



SECP

SECURITIES AND EXCHANGE
COMMISSION OF PAKISTAN

Checklist for Formation of NBFC & Grant of License for REIT Management Services

Section I: Permission for Formation of an NBFC - REIT

This section outlines the step-by-step documentation and compliance requirements for obtaining permission to form a Non-Banking Finance Company (NBFC) for the purpose of providing Real Estate Investment Trust (REIT) Management Services.

	Checklist Item	Submission (Yes/No/NA) – Page No of application
1	A person desirous of forming an NBFC to undertake REIT Management Services will reserve its name using the SECP eZfile portal.	
2	Applicant shall proceed with seeking a permission to undertake the respective activity (REIT Services) through application in Licensing Department. Application to be submitted in Form I of NBFC Rules, 2003 (Annexure A of this document).	
3	Original Challan evidencing payment of a non-refundable processing fee of Rs. 250,000 as per Schedule-III of the Real Estate Investment Trust Regulations, 2022 (REIT Regulations).	
4	Name Availability Letter with justification; the same name should be the same as appearing on the fee challan.	
5	Draft of Memorandum of Association and Articles of Association (MoA and AoA).	
6	Affidavit regarding authenticity, correctness of the information and documents and fitness and propriety of the directors and the CEO submitted to the Commission (Annexure D of this document).	
7	Detailed Business Plan of the NBFC, including but not limited to: <ul style="list-style-type: none"> i. Cash flow projections for at least 3 years ii. Strategic forecasts, capital and manpower budgets, overhead budgets, and variance analyses. iii. Overview of intended REIT scheme(s). 	
8	Net-worth certificate of each sponsor supported by duly authenticated copy of the latest wealth statement showing net-worth twice the amount to be subscribed, filed with the taxation department.	
9	In case of foreign sponsors or directors: <ul style="list-style-type: none"> i. If residing in countries where filing of wealth statement is not mandatory, documents attested by the Pakistan Embassy in the respective country are required; ii. Apostilled certificate of copies of passport; personal net-worth and general reputation issued by a bank of international repute and CIB, in countries that are members of the Hague Convention or routed through respective embassy if not in the list of Hague Convention; 	

10	<p>Composition of Board:</p> <ul style="list-style-type: none">i. The NBFC must be incorporated as a public limited company with a minimum of 3 directors.ii. Directors should have a minimum of five years of senior-level management or business experienceiii. The Chief Executive Officer must have at least 7 to 10 years of senior management experience, preferably in the regulated financial services sector, and demonstrate capability to perform the responsibilities of the position. The work experience of the CEO to be provided in a tabulated form as follows: <table><tr><th>Sr.</th><th>Name of the Company where the proposed CEO has worked</th><th>Name of the project and Role of the proposed CEO in the project</th><th>Duration of the project</th></tr><tr><td></td><td></td><td></td><td></td></tr></table> <ul style="list-style-type: none">iv. Number and names of Independent Directors must be listed to meet the requirement that one-third of the board be independent as per Schedule-I of NBFC Rules, 2003.v. Name of at least one female director on the board.	Sr.	Name of the Company where the proposed CEO has worked	Name of the project and Role of the proposed CEO in the project	Duration of the project				
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11	<p>Documentary evidence supporting directors/CEO</p> <ul style="list-style-type: none">i. Computerized National Identity Card (CNIC) copies of all directors, sponsors, and the CEO must be submitted.ii. Names, qualifications, and experience of CEO/Directors/Shareholders must be provided as per Schedule-I of NBFC Rules, 2003 and Fit & Proper Criteria (Schedule-IX of NBFC Regulations, 2008 or Schedule VIII of REIT Regulations, 2022) – to be filled as per Annexure C of this document.iii. Documentary evidence of highest qualification and relevant work experience for all directors and the CEO.iv. All directors and the CEO must be active taxpayers.v. Registration certificate of Independent Director with the Pakistan Institute of Corporate Governance (PICG);vi. NOC is required in case of government servants. If a public sector enterprise is involved, relevant authority or cabinet approval (provincial or federal) is required for board composition and business objectives;vii. Directors of a REIT Management Company shall not serve as directors in any other company licensed or having similar line of business, to carry out comparable business activities in Pakistan;viii. The CEO of an NBFC seeking permission to manage REITs must not simultaneously serve as a CEO in any other company.								

Section II: Grant of License - REIT

After incorporation of the NBFC, the company must apply for a license to undertake REIT Management Services within six months. This section details the comprehensive documentation and procedural requirements.

Sr.	Checklist Item	Submission (Yes/No/NA)
1	Application to be made on Form II of NBFC Rules, 2003 (Annexure B of this document).	
2	Original Challan for payment of Rs. 1,000,000 as application fee as per Schedule–III of the REIT Regulations, 2022.	
3	Specify the forms of business company is engaged if in addition to the REIT.	
4	Auditor's certificate confirming that the company meets the paid-up capital/minimum equity requirements under REIT Regulations, 2022.	
5	Proceed Realization Certificate or bank statement confirming transfer of subscription money from subscribers' accounts into the company's account.	
6	Details of directors with relevant experience of the licensed activity as per Schedule-I of NBFC Rules, 2003: one director if there are three in total; two if more than three (if directors are different from the one proposed at the time of prior permission, otherwise specify that directors are the same)	
7	Details of the person responsible for managing each licensed business form, other than the Chief Executive, if the company is engaged in multiple business forms.	
8	Undertaking by promoters/sponsors/major shareholders and directors that their shares are deposited in a CDC account marked as blocked and shall not be sold or transferred without SECP's approval.	
9	For foreign directors/CEO, license approval is subject to receipt of security clearance.	
10	Undertaking by the company, its promoters, shareholders, CEO and directors to fully comply with the Ordinance, rules, regulations and SECP directions.	
11	Detailed Business Plan of the NBFC, including but not limited to: <ul style="list-style-type: none"> i. Cash flow projections for at least 3 years ii. Strategic forecasts, capital and manpower budgets, overhead budgets, and variance analyses. iii. Overview of intended REIT scheme(s). Clearly specifying if its different from the one shared at the time of prior permission.	
12	Affidavit regarding authenticity, correctness of the information and documents and fitness and propriety of the directors and the CEO submitted to the Commission (Annexure D of this document).	

Annexures

Annexure A – Form I

APPLICATION FOR PERMISSION TO FORM A NON-BANKING FINANCE COMPANY

Dated: _____

To,
The Securities and Exchange Commission of Pakistan, Islamabad.

Dear Sir,

We hereby apply for grant of permission under rule 4 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, to form a Non-Banking Finance Company under the name and style of * [Name of Company].

The information and documents as required in the Annexure to this form duly verified and signed by all promoters and proposed directors along with five spare copies of this application and an affidavit by them as to the correctness of the details is submitted.

We undertake to keep this information up to date by communicating changes or modifications therein within fourteen days of such changes or modifications.

A receipt of Rs. _____ being the processing fee, deposited in _____ on _____ is enclosed.

Yours faithfully,

[Signature]

[Verification by Oath Commissioner]

Annexure B – Form II

APPLICATION FOR OBTAINING LICENCE TO UNDERTAKE OR CARRY OUT [Type of Business] AS A NON-BANKING FINANCE COMPANY

Dated: _____

To,
The Securities and Exchange Commission of Pakistan, Islamabad.

Dear Sir,

We hereby apply for grant of license under rule 5 of the NBFC Rules, 2003, to undertake [Type of Business] as a Non-Banking Finance Company.

We furnish the following information:

- (a) Date of incorporation as a limited company;
- (b) Authorized, subscribed and paid-up share capital (with sponsors' equity separately mentioned);
- (c) Names and addresses of directors with shares held by each;
- (d) Directors' interest in other companies;
- (e) Details of controlling persons or groups;
- (f) Associated companies and undertakings;
- (g) Qualified staff details.

Receipt of Rs. _____ for processing fee is enclosed.

Yours faithfully,
[Signatures of all Directors]

Annexure C – as per Schedule VIII of the REITs Regulations, 2015

1.	Curriculum Vitae/Resume containing:
A	Name: (former name if any):
B	Father's or Husband name:
C	C.N.I.C #/ Passport # (incase of foreign nationals) – (attach copy)
D	Latest photograph
E	Nationality:
F	Age:
G	Contact details: I. Residential address: II. Business address: III. Tel: IV. Mobile: V. Fax: VI. E-mail:
H	National tax number:
I	Present occupation:
J	Qualification(s) supported by documentary evidence: Details of Academic and Professional Qualifications: (Attach Copy). Board of Directors of RMC shall ensure verification of credentials and degree of the Chief Executive";
k	Trainings
1	Experience supported by documentary evidence: (Positions held during the last 10 years along with name and address of company/ institution) (Position held during the last 10 years (along with name and address of company/ institution/ body where appointment held, nature of the company/ institution/ body and dates of appointment)).
2	Status of directorship Shareholder <input type="checkbox"/> Nominee <input type="checkbox"/> Name of the Shareholders/ Group of shareholders he is representing Nature of Directorship Executive <input type="checkbox"/> Non-Executive <input type="checkbox"/> Independent <input type="checkbox"/> Non-Independent <input type="checkbox"/> Status of Directorship Nominee director <input type="checkbox"/> Number of shares subscribed or held Nominated by (name of shareholders) Personal net worth (copy of wealth statement for other than nominee directors of body corporate and independent directors)
3	Names of companies, firms, sole proprietorship and other organizations of which the proposed person is a chief executive, director, partner, owner, office holder or major shareholder.
4	In the case of appointment of directors, the date of board of directors' meeting in which the appointment of proposed director was appointed. (Attach copy of the minutes of the meeting of the board of directors. If the director is elected, then attach a copy of the general meeting of the company.)
5	Names of persons on the board of the RMC who are related to the applicant.

Information to be provided by a body corporate as promoters and major shareholders of the RMC:

- i. Financial statements for the last three years;
- ii. Details of business places;
- iii. Shareholding details including details of ultimate beneficial owners;
- iv. Details of any write off availed from any financial institution during the last five years
- v. Details of any default of Finance obtained from any financial institution during the last five years.
- vi. Details of any rescheduling of Finance obtained from any Financial Institution during the last five years.
- vii. Any substantial adverse verdicts against the Company from any Court of Law during the last ten years
- viii. Details of associated companies and subsidiaries;
- ix. Details of any litigation in the name of the company, its sponsors and directors;
- x. Details of any inquiry, investigation conducted by the Commission or any other regulatory or professional body or government agency during the last five years; and
- xi. Any other information as may be required by the Commission

Annexure D

Affidavit

Before the Securities and Exchange Commission of Pakistan

(On Stamp Paper of Appropriate Value)

I, son/daughter/wife of adult, resident of and holding CNIC/ Passport No. do hereby state on solemn affirmation as under: -

1. That I am eligible for the position of and compliant with the Fit and Proper Criteria as specified in Real Estate Investment Trust Regulations, 2022
2. That I hereby confirm that:
 - (i). The statements made, and the information given by me including that required under Schedule VIII is correct and that there are no facts which have been concealed.
 - (ii). I have not availed any write off either directly or indirectly through associated concerns from any financial institution during the last five years
 - (iii). I have not defaulted either directly or indirectly through associated concerns on Finance obtained from any financial institution during the last five years.
 - (iv). My name has not been Placed on ECL during the last five years
 - (v). I have not been convicted from any Court of Law and have done no plea bargain with NAB either directly or indirectly through associated concerns during the last ten years
3. That I have no objection if the Securities and Exchange Commission of Pakistan requests or obtains information about me from any third party.
4. That I undertake to bring to the attention of the Securities Exchange Commission of Pakistan any matter which may potentially affect my status for the position of as per the Fit and Proper Criteria annexed to the Real Estate Investment Trust Regulations, 2022.
5. That all the documents provided to Securities Exchange Commission of Pakistan are true copies of the originals and I have compared the copies with their respective originals and certify them to be true copies thereof

DEPONENT

The Deponent is identified by me

Signature_____

ADVOCATE

(Name and Seal)

Solemnly affirmed before me on this day of at _____ by the Deponent above named who is identified to me by , Advocate, who is known to me personally.

Signature_____ OATH
COMMISSIONER FOR TAKING AFFIDAVIT



SECP

SECURITIES AND EXCHANGE
COMMISSION OF PAKISTAN