

B632394



TRUST DEED

OF

SB GLOBAL DEVELOPMENTAL REIT FUND

SHARIAH COMPLIANT DEVELOPMENT REIT SCHEME

BETWEEN

SB GLOBAL REIT MANAGEMENT COMPANY LIMITED

AND

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

Dated: 30-10-2019



1278



محمد اسماعیل انعام فروش

1076

دارغ 24-10-19
SB
لینڈ ریکارڈ کمیٹی انفارمیشن
ADP



35401-0419

(SB Global Reit Management Company Limited)

(through an Authorized Persons)

Name: Sabib Berjees

05/11/2019

محمد اسماعیل انعام فروش

CNIC No: 35403-7614136-7

رجسٹری آپریٹر
مرزا کامران بیگ



(وقف کرینڈہ / لوکل
کمیٹی سنٹرل
ڈیپوٹری کمپنی آف پاکستان

GLOBAL
MANAGEMENT
COMPANY

3540104199465

25-10-19



(Central Depository Company of Pakistan Limited)

(through an Authorized Persons)

Name: Atiqur Rehman

CNIC No:- 42501-9253203-1

(SB Global Reit Management Company Limited)

(through an Authorized Persons)

Name: Sabib Berjees

CNIC No:- 35403-7614136-7



(IDENTIFIER)

Name: M. Faheem Akram Bhatti

CNIC No:- 35202-4542012-5

Address: Govt College of Science

The execution, subject and contents of
this Trust Deed has been admitted by
Mr. SB Global Reit Executant
The parties have signed in my presence and
Identified by Faheem NIC #
and by Mr.

M. Faheem's
Local Commission



This Trust Deed has been presented before
Local Commission Mian Muhammad Awais
On 30-10-19 at about 11:00 am by
Mr. SB Global (Executant) at Lahore

M. Faheem's
Local Commission

M. Faheem's
7/11/19

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TRUST DEED
OF
SB GLOBAL DEVELOPMENTAL REIT FUND
A Shariah Compliant Developmental REIT Scheme

(a Developmental REIT Scheme constituted under
the Real Estate Investment Trust Regulations, 2015)

1. PARTICIPATING PARTIES AND CONSTITUTION OF TRUST

THIS TRUST DEED is made and entered into at Lahore, on this 30 day of October, 2019

By and Between

- I SB GLOBAL REIT MANAGEMENT COMPANY LIMITED**, an unlisted public limited company incorporated under the erstwhile Companies Ordinance, 1984 (now Companies Act, 2017) having its registered office at Suite 801 C, City Towers, Gulberg II, Lahore, (hereinafter referred to as the "RMC", which expression shall, where the context so permits, include its successors in interest and permitted assigns) of the **One Part**;

And



- II CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED**, an unlisted public limited company incorporated in Pakistan under the erstwhile Companies Ordinance, 1984 (now Companies Act, 2017), having its registered office at CDC House, 99-B, Block "B", S.M.C.H.S, Main Shahra-e-Faisal, Karachi (hereinafter referred to as the "Trustee", which expression where the context so permits, include its successors in interest and permitted assigns) of the **Other Part**.

WHEREAS:

- A. RMC is licensed by the Securities and Exchange Commission of Pakistan ("SECP" or "Commission") to act as REIT Management Company under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 ("Rules") to launch REIT Schemes and carry out REIT Management Services in terms of the Real Estate Investment Trust Regulations 2015 ("REIT Regulations") vide License No. SEC/SCD/PRDD/REIT/SBGRMCL/05/2016 dated




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July 14, 2016, as renewed vide SECP's Licence No. SCD/PRDD/REIT/SBGRMCL/2019/01 dated July 26, 2019, dated July 26, 2019 attached hereto as **Annexure-A**;

- B. RMC has been authorized by the SECP vide its Letter No. SCD/PRDD/REIT/SB-GRMCL/2019-19 dated October 3, 2019, appended hereto, as **Annexure-B**, issued in terms of Regulation 3C of REIT Regulations, to constitute a Trust under the name and title of "*SB Global Developmental REIT Fund*", as a Developmental REIT Scheme (hereinafter referred to as the "**Fund**", or "**Closed-end Scheme**", or "**Trust**", or "**REIT Scheme**") and to register this Deed, pending registration of the Scheme under Regulation 5 of REIT Regulations;
- C. RMC has nominated and appointed the Trustee as the trustee of the Scheme and the Trustee has accepted such appointment under Regulation 3B of the REIT Regulations upon the terms and conditions herein contained and the Consent Letter No. CDC/CEO/L-104/2019 dated May 23, 2019 issued by the Trustee, appended hereto, as **Annexure-C**;
- D. The SECP has approved the appointment of the Trustee vide Letter No. SCD/PRDD/REIT/SB-GRMCL/2019/20 dated October 3, 2019 appended hereto as **Annexure-D**.

NOW, THEREFORE, THIS DEED WITNESSETH AS FOLLOW:

2. DEFINITIONS

Unless the context requires otherwise the following words or expressions shall have the following meaning respectively assigned to them viz.: -

- 2.1. "**Accounting Date**" means in case of the final Accounting Period, the date on which the money required for final distribution is transferred to the Distribution Account, and in any other case the 30th day of June in each year, provided, that RMC may, with the written consent of the Trustee and the approvals of the SECP and Commissioner Inland Revenue, change such date to any other date.
- 2.2. "**Accounting Period**" means a period ending on, and including, an Accounting Date and commencing, in case of the first Accounting Period, on the date on which the REIT Assets are first transferred to the Trustee and, in any other case, from the end of the preceding Accounting Period.
- 2.3. "**Act**" means the Companies Act, 2017, including any substitutions or amendments thereof.
- 2.4. "**Architect**" means a renowned firm of qualified and experienced civil engineers and/or Town Planners, who is a member of Pakistan Council of Architects and Town Planners to be recommended by the Development Advisor and appointed by RMC for concept preparation, architectural design preparation, and performing related functions as are normally and customarily performed by architects of multi-storeyed projects.



- 2.5. **"Auditor"** means the auditor of the Scheme appointed by RMC with the prior written consent of the Trustee in accordance with the REIT Regulations, and shall include a firm of chartered accountants eligible to be appointed as auditors of a REIT Scheme.
- 2.6. **"Authorized Investment"** means investment primarily in Real Estate approved by the Commission, and it may include placement of surplus funds with AA rated Shariah Compliant Banks, other Financial Institutions and Money Market Funds in accordance with the REIT Regulations, 2015.
- 2.7. **"Bank"** means Islamic Financial Institution(s) or Financial Institution(s) with Islamic window operations, providing banking services under the Banking Companies Ordinance, 1962, or any other regulation in force for the time being in Pakistan, or if operating outside Pakistan, under the banking laws of the jurisdiction of its operation outside Pakistan.
- 2.8. **"Bank Accounts"** means those account(s) opened and maintained for the Trust by the Trustee with the Islamic Bank(s) and/or Islamic Banking Window(s) of conventional Bank(s), the beneficial ownerships in which shall vest in the Unit Holder(s).
- 2.9. **"Blocked Units"** mean those Units issued to RMC and/or other Strategic Investors, including the Seller of the Land, being collectively not less than 25% Units of the REIT Scheme to be held in blocked account(s) with Central Depository Company of Pakistan Limited throughout the life of the REIT Scheme as stipulated in the REIT Regulations.
- 2.10. **"Borrowing"** means the funds received from Shariah Compliant Financial Institutions for the REIT Project with an obligation to pay back the same with profit or other agreed consideration, as may be approved by the Shariah Advisor.
- 2.11. **"Business Day"** means any day that is Monday to Friday, except gazetted public or provincial holiday.
- 2.12. **"Business Plan"** means the business plan prepared by RMC for the REIT Project, as specified in Regulation 2(1)(i) of REIT Regulations as may be amended from time to time.
- 2.13. **"CDC Act"** means Central Depositories Act, 1997, as amended from time to time.
- 2.14. **"CDC Regulations"** means Central Depositories Company of Pakistan Limited Regulations, as amended from time to time.
- 2.15. **"CDS Eligible Security"** means Securities defined as Eligible Securities as mentioned in CDC Act and CDC Regulations.
- 2.16. **"Connected Person"** shall have the same meaning as ascribed thereto in the REIT Regulations.
- 2.17. **"Civil Works Contractor"** means a contractor to be appointed by RMC upon recommendation of the Development Advisor under an agreement for development and construction of the REIT Project and shall include sub-contractor(s) appointed by the Civil Works Contractor.



- 2.18. **"Constitutive Documents"** mean this Deed, the Offering Document and other Major Agreements governing the formation, management and operation of the Trust and development of the REIT Project.
- 2.19. **"Customer"** means an individual, entity, trust or other organization purchasing the Premises against payment of Purchase Price as determined by RMC to be paid to the Trustee on account of the REIT Scheme in accordance with payment schedule to be incorporated in the agreement between the Customer and RMC, and Trustee which shall be disclosed in the Business Plan and the Offering Document.
- 2.20. **"Customer Advance"** means the value to be received by the Trustee, in accordance with the REIT Regulations, 2015, from the Customer in advance in pursuance of payment schedule against Purchase Price for the sale of the Premises in the REIT Project.
- 2.21. **"Development Advisor"** means a single entity or a consortium of entities (duly registered or licensed with their respective professional body(ies)/association(s)/councils, etc.) to be appointed by RMC in consultation with the Trustee for undertaking the planning, designing, costing, scheduling, contract preparation, coordination and development supervision of the REIT Scheme.
- 2.22. **"Distribution Account"** means the Bank Account, which may be current, saving or deposit account, maintained by the Trustee with a Bank, approved by RMC, in which the amount required for the distribution of dividend to the Unit Holder shall be transferred.
- 2.23. **"Duties and Charges"** means in relation to any particular transaction or dealing all stamp and other duties, taxes, government charges, brokerage, bank charges, transfer fees, registration fee and other duties, fees and charges in connection with the transfer of the REIT Assets in favour of the Trustee.
- 2.24. **"Financial Close"** means the stage when all investment and financing arrangements have been made and funds have been received by the Trustee in the Bank Account of the REIT Scheme, as per the Business Plan.
- 2.25. **"Financial Institutions"** shall have the same meaning as defined in the Act, provided that they are Shariah Compliant.
- 2.26. **"Force Majeure"** means any occurrence or circumstance or element which delays or prevents performance of any of the terms and conditions of this Deed or any obligations of RMC or the Trustee and shall include but not limited to any circumstance or element that cannot be reasonably controlled, predicted, avoided or overcome by any party hereto and which occurs after the execution of this Deed and makes the performance of the Deed in whole or in part impossible or impracticable or delays the performance, including but not limited to any situation where performance is impossible without unreasonable expenditure. Such circumstances include but are not limited to floods, fires, droughts, typhoons, earthquakes and other acts of God and other unavoidable or unpredictable elements beyond reasonable control, such as war



(declared or undeclared), insurrection, civil war, acts of terrorism, accidents, strikes, riots, turmoil, civil commotion, any act or omission of a governmental authority, failure of communication system, hacking of computer system and transmissions by unscrupulous persons, closure of stock exchanges, banks or financial institutions, freezing of economic activities and other macro-economic factors, etc. or any other event beyond the control of the RMC or the Trustee which prevents or significantly hinders or prevents performance the operations of the RMC or Trustee

- 2.27. **"Frustration of Contract"** means inability on part of RMC and/or the Trustee to fulfil their respective obligations due to decisions, orders or directives of federal, provincial or local governments or governmental authorities, including but not limited to Lahore Development Authority, Lahore Metropolitan Corporation, Cantonment Board of the pertinent area (if any), Civil Aviation Authority, Punjab Environmental Protection Agency Court(s)' injunction(s) or restraining order(s) or action(s) of any investigation authorities and agencies, including but not limited to change of law, change of policy or regulations of such governments or authorities, refusal to approve building plans for the REIT Project by the concerned authorities, limiting the construction to a certain level or number of floors, or imposition of inordinate conditions for developing the REIT Project, which in the opinion of RMC makes the REIT Scheme unfeasible.
- 2.28. **"Fund", or "Closed-end Scheme", or "Trust", or "REIT Scheme"** means the ***SB GLOBAL DEVELOPMENTAL REIT FUND*** constituted by this Deed, as a closed end scheme whose Units are to be traded at PSX.
- 2.29. **"Offering Document"** means a document containing minimum information to be prepared by RMC in accordance with Schedule-IV of the REIT Regulations, including any amendments thereto or substitution thereof at the relevant time, in order to invite the public to buy units.
- 2.30. **"Information Memorandum"** means a document containing minimum information to be prepared by RMC in accordance with Schedule-IVA of the REIT Regulations, including any amendments thereto or substitution thereof at the relevant time.
- 2.31. **"Initial Valuers"** mean the two Valuers who are appointed by RMC in consultation with Trustee and who have issued initial Valuation Reports in respect of the Land under Regulation 4(2)(x) of the REIT Regulations.
- 2.32. **"Land"** means Commercial Plot D of land bearing Survey No. 131/A-4, near Rangers Headquarters, Lahore Cantt, admeasuring 9761 Sq. Yds., selected and identified by RMC on which REIT Project is to be developed, which shall be transferred to the REIT Scheme by the Seller, after the registration of the REIT Scheme by the SECP under REIT Regulations.
- 2.33. **"Major Contracts"** mean all contracts and agreements executed or to be executed in connection with the development of the Real Estate, including sale agreement and conveyance deed for acquisition and transfer of the Land to eventually form part of the REIT Scheme, disposal of the Premises thereof, contracts and agreements entered into with Customers, Development Advisor, Architect, Civil Works Contractor, Valuer, Material Providers, Service Providers, Borrowing and Finance Agreements to be executed with the Banks and Financial Institutions,





mortgage/charge documents, guarantees and all other agreements entered into or to be entered into for furtherance of the objects of the REIT Scheme.

- 2.34. **"Material Providers"** mean suppliers of all construction materials required for development and completion of REIT Project, **including but not limited to** iron, steel, cement, bitumen, reti, bajri, wood, tiles, electrical equipments, wiring, glasses, water, sanitary and sewerage materials, bathrooms fittings, paints, polishes, etc.
- 2.35. **"Net Assets"** mean difference between value of the assets and liabilities of the REIT Scheme, as given in the balance sheet at any given date to be computed as per the methodology and criteria laid down in the regulatory framework.
- 2.36. **"Net Asset Value" or "NAV"** means per Unit value of the Fund arrived by dividing the Net Assets by the number of Units outstanding.
- 2.37. **"Par Value"** means the face value of a Unit that shall be PKR 10/-.
- 2.38. **"Premises"** means the saleable area of the REIT Project including but not limited to residential flats, apartments, or accommodations by whatever name called in the REIT Project, along with any other area including but not limited to shops, showrooms, kiosks, etc. to be sold to the Customers.
- 2.39. **"Pre-IPO Investors"** means,
a. financial institutions as defined in Companies Act, 2017;
b. securities broker as defined in Securities Act, 2015;
c. high net worth individuals investing an amount not less than Rs. 3.0 Million; and
d. companies whose memorandum allow such investment.
- 2.40. **"Private Investor"** means a person excluding charitable trust, societies and not-for-profit organizations, which alone offers a minimum of twenty million rupees for investment in REIT Scheme and furnishes a declaration to RMC that it completely understands all the risks of investment in a REIT Scheme.
- 2.41. **"PSX"** means Pakistan Stock Exchange Limited.
- 2.42. **"Purchase Price"** means the price of each individual Premises sold or to be sold to a Customer in the REIT Project, with undivided sub-leasehold share in the Land.
- 2.43. **"Real Estate"** means Land to be acquired by the Trust as selected and identified by RMC for development of REIT Project and shall include residential-cum-commercial building(s) and blocks and Premises thereof to be constructed thereon and anything fixed, immovable, or permanently attached thereto and fixtures, fittings, improvements, passages, trees, shrubs, fences, sewers, structures, and utility systems, etc. and all rights and interests therein, whether the interests in the Land is freehold or leasehold and (i) all attachments above and below the Land; (ii) all thing 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

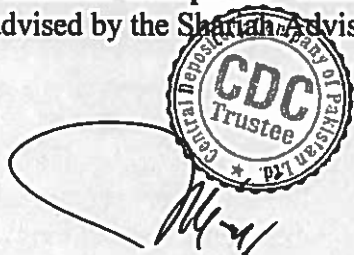


attachments such as plumbing, heating and cooling systems, electrical wiring and built-in items such as elevators, etc. and all rights and interests therein, the purpose or use thereof is residential-cum-commercial, as approved by the SECP in accordance with the REIT Regulations.

- 2.44. **"Register"**, means the Register of the Unit Holders kept pursuant to the REIT Regulations.
- 2.45. **"Registrar"** means a Company that RMC may appoint for performing the Registrar Functions; provided that RMC may also itself perform the Registrar Functions subject to fulfilment of all regulatory requirements (if any).
- 2.46. **"Registrar Functions"** mean the functions with regard to:
- (a) Maintaining the Register;
 - (b) Receiving application for transfer/transmission of Units directly from Unit Holder or legal representatives;
 - (c) Processing requests for transfer and transmission of Units with regard to the Unit Holders; and effectuating such transfers in the Register;
 - (d) Issuing Units to Unit Holders;
 - (e) Dispatching of dividend warrants;
 - (f) Cancelling old Units on replacement;
 - (g) Keeping record of change of addresses/ other particulars of the Unit Holders; and
 - (h) CDS related activities.
- 2.47. **"REIT Accountant"** means an accounting firm appointed by the Trustee for the REIT Scheme in accordance with the REIT Regulations.
- 2.48. **"REIT Assets"** means all Real Estate as defined in Clause 1.43 above and the REIT Project defined in Clause 1.50 hereafter and all other assets moveable or immoveable, including investments, receivables, bank balances, realizable profits, securities, contracts, construction plant, equipment and machinery owned by the Trust, construction material acquired by the Trust, or other assets of the REIT Scheme acquired in the name of Trustee, or otherwise vested in the Trustee for the benefit of the Unit Holders.
- 2.49. **"REIT Fund"** means the monetary value of the REIT Scheme, raised through issuance of REIT Units which shall comprise the Real Estate together with all taxes and charges attached with the transfer of such Real Estate, plus all preliminary expenses incurred in the process of establishing and registering the REIT Scheme and a percentage of construction costs as determined by RMC and disclosed in the Business Plan.



- 2.50. **"REIT Project"** means the construction and development of high-rise building(s) on the acquired Land by RMC, for generating income for Unit holders, being the object of the REIT Scheme as specified in Clause 3 of this Deed, comprising Premises for sale to the Customers and other related structures and amenities, which shall form part of the REIT Assets until they are sold and full payment of Purchase Price is realized by the Trustee of the Scheme in accordance with payment schedule to be disclosed in the Business Plan and the Offering Document.
- 2.51. **"REIT Regulations"** mean the Real Estate Investment Trust Regulations 2015, as amended or substituted from time to time.
- 2.52. **"Related Party(ies)"** mean(s) the parties outlined in Clause 26 hereafter.
- 2.53. **"Reporting Currency"** or **"Base Currency"** means the Pakistani Rupee in which financial reports are presented.
- 2.54. **"Rules"** mean the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.
- 2.55. **"SECP" or "Commission"** means the Securities and Exchange Commission of Pakistan, established under Section 3 of the Securities and Exchange Commission of Pakistan Act, 1997 and its legal successor.
- 2.56. **"Seller"** means First Capital Securities Corporation Limited, introduced by RMC, being the present owner of the Land who shall transfer the Land to the Trust, for development of the REIT Project after the registration of the REIT Scheme with the Commission, payment of the agreed sale consideration by way of cash or by issuance of Units of the aggregate Par Value or by a combination of both sum of which would be equivalent of the total agreed sale consideration for the Land.
- 2.57. **"Service Provider(s)"** means individual(s), firm(s), company(ies) or other entity(ies) engaged by RMC for providing services of any kind for the REIT Project, but shall not include those retained by RMC or the Trustee for performing their own secretarial works, office management and professional management or accounting, legal and administrative services provided to them in accordance with the provisions of this Deed and the REIT Regulations.
- 2.58. **"Shariah Advisor"** means an entity or a body of Islamic scholars or an individual Islamic Scholar, having knowledge of Islamic real estate business and finance, who meets with *fit and proper criteria* specified by the Commission and is registered with Commission under Shariah Advisors Regulations, 2017, to be appointed by RMC under intimation to the Trustee to supervise and monitor the activities of the REIT Scheme so as to ensure that all its activities are Shariah Compliant.
- 2.59. **"Shariah Compliant"** means any activity that is in accordance with the Islamic Shariah as advised by the Shariah Advisor





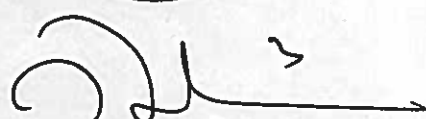

- 2.60. **"Special Resolution"** means a resolution which has been passed by a majority of not less than three-fourth of such Unit Holders entitled to vote as are present in person or by proxy or by post at a general meeting of which not less than twenty-one days' notice specifying the intention to propose the resolution has been duly given provided that if all the members entitled to attend and vote at any such meeting so agree, a resolution may be proposed and passed as a special resolution at a meeting of which less than twenty-one days' notice has been given..
- 2.61. **"Strategic Investor"** means a person or a group of persons, which may include RMC who undertake(s) to hold investment, free of encumbrances in the REIT Scheme as specified in REIT Regulations, till its winding up or transfer of Unit holding to any other strategic investor with prior approval of the Commission.
- 2.62. **"Units"** shall mean the units of the REIT Scheme.
- 2.63. **"Unit Holder(s)"** means the person who is the legal owner of one or more Units and whose name appears in the Register of Unit Holders.
- 2.64. **"Valuer"** means valuation firm appointed by RMC in accordance with Regulation 6 and 7 of the REIT Regulations and Clause 9.35 hereafter or a replacement thereof to value the REIT Assets after every 6 months in accordance with Regulation 16(i) of the REIT Regulations.
- 2.65. **"Valuation Reports"** mean the initial valuation reports prepared by the Initial Valuers and half yearly valuation reports prepared by Valuer in accordance with Schedule VI of the REIT Regulations.

Words and expression used but not defined herein shall have the same meanings as assigned to them in the Act or REIT Regulations. Words importing persons include corporation, words importing the masculine gender include the feminine gender, words importing singular include plural words, "Written" or "in writing" include printing, engraving, lithography, or other means of visible reproduction.

3. DECLARATION OF TRUST

- 3.1. It is hereby declared unequivocally that a Closed-end Scheme in the name and title of - **SB GLOBAL DEVELOPMENTAL REIT FUND** is hereby created as a Trust under REIT Regulations and RMC shall manage, operate and administer the said Closed-end Scheme on the basis of Wakalah tul Istismar (Investment Agency) and the Trustee is hereby nominated, constituted and appointed as the trustee of the Closed-end Scheme. RMC and the Trustee hereby agree to such appointment and further declare that:
- (a) The terms and conditions of this Deed and any deed supplemental hereto shall be binding on each Unit Holder, as if he has been a party to it and so to be bound by its provisions and each Unit Holder authorizes and requires the Trustee and RMC to do as required of them by the terms of this Deed


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- (b) The Unit Holder(s) will not be liable to make any payment after he has paid the purchase price of the Unit(s) and that no further liability can be imposed on him in respect of Unit(s), which he holds; provided in case of subscription of rights Units offered by RMC, if any, the Unit Holder(s) shall pay for the subscription price of the rights Units.
- (c) The Trustee, on behalf of Unit Holders, shall hold and stand possessed of the REIT Assets that may from time to time hereafter be vested in the Trustee upon trust as a single common fund for the benefit of the Unit Holders ranking *pari passu* inter se according to the number of Unit(s) held by each Unit Holder.
- 3.2 RMC shall establish, manage, operate and administer the REIT Scheme in accordance with REIT Regulations, and guidelines issued by Shariah Advisors.

4 OBJECT OF THE TRUST

The Object of the Trust is to acquire Land for developing and constructing high-rise, multiuse, residential & commercial building(s) as defined in Clause 1.50 'the REIT Project' above, as a Developmental REIT with the purpose of generating income for Unit holders. Provided however, that RMC may decide to sell any minor part of the Real Estate of the REIT Project for commercial purposes as per the Business Plan and Offering Document and subject to fulfilment of all legal and procedural formalities.

5 GOVERNING LAW AND JURISDICTION

- 5.1 This Deed Shall be subject to and be governed by the Part VIIIA of the Companies Ordinance, 1984, the Trust Act, Rules, REIT Regulations, Securities Act, 2015, PSX Regulations and all applicable laws and regulations including directives, circulars and it shall be deemed for all purposes whatsoever that all the provisions required to be contained in a Deed by the REIT Regulations are incorporated in this Deed as a part and parcel thereof. In the event of any conflict between this Trust Deed and the provisions of the applicable laws including Rules, REIT Regulations, directives, circulars, the latter shall supersede and prevail over the provisions contained in this Trust Deed.
- 5.2 Foreign investments in the REIT Scheme shall be subject to the Foreign Exchange Regulations of State Bank of Pakistan.
- 5.3 All investments made in the REIT Scheme shall be in accordance to the Shariah principles and the guidelines specified/issued by the Shariah Advisor.
- 5.4 Subject to the Clause 37 (Arbitration) hereafter, applicable between RMC and the Trustee inter se, each concerned party, including the Unit Holder(s), Shariah Advisor, Development Advisor, REIT Accountant, Valuer, Civil Works Contractor and their sub-contractors, Material Providers, Service Providers, Strategic Investors, Pre-IPO Investors, etc. shall be deemed to have irrevocably submitted to the exclusive jurisdiction of the Courts at Lahore.



6 TRANSFER AND GRANT OF REIT ASSETS

- 6.1. The Land shall be acquired by the Trust from the Seller, against payment of agreed sale consideration by way of cash or issuance of such number of Units of the REIT Scheme at Par Value or a combination of both, the sum of which be equivalent to total agreed sale consideration for the Land. The Units issued as sale consideration shall be credited to the account of the Seller after the registration of the REIT Scheme and transfer of the land in the name of Trust. The Land and all investments and income, profit and other benefits arising therefrom shall be held or deemed to be held upon trust by the Trustee and shall constitute part of the REIT Assets.
- 6.2. RMC shall invest and/or may arrange for investments in the REIT Scheme by other Strategic Investor(s), which may include the Seller of the Land. RMC and other Strategic Investors shall at all times during the subsistence of the REIT Scheme collectively hold a minimum of 25% (twenty five percent) of the total number of Units of the REIT Fund proposed to be issued as indicated in the Business Plan and Offering Document in the blocked account(s) with Central Depository Company of Pakistan Limited throughout the life of the REIT Scheme till its winding-up and shall not be sold, transferred or encumbered, except as provided in the REIT Regulations. In case, there are more than one Strategic Investors, each one of them shall hold not less than five percent (5%) Units of the REIT Scheme at all times, which shall remain as Blocked Units: Provided that the Strategic Investor(s) and the RMC may, after three (3) years of launch of REIT Scheme, transfer their holdings of Blocked Units of the REIT Scheme to another strategic investor with the approval of the Commission.
- 6.3. The Trustee shall hold the REIT Assets in its name in Trust for the benefit of the Unit Holders in accordance with the provisions of the REIT Regulations and this Deed. The REIT Assets shall not be used for any other purpose by the Trustee or by RMC, other than for the purposes of a REIT Project forming part of the REIT Scheme, as specified in the approved Business Plan and the REIT Regulations.
- 6.4. Save, as herein expressly provided and unless permitted otherwise under the REIT Regulations and except encumbrances resulting from Borrowing as mentioned in the Business Plan and Constitutive Documents, the REIT Assets shall always be kept as separate property free from any mortgages, charges, liens or any other encumbrances whatsoever and the Trustee shall not create any mortgages, charges, liens or any other circumstances whatsoever on the REIT Assets or any part thereof, to secure any loan, guarantee, or any other obligation actual or contingent incurred, assumed or undertaken by the Trustee or any other person, except as instructed by RMC to raise Borrowing from Financial Institutions for development and completion of the REIT Project and for issuance of guarantees in favour of utility companies for obtaining requisite utility connections as provided in the REIT Regulations. Provided however, neither the Trustee, nor RMC shall be liable in their personal capacities for repayment of such Borrowing.
- 6.5. All cash forming part of the REIT Assets shall be deposited by the Trustee in a separate Bank Account, in the name of the Trustee with a Bank, approved by RMC having a minimum AA



rating for the long term, as per the criteria laid down by a credit rating agency approved by the SECP. The Bank shall be caused to allow profit thereon in accordance with the rules prescribed by the Bank sharing of profits on deposits, as may be approved by the Shariah Advisor.

- 6.6. Remuneration of RMC and the Trustee; Bank charges and financial costs; audit fees; SECP annual and monitoring fee; listing fee and all other charges including but not limited to renewal fees payable to PSX, rating fee payable to an approved rating agency; NCCPL annual and clearing fee, CDS fee, Formation Costs and taxes, if any applicable to the Trust; annual project health survey fee, Development Advisor Fee, Valuer Fee, Civil Works Contractor invoices, REIT Accountant's Fee, Material Suppliers invoices, Service Providers Fees, insurance/Takaful premiums/ contributions, property tax, CDC fee, legal counsel fee and other related expenses, Transaction Cost relating to the transfer of the Real Estate/REIT Assets i.e. all duties and expenses (Stamp Duty, Registration Fee, Capital Value Tax, Advance Income Tax, Mutation Fee) incurred by the Trust effecting the registration of all registerable property in the Trustee's name and other related costs shall be payable out of the REIT Assets.
- 6.7. REIT Assets of the REIT Scheme shall be held by the Trustee on trust for the Unit Holders on *pari passu basis* according to the number of Units held by the Unit Holders.

7 REGISTRATION OF REIT SCHEME

After registration of this Deed with the Sub-Registrar at Lahore, RMC shall apply to the Commission for approval of the real estate and registration of the REIT Scheme and shall comply with all the formalities and submit all the documents to the Commission in accordance with Regulation 5 of the REIT Regulations.

8 ISSUE OF UNITS TO PRIVATE INVESTORS

- 8.1 After registration of REIT Scheme in accordance with Regulation 5 of the REIT Regulations and transfer of the Land to the Trustee, free of all encumbrances, Units shall be issued as consideration for transfer of the Land as mentioned in Clauses 5.1 and 5.2 above as Private placement. Thereafter, Units shall be offered and issued to other Private Investors who make a minimum individual investment of not less than Rs.20 Million each.
- 8.2 For this purpose, RMC shall submit Information Memorandum to the Commission fifteen (15) days before such offer. Provided however, the total number of Private Investors shall not exceed 50 (fifty) in number.

9 ISSUE OF UNITS TO PRE-IPO INVESTORS


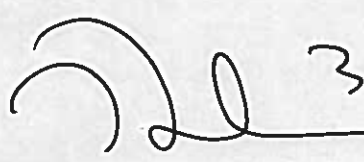

RMC may, after starting the development of REIT Project, offer units to Pre-IPO investors



subject to the conditions of PSX Regulations and conditions specified in the REIT Regulations.

10 PUBLIC OFFER AND ISSUANCE OF UNITS

- 10.1 RMC shall thereafter offer Units of the REIT Scheme for subscription to public, after the approval the Offering Document by the Commission; provided that the Commission may approve the Offering Document, with or without any conditions.
- 10.2 No Units shall be offered to the public by RMC unless the Offering Document, as cleared by PSX, has been approved by the Commission.
- 10.3 RMC shall make a public offering of at least that much percentage of the Units of the REIT Scheme as may be allowed/required under the REIT Regulations or by the Commission and shall comply regulations of PSX for this purpose.
- 10.4 RMC shall disclose all material information in the Offering Document or Information Memorandum as specified in Schedule IV or Schedule IV-A respectively of the REIT Regulations, including value of Real Estate, where applicable.
- 10.5 At the time of listing, RMC shall ensure that the size of the REIT Fund and public offer of Units are in line with the requirements prescribed in the PSX Regulations.
- 10.6 Par value of a Unit of a REIT Scheme shall be PKR 10/- each.
- 10.7 RMC shall keep subscription money received from Pre-IPO Investors in an account in the name of Trustee of the REIT Scheme.
- 10.8 Unit(s) shall be credited to the account of Unit Holder(s) in Central Depository System and no physical Units shall be issued.
- 10.9 All Unit(s) represent an undivided share in the REIT Assets and rank *pari passu* as to their rights in the Net Assets, earnings, and the receipt of the dividends and distributions, each Unit Holder has a beneficial interest in the Trust fund proportionate to the Unit(s) held by such Unit Holder(s).
- 10.10 RMC may at any time with prior approval of the Unit Holders obtained by way of Special Resolution and subject to the final approval of the SECP and after complying with the rules or PSX Regulations, and any condition or criteria as may be prescribed by SECP, increase the capital by the creation of new Unit(s) of such amount as may be deemed expedient, as rights Units. Where it is decided to increase the capital of the REIT Scheme by the issue of further Unit(s), such Unit(s) shall be offered to the then existing Unit Holder(s) first, strictly in proportion to the existing Unit(s) held by each Unit Holder and such offer shall be made by notice specifying the number of Unit(s) to which the member is entitled, and limiting the time within which the offer, if not accepted, will be deemed to be declined. RMC may offer the Unit(s) declined, to the underwriters or dispose them off in any other manner, as decided by its Board of Directors.



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11 OBLIGATIONS, RIGHTS AND POWERS OF RMC

RMC shall:

- 11.1 conduct due diligence to certify and ensure that the title to the Land forming part of Real Estate of the REIT Scheme to be acquired for the purposes of the REIT Scheme is free from all defects, encroachments, litigations, and encumbrances, except encumbrances resulting from Borrowing as mentioned in the Business Plan, and Offering Document;
- 11.2 ensure that the REIT Assets are vested in the name of Trustee for the benefit of Unit Holders;
- 11.3 arrange transfer of the Land approved by the Commission in the name of Trustee to eventually form part of the Real Estate of the REIT Scheme;
- 11.4 ensure that all Major Contracts, including agreement for purchase of Land to eventually form part of the Real Estate, agreements with Development Advisor, Civil Works Contractor, Material Providers, Service Providers and other agreements entered into for furtherance of the objects of the REIT Scheme are executed after the clearance from the Shariah Advisor and are legitimate, valid, binding and enforceable by or on behalf of the Trustee in accordance with the stipulated terms of such Material Contracts and wherever relevant are backed by Shariah Compliant performance bonds and bank guarantees and contingency plans and abide by the guidelines issued by the Shariah Advisor;
- 11.5 ensure that the Land to eventually form part of the Real Estate is transferred to the REIT Scheme meets the requirements specified in REIT Regulations;
- 11.6 manage the REIT Scheme in the best interest of Unit Holders, in accordance with the Trust Deed and Offering Document and all applicable laws, rules, regulations including notifications, circulars, guidelines and directives issued thereunder;
- 11.7 with the consent of the Trustee, appoint a Development Advisor for REIT Scheme;
- 11.8 ensure that the REIT Scheme is dissolved only after the disposal of the Real Estate;
- 11.9 ensure that profits arising out of the REIT Scheme are distributed to the Unit Holders as dividends;
- 11.10 ensure that Units are listed at PSX in accordance with the PSX Regulations;
- 11.11 ensure that running bills, interim bills and other invoices in respect of payments to be made on account of the REIT Project as approved by RMC's authorized representatives are countersigned by the Development Advisor and verified by the REIT Accountant;
- 11.12 carry out all transactions involving REIT Scheme managed by it on an arm's length basis;
- 11.13 ensure that Customer Advances are received in the name of Trustee of the REIT Scheme;



- 11.14 arrange insurance/Takaful coverage in relation to the Real Estate and comply with all requirements of the Commission;
- 11.15 be responsible for development, refurbishment and sale of the Real Estate, including individual Premises thereof according to the Business Plan;
- 11.16 obtain written approval of the Commission before issuing units and making a public offer of the Units;
- 11.17 ensure that the issue and transfer of the Units is carried out, after registration of the REIT Scheme, in accordance with provisions of this Trust Deed, the Offering Document, Information Memorandum and any directions, guidelines and circulars issued by the Commission;
- 11.18 ensure that the Offering Document and Information Memorandum contains summary information of the valuation report where applicable, along with the Business Plan of the REIT Scheme;
- 11.19 maintain the Register of Unit Holders and perform Registrar Functions by itself (subject to fulfilment of regulatory requirements) or appoint a Registrar as its agent for the purpose and comply with Schedule V of the REIT Regulations;
- 11.20 obtain the written approval of the Commission before delegating one or more of its functions in relation to the REIT Scheme and comply with Schedule V of the REIT Regulation;
- 11.21 ensure that in cases where RMC delegates any of its functions, the delegated person has sufficient experience and financial resources to carry out the delegated function and comply with Schedule V of the REIT Regulations;
- 11.22 be responsible for the remuneration, acts, omissions, defaults and negligence of all persons, along with resultant losses, to whom it delegates any of its functions;
- 11.23 maintain at its registered office proper books of account and record of the activities undertaken in connection with the REIT Scheme in order to enable a true and fair view to be formed of the:
- (a) REIT Assets and liabilities;
 - (b) profit and loss accruing on account of operation of the REIT Scheme;
 - (c) transactions undertaken with respect to the REIT Scheme;
 - (d) amounts received in respect of issue of Units;
 - (e) client wise detail of Customer Advances; and
 - (f) pay-outs, if any, by way of distributions to the Unit Holders;




- 11.24 within one hundred and twenty days of close of the financial year prepare, and transmit or make available on its website to the Unit Holders, the Trustee, the Commission and PSX on which the Units of a REIT Scheme are listed, the balance sheet, profit and loss statement, cash flow statement and statement of the movement in NAV along with the report of the Trustee, the report of the Auditor, report of Shariah Advisor, the Valuation Report of the Real Estate and any other document as specified by the Commission; the RMC shall make the printed copy of the said accounts available to any Unit Holder, free of cost, as and when requested;
- 11.25 prepare and transmit to the Unit Holders, the Trustee, the Commission and PSX on which the Units are listed, within thirty (30) days of the close of the first and third quarter and two (2) months of the close of second quarter of the financial year of the REIT Scheme, a balance sheet of the REIT Scheme as at the end of that quarter along with profit and loss statement, a cash flow statement and a statement of changes in NAV;
- Provided that RMC may transmit or make available the said quarterly accounts to the Unit Holders by placing them on its website and RMC shall make the printed copy of the said accounts available to any Unit Holder, free of cost, as and when requested;
- 11.26 preserve books of account of a REIT Scheme for at least ten (10) years after the extinguishment or revocation of the REIT Scheme;
- 11.27 with the consent of the Trustee appoint an auditor for the REIT Scheme;
- 11.28 obtain rating for itself and for the REIT Scheme as per the rating criteria of a rating company and such rating shall be updated annually, or at such other time as may be specified by the Commission;
- 11.29 publish rating of RMC and REIT Scheme in the annual and quarterly accounts and publish in all advertising and marketing materials of the REIT Scheme;
- 11.30 furnish in respect of the REIT Scheme, to the Commission and PSX on which the Units are listed, such information within such time as the Commission may specify;
- 11.31 ensure that a director immediately vacates his position if he becomes disqualified as per the Fit and Proper Criteria and inform the Commission of such compliance;
- 11.32 before making any major change in the Business Plan of the REIT Scheme ensure that it has:
- (a) informed the Commission and the Trustee in writing and
 - (b) obtained approval of the Unit Holders through a Special Resolution, if directed by the Commission:
- 11.33 determine the NAV of the REIT Assets on six monthly basis;



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- 11.34 ensure that it conforms to the provisions of the Listed Companies (Code of Corporate Governance) Regulations, 2017;
- 11.35 maintain adequate financial, technical, organizational and human resources, and employ appropriate systems, procedures, processes and personnel to provide REIT Management Services in a proper and efficient manner on an on-going basis;
- 11.36 maintain satisfactory controls and written compliance procedures which address all applicable regulatory requirements;
- 11.37 pay or arrange to pay such non-refundable application fees as specified in the relevant Schedule III;
- 11.38 arrange transfer of real estate to the REIT Scheme as per binding purchase agreement;
- 11.39 appoint Valuer in consultation with Trustee of the REIT Scheme and inform the Commission within two (2) working days of such appointment;
- 11.40 obtain clearance from the Shariah Advisor in respect of all documents, investments, Borrowing, Trust Deed, Offering Document, Offering Document, binding purchase agreement and conveyance deed in respect of Land, Major Contracts, sale agreements with the Customers, sub-lease deeds to be executed in favour of the Customers, utilization of the REIT Asset in accordance with the guidelines of Shariah, etc.
- 11.41 solicit all monies only in the name of Trustee of the REIT Scheme;
- 11.42 not obtain, acquire or takeover the management of another REIT Scheme, without prior written approval of the Commission;
- 11.43 not solicit Customer Advances before transfer of the Land in the name of Trustee;
- 11.44 make available or ensure that there is made available to the Trustee such information as the Trustee may reasonably require in respect of the any matter relating to REIT Scheme;
- 11.45 not be under liability except such liability as may be expressly assumed by it under the REIT Regulations and this Deed nor shall RMC (save as herein otherwise provided) be liable neither for any act or omission of the Trustee nor for anything except its own negligence or wilful breach of duty hereunder. If for any reason it becomes impossible or impracticable to carry out the provisions of this Deed, RMC shall not be under any liability therefore or thereby and it shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done in good faith hereunder;
- 11.46 if it considers necessary request the Trustee, for the protection of the REIT Scheme or for safeguarding the interest of the Unit Holders, to institute or defend any suit, proceeding, arbitration or inquiry or any corporate or shareholders' action in respect of the REIT Scheme or any part thereof;



- 11.47 comply with the provisions of the REIT Regulations and this Deed for any act or manner to be done by it in the performance of its duties and such acts or matters may also be performed on behalf of RMC by any officer or responsible official of RMC or by any nominee or agent appointed by RMC and any act or matter so performed shall be deemed for all the purposes of this Deed and REIT Regulations to be the act of RMC. RMC shall be responsible for the acts and omissions of all persons to whom it may delegate any of its functions as if these were its own acts and omissions and shall account to the Trustee for any loss in value of the REIT Assets where such losses, costs and damages have been caused due to breach of its obligation and duties or negligence or reckless or wilful act and/or omission either by it or its officers, officials, agents or Service Providers;
- 11.48 acquire and transfer Land forming part of the Real Estate in the name of Trustee free from all encumbrances except encumbrances resulting from Borrowing as mentioned in the Business Plan, or the Offering Document;
- 11.49 in case transfer of the Land to form part of the Real Estate does not take place for any reason within 90 days after the Financial Close, RMC shall cause the Trustee to return total subscription money to the investors, along with profit, if any: Provided that the period of 90 days' time period may be extended by the Commission up to a maximum of 180 days, on the written request of RMC;
- 11.50 issue Units for cash consideration only, except for the Units to be issued to the Seller against consideration for the Land
- 11.51 comply with the PSX Regulations.
- 11.52 ensure that Units equivalent of at least 25% (twenty five percent) of the REIT Fund shall be held by RMC and other Strategic Investors as strategic investments as specified in the REIT Regulations or such higher percent of Units of the REIT Scheme, as the Commission may specify, and such Units shall be held in account(s) with Central Depository Company of Pakistan Limited as a depository company, marked as Blocked Units and shall not be sold, transferred or encumbered throughout the life of the REIT Scheme without prior written approval of the Commission.

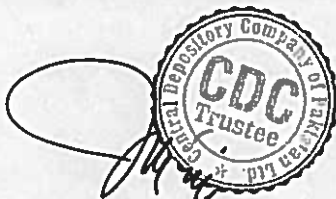
12 OBLIGATIONS, RIGHTS AND POWERS OF THE TRUSTEE

12.1 The Trustee shall:

- 12.1.1 exercise due diligence and vigilance in carrying out its functions and duties under this Deed and REIT Regulations and all other applicable laws;
- 12.1.2 ensure that the REIT Assets are held by it on behalf of the Unit Holders;
- 12.1.3 not legally or beneficially own, either directly or indirectly, any Units of the REIT Scheme;
- 12.1.4 ensure that the title to all REIT Assets is lawfully vested in it;



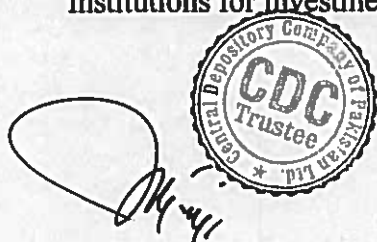
- 12.1.5 deposit the money received by it in a Bank which has a minimum long term "AA" rating;
- 12.1.6 confirm to the Commission that the RMC has appointed a Development Advisor;
- 12.1.7 confirm to the Commission that all insurance premiums/Takaful contributions have been paid by RMC and the insurance /Takaful policies are up to date;
- 12.1.8 not delegate any of its duties unless this Deed or REIT Regulations allow for the delegation and to make payments to the delegatee from its own account, if it has delegated any of its functions; provided that the Trustee shall be liable for any negligent act or omission, on its part or on the part of any of its own delegates;
- 12.1.9 carry out the instructions of RMC unless such instructions are in conflict with this Deed, Offering Document, REIT Regulations, directions, guidelines, circulars, including the guidelines that may be provided by Shariah Advisor or any other applicable laws;
- 12.1.10 carry out instructions of RMC with respect to the REIT Project payments of bills and invoices that are approved by RMC's authorized representatives and countersigned by the Development Advisor and verified by the REIT Accountant;
- 12.1.11 ensure that the use of Customer Advances, as set out in REIT Regulations, this Deed, the Offering Document and the conditions of registration of a REIT Scheme, are complied with;
- 12.1.12 issue a report indicating the level of compliance and the extent of deviation, in comparison to Business Plan. The report shall be included in the quarterly and the annual accounts of the REIT Scheme;
- 12.1.13 immediately inform the Commission, of any action of RMC that contravenes the Act, REIT Regulations, NBFC Rules, NBFC Regulations, guidelines, codes, circulars, directives or any other applicable laws;
- 12.1.14 verify all documents for correctness and authenticity with regard to acquisition of the REIT Assets and other agreements along with Offering Document and Information Memorandum; provided that the Trustee shall rely upon the information and data provided by RMC;
- 12.1.15 ensure that the Valuer performs its obligations, prepares and submits Valuation Reports as per REIT Regulations.
- 12.1.16 ensure that the Real Estate proposed by RMC for the REIT Scheme meets the requirements of the REIT Regulations.
- 12.2 The Trustee shall appoint REIT Accountant within one month of the Financial Close and confirm the same to the Commission.
- 12.3 The Trustee may remove the REIT Accountant if the Trustee is not satisfied with the performance of the REIT Accountant.



- 12.4 The Trustee shall not be liable for performance or non-performance or substandard work done by or non-fulfillment of their respective obligations by Civil Works Contractor and their sub-contractors, Development Advisor, Valuer, REIT Accountant, Material Providers, Service Providers, etc.
- 12.5 The Trustee shall, if requested by RMC or if it considers necessary for the protection of REIT Assets or safeguarding the interest of Unit Holder(s), institute or defend any suit, proceeding, arbitration or inquiry or any corporate or unit holders' action in respect of the REIT Assets or any part thereof, with full powers to sign, swear, verify and submit pleadings and affidavits, to file documents, to give evidence, to appoint and remove counsel and to do all incidental acts, things and deeds through the Trustee's authorized director(s) and officer(s). All costs, charges and expenses (including legal fees) incurred in instituting or defending any such action shall be borne by the Trust and the Trustee shall be indemnified against all such costs, charges and expenses: Provided that no such indemnity shall be available in respect of any action taken against the Trustee for gross negligence or breach of its duties in connection with the Trust under this Deed and the REIT Regulations. For the avoidance of doubt it is clarified that notwithstanding anything contained in this Deed, the Trustee and RMC shall not be liable in respect of any losses, claims, damages or other liabilities whatsoever suffered or incurred by the Trust arising from or consequent to any such suit, proceeding, arbitration or inquiry or corporate or unitholders' action or otherwise howsoever and (save as herein otherwise provided) all such losses, claims, damages and other liabilities shall be borne by the Trust.

13 SHARIAH ADVISOR

- 13.1 RMC shall appoint Shariah Advisor of the Fund in accordance with the Shariah Advisors Regulations, 2017 and shall be disclosed in the Offering Document. The Shariah Advisor will be appointed for a period commencing from the approval of this Deed by the Commission upto the life of the REIT Scheme. Provided however RMC may replace the Shariah Advisor with the prior approval of the Commission under intimation to the Trustee.
- 13.2 Shariah Advisor shall advise RMC and the Trustee on matters relating to Shariah compliance, including advising in respect Shariah related matters pertaining to the legal documents of the REIT Project and the REIT Scheme and issue guidelines consistent with the Shariah in relation to all affairs of the REIT Scheme. Any verdict or fatwa issued by the Shariah Advisor in respect of any Shariah related matter would be final and acceptable by the Trustee, RMC, Strategic Investors, the Unit Holders and other parties related with that matter. The responsibilities of Shariah Advisor will be *inter alia* as under:
- (a) Determining that the REIT Scheme's activities comply with the principles of Shariah in all respects.
 - (b) Communicating to RMC any of its findings regarding compliance with the Shariah of the REIT Scheme's investments on urgent basis upon receipt of all relevant information and documentation.
 - (c) Advising RMC the criteria for selection of Islamic Banks and Islamic Financial Institutions for investment of surplus assets of the REIT Scheme.



- (d) Establishing principles for calculating, where applicable, and determining an appropriate percentage of income and cash-flows, by the REIT Scheme that are not in accordance with the principles of the Shariah i.e. the income is not halal and recommending to RMC the criteria for selecting the charities to whom such sums shall be donated.
- (e) Preparing yearly report of the REIT Scheme's compliance with the principles of Shariah for inclusion in the REIT Scheme's financial reports.



14 OBLIGATIONS OF THE DEVELOPMENT ADVISOR

The Development Advisor shall be caused by RMC to fulfill all its obligations as are required to be fulfilled by any developer of real estate, by law and best local and international practices or normal practice. Without prejudice to the foregoing, RMC shall ensure that the Development Advisor shall *inter alia*:

- 14.1 prepare plan and the design the REIT Project in accordance with the highest professional competence and expertise and prepare working drawings and final drawings through Architect for approval of RMC with changes as may be desired by RMC to its satisfaction;
- 14.2 appoint renowned qualified and experienced civil engineer for supervising the construction of REIT Project and performing related functions as are normally and customarily performed by civil engineers in multi-storeyed projects;
- 14.3 prepare building plans for submission to the relevant governmental authorities like Lahore Development Authority, Cantonment Board of the pertinent area (if any) through the Architect;
- 14.4 obtain approval of the building plans from relevant authorities after acceptance of the same by RMC through the Architect;
- 14.5 prepare phase-wise schedule of construction with estimated timelines for completion of various phases and the overall REIT Project;
- 14.6 prepare costing and bill of quantities for REIT Project for approval of RMC; provided the same may be subject to revision by RMC before finalization;
- 14.7 select and recommend competent and qualified Civil Works Contractor for appointment by RMC after floating tenders for various civil works based on experience, qualification, expertise and their past track records and their quotations for the respective segments of the REIT Project without compromising on quality of works or materials in view of the best interest of the unit holders;
- 14.8 prepare agreements to be executed with Civil Works Contractor containing all requisite and protective terms and conditions for approval by RMC and assist RMC in awarding such contract;



- 14.9 assess the competence, experience and past records of the sub-contractors proposed to be appointed by Civil Works Contractor and approve and assist RMC in granting the approval for sub-contracting;
- 14.10 prepare sub-contract agreements to be executed between Civil Works Contractor and respective sub-contractors after getting the same cleared by RMC;
- 14.11 monitor and supervise day-to-day construction and development of the REIT Project by Civil Works Contractor, pay regular visits to the REIT Project through its authorized qualified and experienced civil engineers and to issue requisite instructions where necessary for avoidance or removal of any flaws, workmanship, defects or substandard works and shall issue monthly progress report to RMC and the Trustee in the form and substance acceptable to them;
- 14.12 cause the Civil Works Contractor and sub-contractors to remove any flaws or substandard works at their respective cost;
- 14.13 inspect and measure the construction works undertaken by Civil Works Contractor and the sub-contractors and approve their running bills as well as other invoices in accordance with the terms and conditions of their contracts and sub-contracts;
- 14.14 Recommend the appointment of Material Providers on best competitive rates without compromising on quality of such materials and prepare contracts or agreements to be executed with them by RMC on protective terms and conditions;
- 14.15 act as an arbitrator in the event of any dispute between the Civil Works Contractor and RMC on any matter pertaining to the construction of the REIT Project and give its just award based on fairness and equity; for avoidance of doubt, RMC shall not get involved in any disputes between Civil Works Contractor and the sub-contractors *inter se*, provided the Development Advisor shall endeavour to resolve such disputes satisfactorily in the best interest of the REIT Project and other stake holders and in particular the Unit Holders;
- 14.16 act as an arbitrator in the event of any dispute between the Material Providers and RMC on any matter pertaining to the quality and characteristics of materials supplied for the REIT Project and give its just award based on fairness and equity;
- 14.17 apply for either directly or through any of Civil Works Contractor for utility connections, such as electricity, water, sewerage, gas, etc. for the entire REIT Project, including individual Premises thereof, without involving RMC, except where signatures of RMC or the Trustee are required, the same shall be obtained after satisfactorily explaining to them the purpose, necessarily and significance of such application and supporting documents;
- 14.18 prepare and submit final completion plan with drawings to the concerned authority after the completion of the REIT Project and obtain completion/occupancy certificates for the entire REIT Project, including individual Premises thereof, through the Architect;
- 14.19 advise RMC and the Trustee in respect of any changes or amendments in the applicable laws, rules or regulations during the course of constructions and recommending the remedial measures or alternate plans and proposals so that the completion of the REIT Project is not hampered or delayed and to keep the interest of the Unit Holders uppermost in mind;



- 14.20 be liable for breach of any of its obligations, duties, negligence and for any negligent act or omission in performance of its duties; . however, the RMC shall be responsible to recover such costs, losses and damages.

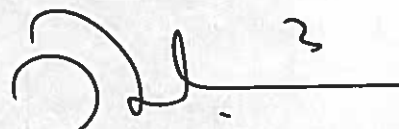
15 OBLIGATIONS OF THE VALUER

The Valuer shall be caused by RMC to fulfill all its obligations as are required under the REIT Regulations and best local and international practices or normal practice and ensure that;

- 15.1 The valuer at least once in every half year, value the Real Estate in accordance with Schedule VI of the REIT Regulations and produce a Valuation Report on Real Estate belonging to the REIT Scheme to RMC and the Trustee;
- 15.2 the valuation methodology adopted by it is in line with best practices prevalent in the real estate industry and as per REIT Regulations, where applicable;
- 15.3 the valuation is carried objectively and independent of its business or commercial relationships;
- 15.4 immediately inform RMC 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;
- 15.5 remain impartial while rendering professional services;
- 15.6 at all times perform its obligation with competence, integrity and professionalism;
- 15.7 report immediately if any conflict of interest arises; and
- 15.8 conform to the valuation standards prescribed by International Valuation Standards Council (IVSC) to the extent possible and shall certify the same in the valuation report and any departure from said standards shall be fully explained in the Valuation Report;
- 15.1 be liable for all losses, costs and damages due to breach of any of its obligations, duties, negligence and for any negligent act or omission in performance of its duties. however, the RMC shall be responsible to recover such costs, losses and damages.

16 BASIS AND ASSUMPTION FOR VALUATION

- 16.1 The Valuer shall determine the value of Real Estate by using all valuation approaches as indicated in the Schedule VI of the REIT Regulations.
- 16.2 Any assumptions used in the valuation shall be clearly stated in the Valuation Report, and shall be realistic, relevant and adequately substantiated by reference to physical, functional and market factors.



- 16.3 RMC shall disclose all values determined by separate Valuer in Business Plan, and Offering Document, where applicable.

17 OBLIGATIONS OF REIT ACCOUNTANT

- 17.1 The REIT Accountant shall be responsible for authorizing and monitoring all payments including countersigning interim payment certificates and reporting variances to the Trustee after comparing them with the project milestones.
- 17.2 The REIT Accountant may hire any technical/ professional resource necessary for performance of his duties.
- 17.3 The REIT Accountant shall be liable for all losses, costs and damages due to breach of any of its obligations, duties, negligence and for any negligent act or omission in performance of his duties.

18 BORROWING

- 18.1 RMC shall not receive any funds before registration of a REIT Scheme except Borrowing that has already been obtained against the Real Estate with the prior approval of the Commission and clearance from the Shariah Advisor.
- 18.2 RMC shall clearly state the Borrowing policy in the Business Plan, Offering Document and Information Memorandum of the REIT Scheme.
- 18.3 RMC may arrange Borrowing after registration of the REIT Scheme with the approval of the Unit Holders, Board of Directors and consent of the Trustee and clearance of the Shariah Advisor, as applicable.
- 18.4 RMC shall utilize the Borrowing for the purpose of capital expenditure on construction, development, renovation, refurbishment of the REIT Project and to increase earning capacity of the REIT Scheme for the benefit of the Unit Holders.
- 18.5 At the time of obtaining Borrowing, RMC shall ensure that the amount of Borrowing shall not exceed 50% of the reported total REIT Assets of the REIT Scheme at any given time. Provided that Borrowing in excess of 25% of the total REIT Assets, RMC shall require prior approval of the Unit Holders by way of a Special Resolution.

19 CUSTOMER ADVANCES:

- 19.1 RMC shall clearly state policy for Customer Advances in the Business Plan, the Offering Document and Information Memorandum of the REIT Scheme. Customer Advances shall be



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Shariah based.

- 19.2 RMC may seek Customer Advances with the approval of Board of Directors and in accordance with the Business Plan and Offering Document.

20 INVESTMENT OF THE REIT ASSETS

In case of any surplus funds not immediately required for the development of REIT Project or any activities thereof, the Trustee on the instructions of RMC shall make such investments as provided in REIT Regulations and are approved in accordance with the Business Plan and Offering Document of the REIT Scheme in Shariah based Authorized Investments. All cash (except in so far as such cash may in the opinion of RMC be required for transfer to the Distribution Account after completion of the REIT Project), shall be invested by the Trustee from time to time in such Authorized Investments as may (subject always to the REIT Regulations and the provisions of this Deed and Offering Document) be directed by RMC.



21 VALUATION OF ASSETS/LIABILITIES AND NET ASSET VALUE OF THE FUND

The method of valuation of the REIT Assets for determining the value of the assets and liabilities and the Net Asset Value would be as mentioned in the regulatory framework.

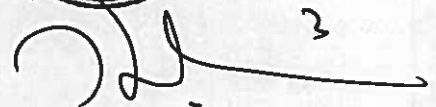
22 FEES AND CHARGES

22.1. Remuneration of RMC and Its Agents

- (a) RMC shall be entitled to a management fee (Wakalah Fee) which shall be clearly stated in the Business Plan, Offering Document and Information Memorandum along with the basis and quantum of fee to be charged to a REIT Scheme and certificate from the Auditor of REIT Scheme confirming the management fee has been charged in accordance with Business Plan, Offering Document and Information Memorandum. The said fees shall be payable in arrears after the close of each quarter of an Accounting Period of the REIT Scheme and shall be chargeable as an expense in the relevant accounting year. In respect of any period other than a full calendar year such remuneration shall be prorated on the basis of the actual number of days for which such remuneration has accrued for the total number of days accrued in the calendar year concerned.
- (b) RMC shall be entitled to performance fee of up to twenty percent (20%) of the return realised above the benchmark stated in the Offering Document, Business Plan and Information Memorandum and such fee shall be computed and paid to RMC at the time of winding up of a REIT Scheme.





- (c) In consideration of the foregoing and save as aforesaid, RMC shall be responsible for the payment of all expenses incurred by it, from time to time, in connection with its responsibilities as RMC of the REIT Scheme, including remuneration and expenses of the Registrar and other service providers that may be retained by RMC as its own agent and for its own account. RMC shall not make any charge against the REIT Assets or against the Distribution Account for its services or for its expenses, except as are expressly authorized under the provisions of the REIT Regulations, Offering Document and Information Memorandum, to be payable out of the REIT Assets. RMC shall bear all expenditures in respect of its secretarial and its own office space and professional management, including all accounting, legal and administrative services provided in accordance with the provisions of this Deed and the REIT Regulations.

22.2. Remuneration of Trustee and Its Agents

The Trustee shall be entitled to an annual remuneration, which shall be calculated and payable as per Schedule III of the REIT Regulations. The remuneration due to the Trustee shall be payable quarterly in arrears and shall be chargeable as an expense to the relevant Accounting Period. In consideration of the foregoing and save as aforesaid the Trustee shall be responsible for the payment of all expenses incurred by the Trustee, from time to time, in connection with its duties as Trustee. The Trustee shall not make any charge against the REIT Assets, except for its remuneration and other charges and expenses permissible under the REIT Regulations and this Trust Deed. The Trustee shall bear all expenditures in respect of its secretarial and its own office space and professional management, including all accounting and administrative services provided in accordance with the provisions of this Trust Deed.

22.3. Cost Chargeable to the REIT Scheme

All costs and charges enunciated in Schedule-II of the REIT Regulations as may be amended from time to time shall be charged to the REIT Scheme.

22.4. Initial Expenses

All preliminary expenses incurred in connection with the establishment and registration of the REIT Scheme as well as the offer for sale, allotment and issuance of Units including commission payable to underwriters, if not included in the public offer, shall be borne by RMC and get reimbursed from the Fund subject to the conditions specified in the REIT Regulation.

23 TRANSFER OF MANAGEMENT RIGHTS OF REIT SCHEME:

- 23.1 The management rights of the REIT Scheme may be transferred to another RMC upon the occurrence of any of the following events: -

- (i) RMC goes into liquidation, becomes bankrupt or has a liquidator appointed over its assets, or its license has been cancelled or ceases to hold valid license; or



- (ii) where the Unit Holders pass a Special Resolution as defined in Clause 1.60 above and fulfil the conditions specified therein to pass such a resolution; provided that the RMC shall not vote at such meetings and their presence shall not be counted towards requisite voting for Special Resolution;
- (iii) if in the opinion of the Commission further management of REIT Scheme by the existing RMC is detrimental to the interest of the Unit Holders or the REIT Project or for any other reason to be recorded in writing; provided that RMC shall be given an opportunity of hearing before any action is taken against it under this Clause. However, the Commission shall not be restricted from taking any interim measures in the interest of the Unit Holders;
- (iv) if in the opinion of the Commission, RMC is guilty of insider trading or fraud or a criminal offence;

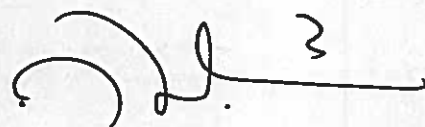
23.2 For the purpose of transfer of management right, RMC shall execute a supplemental Trust Deed with the Trustee and the incoming RMC and other related documents, subject to the approval of the Commission.

24 RETIREMENT OR REMOVAL OF TRUSTEE

- 24.1. The Commission shall remove the Trustee if it goes into liquidation, becomes bankrupt or if a receiver, liquidator or administrator is appointed over its assets and appoint a new trustee.
- 24.2. The liquidator shall be bound to follow the instructions of the Commission and hand over all necessary records, transfer assets and give effect to the Commission's decision in favour of the new trustee within three working days.
- 24.3. The Trustee may, subject to prior approval of the Commission, retire from its office on appointment of a new trustee and the retirement shall take effect at the same time as the new trustee is appointed with the approval of the Commission or from the date of assumption of assets of the REIT Scheme by the newly appointed trustee, whichever is later.
- 24.4. RMC may by giving cogent reasons supported by requisite evidence apply in writing to the Commission for change of the Trustee and propose a new trustee. The Commission, if satisfied by the reasons given by the RMC and after providing an opportunity of hearing to the Trustee, approve the removal of the existing and the appointment of a new trustee.
- 24.5. The Commission, after providing a reasonable opportunity of representation to the Trustee, may remove the Trustee; if in the opinion of the Commission: -





- (i) Trustee has been in violation of this Deed, the REIT Regulations or any directives, code or guidelines issued by the Commission or is found guilty of misconduct or failed to discharge its obligation under this Deed or the REIT Regulations; or
- (ii) Trustee is guilty of insider trading or fraud or a criminal offence;

24.6. Upon its retirement or removal as above, the Trustee shall be entitled to its remuneration upto the effective date of its removal or retirement, prorated to the number of days for which the Trustee continued to perform its functions.

25 REMOVAL OR CHANGE OF THE VALUER

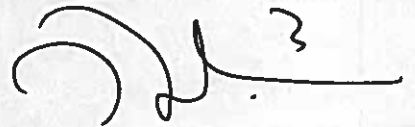
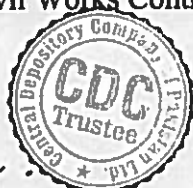

25.1. RMC may remove the Valuer with prior consent of unit holders through a special resolution and in consultation with the Trustee appoint a new Valuer in its place under the requirement of REIT Regulations.

26. REMOVAL OR CHANGE OF DEVELOPMENT ADVISOR

- 26.1. RMC shall have full discretion to remove the Development Advisor in consultation with the Trustee and prior intimation to the Commission, in accordance with the terms and conditions of the contract or agreement executed between RMC and the Development Advisor.
- 26.2. Upon removal of the Development Advisor, RMC in consultation with the Trustee shall appoint new development advisor that meets the criteria under the REIT Regulations under prior intimation to the Commission.
- 26.3. RMC shall not involve the Trustee or the Commission in any disputes between RMC and the Development Advisor and RMC shall indemnify the Trustee against any claims that may be made by such Development Advisor against the Trustee in relation to such disputes.

27. REMOVAL OR CHANGE OF CIVIL WORKS CONTRACTOR

- 27.1. RMC shall have full discretion to remove any Civil Works Contractor under prior intimation to the Commission and the Trustee, in accordance with the terms and conditions of the contracts or agreements executed between RMC and the pertinent Civil Works Contractor. Upon removal of any Civil Works Contractor, the sub-contracts awarded by him to any sub-contractors shall also automatically stand terminated.
- 27.2. RMC shall not involve the Trustee or the Commission in any disputes between RMC and such Civil Works Contractor and RMC shall indemnify the Trustee against any claims that may be made by such Civil Works Contractor against the Trustee in relation to such disputes.



- 27.3. Upon removal of the Civil Works Contractor, RMC in consultation with the Development Advisor and Trustee shall appoint new Civil Works Contractor.

28. TRANSACTIONS WITH RELATED PARTY

- 28.1. Related Party Transactions shall be subject to the terms and limitations contained in the REIT Regulations. The persons to be considered "*related party*" for the purpose of any transaction pertaining to a REIT Scheme shall include the following:

- (i) RMC;
- (ii) Trustee;
- (iii) Valuer;
- (iv) Promoter of RMC;
- (v) Connected Person, associated company or associated undertaking, director or Key Executive of any of the entities stated at (i) to (iv) including their close relatives; and
- (vi) Development Advisor in relation to the REIT Scheme.
- (vii) REIT Accountant



- 28.2. Provided however the services provided to the REIT Scheme under their respective contracts or agreements in terms of REIT Regulations or this Deed or Offering Document, RMC, Trustee, Shariah Advisor, Valuers, Development Advisor, Architect, REIT Accountant, Civil Works Contractor, Material Providers and Service Providers shall not be deemed as related party transactions.

- 28.3. RMC shall disclose Related Party Transaction in the Offering Document and subsequently in annual as well as quarterly accounts of a REIT Scheme, highlighting the following:

- (i) potential conflict of interest of the related party with respect to the REIT Scheme and the measures taken to address such conflicts;
- (ii) beneficial interest of Related Party in the REIT Scheme and any changes therein; and
- (iii) the amount involved in transactions in respect of each related party for the relevant period.

- 28.4. Where the business of a Related Party is in competition with the activities of a REIT Scheme, the Offering Document, quarterly and annual accounts of the REIT Scheme shall disclose the business of the Related Party and its management so as to enable the Unit Holders to assess the nature of their business and the reasons why their business may adversely impact the business of the REIT Scheme.

- 28.5. Where the REIT Scheme acquires Real Estate from or sells it to a Related Party, the Offering Document shall disclose the following:



- (i) Valuation Report for the Real Estate that the Related Party has agreed to sell or buy; and
- (ii) the price to be deposited in or paid out of the REIT Assets or the Units issued or to be issued out of the REIT Assets as consideration and other terms of the transaction.

28.6. RMC shall, in relation to a REIT scheme, carry out related party transactions with the prior approval of Trustee:

- (i) on arms length basis;
- (ii) consistent with investment objectives and strategy of the REIT Scheme;
- (iii) in the interest of Unit Holders; and
- (iv) with proper disclosure to Unit Holders.

28.7. RMC, its delegates, Development Advisor, Valuer or any other Related Parties shall not receive any benefit, monetary or otherwise, from a property agent, real estate developer or real estate builder in consideration for referring any transaction involving REIT Scheme to such property agent, real estate developer or real estate builder.

28.8. Total value and nature of Related Party transaction and identity of the related party shall be disclosed in the accounts of the REIT Scheme and where no such transaction is conducted during the financial year, an appropriate statement to that effect shall be made in the annual accounts.

29. TRANSFER, TRANSMISSION AND PLEDGE OF UNITS AND REGISTRATION OF UNIT HOLDER(S)

The provisions relating to transfer, transmission and pledge of Units and registration of Unit Holders shall be mentioned in the Offering Document and Information Memorandum.

30. AUDIT

RMC shall appoint Auditor of the REIT Scheme in accordance with the requirements of the REIT Regulations and directions issued thereunder. Shariah Audit of the REIT Scheme would also be performed annually.

31. DETERMINATION OF DISTRIBUTABLE INCOME

31.1. The RMC on behalf of the Scheme shall, distribute by way of dividend to the unit holders not less than ninety per cent of the accounting income of the Scheme in any financial year received or derived from sources other than realized and unrealized capital gains as reduced by such expenses as are chargeable to the Scheme under these Regulations.



Explanation.- For the purpose of this Clause the expression "accounting income" means income calculated in accordance with the requirements of generally accepted Accounting Principles as are notified under the Companies Act, Part-VIII-A of the Companies Ordinance, 1984, the Regulations and the directives issued by the SECP. Wherever the requirements of Regulations or the directives issued by SECP differs with the requirement of generally accepted accounting principles, the Regulations and the said directives shall prevail.

The Management Company may also announce interim dividend subject to requirements of Regulations, circular and directives.

Subject to the provisions of the Income Tax Ordinance, for the purpose of determining distribution of at least ninety percent of accounting income, the income distributed through bonus shares, shall not be taken into accounts.

- 31.2. Out of the amount determined for the purpose of distributable income in respect of each Holder withholding tax, Zakat or other statutory levies, as may be applicable to the relevant Holder shall be deducted before distribution for the relevant Holder.
- 31.3. The Management Company may decide to distribute in the interest of the Holders, wholly or in part the distributable profits in the form of cash dividend, which would comprise payment (net of applicable tax) of cash dividend.
- 31.4. Before making any payment in respect of a Unit, the Trustee or the RMC may make such deductions as may be required by law in respect of any Zakat, income or other taxes, charges or assessments whatsoever and issue to the Holder the certificate in respect of such deductions in the prescribed form or in a form approved or acquired by the concerned authorities.

32. DISTRIBUTION OF DIVIDENDS

- 32.1. After the Accounting Date, the RMC shall instruct the Trustee to transfer such amount of cash as required to effect such distribution to the Distribution Account. The amount standing to the credit of the Distribution Account shall not for any purpose of this Deed be treated as part of the REIT Assets but shall be held by the Trustee upon trust to distribute the same. The modus operandi of such distribution will be dealt as mentioned in Offering Document.

33. FORCE MAJEURE AND FRUSTRATION:

- 33.1 Neither RMC, nor the Trustee shall be liable for any loss or damage caused to the REIT Project or REIT Assets or to the Unit Holders for non-completion or delayed completion of the REIT Project due to any elements of Force Majeure as defined in Clause 1.26 above or Frustration of Contract as defined in Clause 1.27 above.



34. DURATION AND EXTINCTION/DISSOLUTION OF TRUST

34.1 The Trust shall continue until the entire REIT Project is developed and completed, all the Premises are allotted, sold and delivered to the Customers against full payments of Purchase Prices to the Trustee on account of the REIT Scheme, as per the payment schedule to be incorporated in the agreement between the Customer and RMC/Trustee which shall be disclosed in the Business Plan and the Offering Document.

34.2 For avoidance of doubt, the REIT Scheme shall not be revoked or dissolved in case where some of the Premises have remained unsold and not transferred to any Customers and only the remaining Premises have been sold, delivered and transferred to the Customers with undivided leasehold/sub-leasehold share in the Land.

34.3 Subject to Clauses 30.1 and 30.2 above and subject to the provisions of Clause 31 hereafter, the REIT Scheme may also be revoked and extinguished and as consequence thereof, the Trust is dissolved earlier before the completion of the REIT Project and delivery and transfer of the Premises to any Customers, on the happening of one or more of the following events:-

- (a) if the REIT Project cannot be commenced or completed due to Frustration of Contract attributable to various factors beyond the control of RMC or the Trustee, as the case may be, including embargo or ban on high-rise buildings in the vicinity of the REIT Project or on the Land; or due to refusal of approvals or building plans by the Lahore Development Authority, Lahore Metropolitan Corporation, Cantonment Board of the pertinent area (if any); or
- (b) if the REIT Project cannot be completed due to Force Majeure a such element(s) of Force Majeure continue to subsist for a period of more than two years at a stretch, making the REIT Project unfeasible in the opinion of RMC with prior consent of the Unitholders through passing the Special Resolution; or
- (c) if the Unit Holders pass a Special Resolution demanding revocation of the Trust; or
- (d) if RMC goes into liquidation, becomes bankrupt or has a liquidator appointed over its assets, or its license has been cancelled or does not hold valid license unless the management rights have been transferred in conformity with the REIT Regulations; or
- (e) if in the opinion of RMC, the REIT Scheme is not commercially viable or the purpose of the Trust cannot be accomplished or its objective cannot be achieved and the Unit Holders have consented to such an action through a Special Resolution; provided that RMC and the Strategic Investor(s) shall not vote at such meetings and their presence shall not be counted towards requisite voting for Special Resolution; or
- (f) if in the opinion of Trustee and on occurrence of any event or circumstances which, as per Trust Deed, triggers conditions that require the REIT Scheme to be revoked; or




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- (g) if the Commission deems it necessary to revoke the REIT Scheme and directs so to the Trustee or RMC in the interest of Unit Holders; or
- (h) if in case the transfer of the Land by the Seller in favour of the REIT Scheme does not take place for any reason within the time specified under the REIT Regulations, unless the time is extended by the Commission upon written request of RMC giving cogent reasons for delay in transfer of the Land.

34.4 Upon the dissolution of the Trust, the REIT Assets shall be distributed among the Unit Holders as per Clause 34.6 hereafter.

35. PROCEDURE FOR REVOCATION/CANCELLATION OF REIT SCHEME AND DISTRIBUTION OF LIQUIDATION PROCEEDS

- 35.1 In case the REIT Scheme is to be revoked, the Trustee shall immediately apply to the Commission and upon approval by Commission, shall give notice to RMC and in two newspapers having circulation all over Pakistan disclosing the circumstances leading to the revocation of the REIT Scheme.
- 35.2 On the date of publication of the notice under Clause 34.1 above, the affairs of and all information relating to the REIT Scheme shall be transferred to the Trustee till the completion of the final settlement of the affairs of the REIT Scheme.
- 35.3 From the date of publication of the notice, the Units of the REIT Scheme shall be de-listed, with approval of the Commission, from PSX and REIT Scheme shall cease to carry on its business, except so far, as may be required for the beneficial revocation thereof and dissolution of the Trust.
- 35.4 RMC, the Trustee or any other party as deemed appropriate by the Commission shall be authorized to dispose off the assets of the REIT Scheme in the best interest of the Unit Holders and any sale, settlement or arrangement executed by the Trustee in pursuance of revocation of the REIT Scheme shall be binding on RMC and Unit Holders of the REIT Scheme.
- 35.5 The Trustee upon the commencement of revocation process shall also submit, in addition to specified statutory reports, quarterly reports to the Commission providing details of the various steps taken by it to finalise settlement of the affairs of the Trust.
- 35.6 The proceeds from the sale of the REIT Asset shall be first utilized towards discharge of Customers Advances and Borrowing in priority and thereafter towards payment of all other liabilities as are due and payable by the REIT Scheme and after making appropriate provisions for meeting the expenses connected with such revocation, the balance amount, if any, shall be paid to the Unit Holders, including the Strategic Investor(s) and RMC in proportion to their respective investments in the REIT Assets of the REIT Scheme.
- 35.7 On the completion of the revocation process, the Trustee shall forward to the Commission and




the Unit Holders a report on the revocation process containing particulars such as circumstances leading to the revocation, the steps taken for disposal of REIT Assets before revocation, expenses for revocation, Net Assets available for distribution to the Unit Holders, including the Strategic Investor(s) and RMC, along with a certificate from the auditors of the REIT Scheme.

- 35.8 After the receipt of revocation report by the Trustee, if the Commission is satisfied that all measures for revocation of the REIT Scheme have been complied with, the Commission shall cancel the registration of the REIT Scheme and the REIT Scheme shall cease to exist and Trust shall be extinguished as per applicable laws and the revocation of the Trust shall be recorded in the office of the concerned Sub-Registrar by registered Deed of Revocation to be executed by RMC and the Trustee with the approval of the Commission at the cost of RMC.

36. MODIFICATION OF THE TRUST DEED

- 36.1 The Trustee and RMC acting together shall be entitled by a Supplemental Deed to modify, alter or add to the provisions of this Deed in such manner and to such extent as they may consider expedient for any purpose, subject to the prior written approval of the SECP and Shariah Advisor and subject to the condition that it does not prejudice the interests of Unit Holders.
- 36.2 In case the amendments are proposed in the fundamental attribute of the Constitutive Documents and any Major Contracts of the REIT Scheme, including material alteration of the rights, of the Unit Holders, increase in management fee, RMC must give at least 30 (thirty) days prior notice to each Unit Holder about the proposed change(s).

37. REIT FUND SIZE

The Parties agree that Fund Size (monetary value) of the REIT Scheme shall be mentioned in the Offering Document.

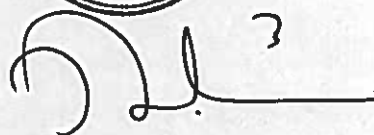
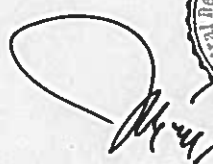
38. RIGHT OF THE BENEFICIARIES OF THE TRUST

The beneficiaries under the Trust shall be the Unit Holders who shall have all rights in accordance with this Deed, Offering Document and the REIT Regulations.

39. MEETINGS OF THE UNIT HOLDERS

- 39.1 The meeting of the unit holders shall be held in accordance with the procedure prescribed in Schedule VII to the REIT Regulations for the following purposes:

- (i) Transfer of management rights of REIT Scheme



- (ii) Extinguishment or revocation of REIT Scheme
- (iii) Removal of Valuer or
- (iv) any other purpose wherein approval of the unitholders is required in accordance with the REIT Regulations

39.2 For the purpose of Clause 35.1, the meeting can be called by: -



- (i) RMC or
- (ii) Trustee or
- (iii) Commission
 - (a) on its own motion in the interest of REIT Scheme or;
 - (b) at the request of Unit Holders having at least 25% Units in value of the total outstanding Units of the REIT Scheme present either in person or through proxy or represented by Trustee in such meeting;

40. APPLICATION OF THE COMPANIES ACT AND IFRS

- 40.1 The provisions of the Act governing matters relating to general meetings of a company, notice for meeting to shareholders, issue of right shares, allotment and transfer of shares, prospectus, accounts and audit of listed companies, declaration of dividend, shall mutatis mutandis apply unless specified otherwise in the REIT Regulations to the meetings of the Unit Holders, notice for meeting to Unit Holders, issue of right or bonus units, allotment and transfer of units, declaration and payment of dividends, prospectus, accounts and audit of the REIT Scheme.
- 40.2 International Financial Reporting Standards notified by the Commission for listed companies shall also apply to the REIT Scheme, where relevant.

41. ARBITRATION

In the event of any disputes arising out of or in connection with this Trust Deed or the Offering Document between RMC on the one part and the Trustee on the other part, including as to the respective rights and obligations of the parties hereto, as well as those relating to the interpretation of the terms and conditions of this Trust Deed and the Offering Document of the Unit Trust, the same shall be referred to arbitration by two arbitrators, one to be appointed by RMC and the other to be appointed by the Trustee. In the event of lack of consensus between the two arbitrators, the matter shall be referred to an umpire, to be selected by the two arbitrators before commencement of the reference. The unanimous decision of both the arbitrators, or the



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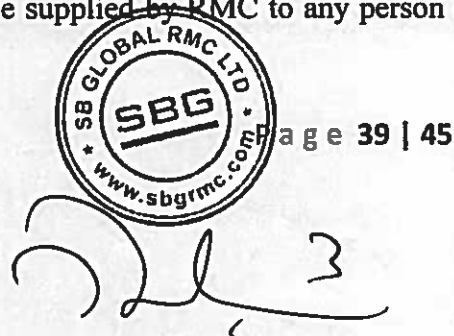
decision of the umpire, as the case may be, shall be final and binding upon both the parties hereto. The arbitrators and the umpire shall be selected from amongst retired judges, senior chartered accountants, or senior lawyers, or senior bankers or senior members of PSX. The venue of the arbitration shall be Lahore or any other city in Pakistan as may be mutually agreed. The arbitration shall be conducted in accordance with the Arbitration Act, 1940.

42. CONFIDENTIALITY

The Trustee and RMC and every director or officer of the Trustee and RMC who are in any way engaged in the business of the Trust and all persons employed or engaged by the Trustee or RMC in connection with the REIT Project of the Trust, including Development Advisor, Architect, Shariah Advisor, Valuer, REIT Accountant, Auditor, Civil Works Contractor, Material Providers, Service Providers shall observe strict confidentiality in respect of all transactions of the Trust, its Unit Holders and all matters relating thereto and shall not disclose any information or document which may come to their knowledge or possession in the discharge of their duties except when required to do so in the ordinary course of performance of their duties or by law or if compelled by any court of law or a competent authority. This condition shall be got incorporated by RMC in all Major Contracts pertaining to the above.

43. MISCELLANEOUS

- 43.1 Any notice required to be served upon the Unit Holder shall be deemed to have been duly given if sent by post, by courier, email or any other electronic medium or left at his address as appearing in the Register. Any notice so served by post/courier/email or other electronic means shall be deemed to have been served on the day following that on which the letter containing the same is posted/sent by courier, by email or other electronic means upon receiving confirmation of receipt of such email or other electronic means and in proving such service, it shall be sufficient to prove that such letter was properly addressed, stamped (if required) and posted/sent by courier. RMC shall advertise any such notice in a newspaper widely published.
- 43.2 Service of a notice or document on any one of several joint Holders shall be deemed effective service on the other joint Holders.
- 43.3 Any notice or document sent by post to or left at the registered address of a Holder shall notwithstanding that such Holder be then dead or bankrupt/insolvent and whether or not the Trustee or RMC have notice of his death or bankruptcy be deemed to have been duly served and such service shall be deemed a sufficient service on all persons interested (whether jointly with or as claiming through or under him) in the Units concerned.
- 43.4 A copy of this Deed and of any Supplemental Deed shall be made available for inspection at the respective Head Offices of the Trustee and RMC at all times during usual business hours along with placement on the website of RMC and shall be supplied by RMC to any person on application.




43.5 If, at any time, any clause or provision of this Deed is, or becomes, in whole or in part, illegal, invalid or unenforceable under the laws of Pakistan, neither the legality, validity and enforceability of the remaining clauses of this Deed, nor the legality, validity or enforceability of such clause under the law of any other jurisdiction shall in any way be affected or impaired thereby. Having regard to the terms of this Deed, the Courts at Lahore shall have jurisdiction to adjudicate on any matter related to or arising out of this Deed.

IN WITNESS WHEREOF THIS TRUST DEED has been executed at the date mentioned herein above.

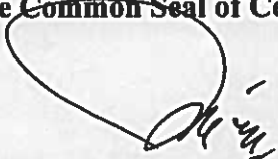
The Common Seal of SB Global REIT Management Limited was hereunto affixed by

1. 
Name: SAKIB BERMAN
Designation: CEO
CNIC No.: 3540376161367
0323-6173778



2. _____
Name: _____
Designation: _____
CNIC No.: _____


The Common Seal of Central Depository Company of Pakistan Limited was hereunto affixed by

1. 
Name: ATIQR-REHMAN
Designation: Head of Trustee
CNIC No.: 42501-9253203-1
0300-8204646

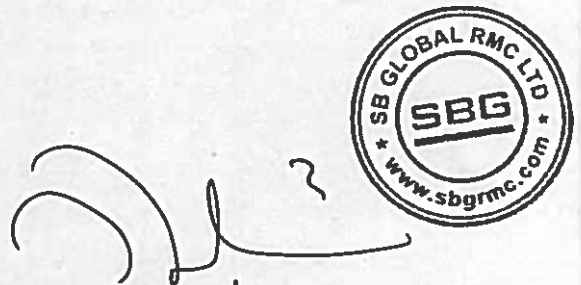


2. _____
Name: _____
Designation: _____
CNIC No.: _____


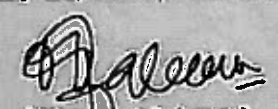
WITNESSES


1. M. Fabeer
Name: M. Fabeer Akram Bhatti
Signature: _____
CNIC No.: 35202-4542012-5
Address: Govt Science College
Wahdat Road Lahore.

2. Nazir Hussain
Name: NAZIR HUSSAIN
Signature: _____
CNIC No.: 35201-1266185-3
Address: 40-Amar Park Baghban pura
Lahore



Annexure-A

	Securities and Exchange Commission of Pakistan Specialized Companies Division Policy, Regulation and Development Department
Licence No. SCD/PRDD/REIT/SBGRMCL/2019/01	Islamabad, July 26, 2019
LICENCE TO CARRY OUT REIT MANAGEMENT SERVICES AS NON-BANKING FINANCE COMPANY	
<p>The Securities and Exchange Commission of Pakistan, having considered the application for renewal of license to carry out REIT Management Services submitted by SB Global REIT Management Company Limited under rule 5 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the "Rules"), and being satisfied that it would be in the public interest so to do, in exercise of powers conferred by sub-rule (9) of rule 5 of the Rules, hereby renews the license of SB Global REIT Management Services to carry out REIT Management Services subject to the conditions stated herein below or as may be prescribed or imposed hereafter:</p>	
<p>(I) SB Global REIT Management Company Limited shall comply with Part VIIIA of the Companies Ordinance, 1984, along with all related or connected provisions, the Companies Act 2017, the Securities Act, 2015, the Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008, and any directives, circulars, codes, notifications and guidelines issued by the Commission;</p>	
<p>(II) SB Global REIT Management Company Limited shall submit annual, half yearly, quarterly or such other reports as specified in the applicable laws; and</p>	
<p>(III) The license is valid for a period of three years w.e.f. July 14, 2019, and shall be renewable every three years as specified in the Rules.</p>	
<p style="text-align: right;"> (Musarat Jabeen) Executive Director (SCD)</p>	



Annexure-B



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
SPECIALIZED COMPANIES DIVISION
POLICY, REGULATION AND DEVELOPMENT DEPARTMENT

No. SCD/PRDD/REIT/SB-GRMCL/2019/- 17

October 3, 2019

Mr. Sukh Berjees,
Chief Executive Officer,
SB Global REIT Management Company Limited,
Car4u, Office #801-C, City Tower,
Main Boulevard, Gulberg,
Lahore.

Subject: Consent on the Trust Deed of SB Global Developmental REIT Fund

Dear Sir,

This is with reference to your email dated September 4, 2019 and earlier correspondences in relation to the subject noted above.

SB Global REIT Management Company Limited (the "Company") vide aforesaid email submitted final version of the draft trust deed of proposed SB Global Developmental REIT Fund (the "Fund") to be executed between the Company and Central Depository Company of Pakistan Limited (the "Trustee"), for review and consent of the Securities and Exchange Commission of Pakistan (the "Commission").

In this regard, I am directed to communicate that the Commission in terms of Regulation 3(C) of the Real Estate Investment Trust Regulations, 2015 (the "REIT Regulations") is pleased to convey its consent for registration of the said trust deed of the proposed Fund under the Trusts Act, 1882.

The consent on the draft trust deed is without prejudice to the conditions and requirements stipulated in the license issued in favor of the Company, the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003 and the REIT Regulations, 2015.

Yours truly,

Khawaja Ammad Masud
Deputy Director



Cc: (i) Mr. Badiuddin Akber, Chief Executive officer, CDC
(ii) Mr. Atiqur Rehman, Head of Trustee & Custodial Operations, CDC



NIC Building, Annah Avenue, Blue Area, Islamabad.
PABX: 227091-4, Fax: No. 2218590



Annexure-C

Badiuddin Akber
Chief Executive Officer

CDC/CEO/L 104/2019
May 23, 2019

Mr. Sakib Berjees
Chief Executive Officer
SB Global REIT Management Company Limited
Suite 801 C, City Towers,
Gulberg II,
Lahore.

Consent to Act as Trustee for Developmental REIT Scheme proposed to be constituted and launched by
SB Global REIT Management Company Limited

Dear Mr. Sakib Berjees,

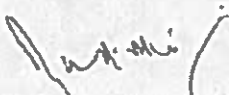
This is with reference to your letter dated April 15, 2019 wherein you have proposed to appoint Central Depository Company of Pakistan Limited ("CDC") as the Trustee for the proposed Developmental REIT Scheme situated at Commercial Plot No. D comprising of Survey No. 131/A-4, near Rangers Headquarters, Lahore Cantt. admeasuring 9716 Sq. Yds.

Firstly we would like to show our sincere gratitude for preferring CDC to act as Trustee for the proposed Developmental REIT Scheme intended to be launched by SB Global REIT Management Company Limited under REIT Regulations, 2015, subject to the approval of the Trust Deed, Offering Document, Information Memorandum and other documents. We hereby express our consent to act as Trustee of said Scheme.

While expressing this consent CDC confirms that it will perform its duties and obligations as Trustee of the Scheme as are set out in the REIT Regulations, 2015. Needless to mention that, CDC shall have no responsibility whatsoever with regards to the functions of the Management Company or any intermediary or service provider associated with the Scheme such as Valuers, Lawyers, REIT Accountant/Project Accountant, Development Advisor, etc. or for their actions or inactions vis-à-vis the provisions of the, REIT Regulations 2015.

We once again thank you for reposing confidence in CDC for undertaking the said role.

Kind regards,



CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

Head Office
CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahr-e-Faisal
Karachi - 74400, Pakistan
Tel: (92-21) 111-111-500
DIR: (92-21) 34326032
Fax: (92-21) 34326005
URL: www.cdc-pakistan.com
Email: badiuddin_akber@cdc-pak.com



Annexure-D



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
SPECIALIZED COMPANIES DIVISION
POLICY, REGULATION AND DEVELOPMENT DEPARTMENT

No. SCD/PRDD/REIT/SB-GRMCL/2019/2

October 3, 2019

Mr. Sukib Berjees,
Chief Executive Officer,
SB Global REIT Management Company Limited,
Curia, Office #801-C, City Tower,
Main Boulevard, Gulberg,
Lahore.

Subject: Approval of Central Depository Company of Pakistan Limited as Trustee of SB Global Developmental REIT Fund

Dear Sir,

This is with reference to your application dated May 28, 2019 regarding the subject captioned above.

In this regard, I am directed to communicate that the Securities and Exchange Commission of Pakistan has granted approval for the appointment of Central Depository Company of Pakistan Limited to act as Trustee of the proposed SB Global Developmental REIT Fund in terms of sub-regulation (2) of regulation 3(B) of the Real Estate Investment Trust Regulations, 2015.

Yours truly,


Khawaja Ahsan Masud
Deputy Director



Cc: (i) Mr. Badiuddin Akber, Chief Executive officer, CDC
(ii) Mr. Atiqur Rehman, Head of Trustee & Custodial Operations, CDC

NIC Building, Minnah Avenue, Blue Area, Islamabad.
PABX: 3307091-4, Fax. No. 3300473



Local Commission Mr. Advocate advocate as get
the document executed in his presence. Both the parties along
with the witnesses and identifier have signed and put their
thumb impressions in his presence as per instructions after
checking the stay order by RM-III. As the Local Commission
has returned the document after his satisfaction therefore
it is registered.

Sub Registrar
Aziz Bhatti Town Lahore

Document No. 1076 Book No. 4

Volume No. 390 Date 13-11-2018

Sub Registrar
Aziz Bhatti Town Lahore