):
 - (b) Size and tenure of the fund:
 - (c) Nature of the fund (Development scheme /rental scheme):
- (12) Modus operandi of the fund:
- (13) Rights, duties and obligations of the Trustee:
- (14) Rights, duties and obligation of the REIT Manager:
- (15) Rights, duties and obligation of the valuer:
- (16) Rights, duties and obligation of the property manager, if appointed:
- (17) Rights, duties and obligation of the custodian, if appointed:
- (18) Rights and obligations of the sponsors:
- (19) Rights and obligations of the unit holders:
- (20) Accounts and audit thereof:
- (21) Valuation policy of the investments:
- (22) Dividend Policy:
- (23) Retirement of the Trustee and appointment of a new Trustee:
- (24) Meetings of unit holders of the fund with power, scope and quorum of the meetings:
- (25) Amendment provisions of the trust deed:
- (26) Copy of agreement, if there is multiple sponsors, for setting the terms & propositions, rights & obligations, and others:
- (27) Any other clauses:

Each page of the trust deed to be duly signed and stamped by the authorized persons of the sponsors and the Trustee.

Schedule – I
[See Schedule A]

Due Diligence Certificate of the Manager of the Fund

Chairman
Bangladesh Securities and Exchange Commission

Sub:(Name of the proposed fund)

We, the under-noted manager to the above mentioned forthcoming real estate investment trust fund, state as follows:

1. We, while act as REIT manager to the above mentioned real estate investment trust fund, declare and certify that the information provided in the application, including that provided in the attached sheets and documents enclosed, is complete and true in all respects;
2. We further certify that we shall inform the Bangladesh Securities and Exchange Commission immediately of any change in the information provided in the application and the documents attached with that; and
3. We warrant that we shall comply with and be bound by the Securities and Exchange Ordinance, 1969, বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন), কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন), the Bangladesh Securities and Exchange Commission (Real Estate Investment Trust Fund) Rules, 2024, and the Rules, guidelines, circulars, orders and directions that may be issued by the Bangladesh Securities and Exchange Commission from time to time in this respect.

WE CONFIRM THAT:

- a) the draft prospectus forwarded to the Commission is in conformity with the documents, materials and papers relevant to the fund;
- b) all the legal requirements connected with the said fund have been duly complied with; and
- c) the disclosures made in the draft prospectus and other constitutive documents are true, fair and adequate to enable the investors to make a well-informed decision for investment in the proposed fund.

For the Manager of the Fund

(Name, signature with date and stamp of the Chief Executive Officer)

Schedule – J
[See Schedule A]
Due Diligence Certificate of the Trustee

Chairman
Bangladesh Securities and Exchange Commission

Sub: (Name of the proposed fund)

We, the under-noted trustee to the above-mentioned forthcoming fund, state as follows:

1. We, while act as trustee to the above mentioned fund on behalf of the investors, have examined the draft prospectus and other constitutive documents, legal and other documents and materials as relevant to our decision; and
2. On the basis of such examination and the discussions with the REIT manager and it's officers, and other agencies; independent verification of the statements concerning objects of the fund and the contents of the documents and other materials furnished by the REIT manager: -

WE CONFIRM THAT:

- (a) all information and documents as are relevant to the issue have been received and examined by us and the draft prospectus, draft trust deed and other constitutive documents forwarded to the Commission have been approved by us;
- (b) we have also collected and examined all other documents relating to the fund;
- (c) while examining the above documents, we find that all the requirements of the Bangladesh Securities and Exchange Commission (Real Estate Investment Trust Fund) Rules, 2024 have been complied with;
- (d) we shall act as trustee to the issue as mentioned above as per provisions of the trust deed to be executed with the sponsors and shall assume the duties and responsibilities as described in the trust deed and other constitutive documents;

- (e) we shall also abide by the Bangladesh Securities and Exchange Commission (Real Estate Investment Trust Fund) Rules, 2024 and conditions imposed by the Commission as regards of the fund;
- (f) we shall act to our best for the benefit and sole interests of the unit holders of the fund; and
- (g) the above declarations are unequivocal and irrevocable.

For Trustee

(Name, signature with date and stamp of the Chief Executive Officer)

By order of the Bangladesh Securities and Exchange Commission

Professor Shibli Rubayat-UI-Islam
Chairman.