SECURITIES AND FUTURES COMMISSION
證券及期貨事務監察委員會

CHECKLIST ON
REIT AUTHORISATION AND DOCUMENTARY REQUIREMENTS

This document sets out the procedure and requirements for applications for the authorisation of real estate investment trusts ("REITs") under the Code on Real Estate Investment Trusts (the "Code").

Unless otherwise defined, terms and expressions used in this Checklist are as defined in the Code.

Authorisation Application

1. A new applicant, being the management company of the scheme, must apply for an authorisation of a REIT on the Application Form for Real Estate Investment Trusts.

2. The applicant and the listing agent(s) should ensure that the information in the draft offering circular ("Application Proof") that is submitted to the SFC together with the Application Form and other application documents for the authorisation of the scheme for the purpose of listing are substantially complete (except in relation to information that by nature can only be finalised and incorporated at a later date). If the SFC decides the information is not substantially complete, the SFC will not continue its review and return all documents to the applicant except for the retention of a copy of these documents for record. An 8-week moratorium ("Moratorium") will be imposed whereby the applicant can only submit the new Application Form and Application Proof not less than 8 weeks after the date of return letter.

3. The SFC will normally issue a letter ("Take-up Letter") confirming that the application has been taken up within five business days of the receipt of the application if it is in good order.[1] The application fee has to be paid upon submission of the application or as soon as practicable following submission. In the latter case, the applicant shall contact the SFC case team to discuss the payment arrangement.

4. The first requisition letter in respect of the application will be issued within 14 business days of the date of the Take-up Letter.

5. The SFC anticipates that a new REIT authorisation application can be decided on within four weeks from take-up of the application under normal circumstances[2] .

6. The applicant and listing agent(s) should refer to the Frequently Asked Questions relating to Real Estate Investment Trusts for further guidance.

[1] The application may be returned in circumstances as provided in paragraph 2.

[2] Subject to, for example, whether the application submission is complete and whether the applicant responds to the SFC's questions in a timely manner.

Documentary Requirements

The following are the basic documents which should be submitted to the SFC for review in support of each authorisation application. This list should not be considered as exhaustive and where appropriate, applicants should also submit such other additional documents relevant to the specific features and requirements of their schemes as requested by the SFC.

Applicants should submit soft copies of all application-related documents in text-searchable format.

A. Document to be submitted at least two months before lodging the application

(1) A copy of the engagement letter of the listing agent(s) as soon as formally appointed (which should normally be submitted within five business days from the date of the engagement letter)

B. Documents to be submitted upon lodging the application

(1) Application Proof

(2) Application Checklist and the other documents referred to therein

(3) Payment of application fee

C. Documents to be submitted at least four clear business days before the expected date of authorisation by the SFC

(1) All executed requests for waiver from the requirements of the Code *(if applicable)*

(2) In case of a placing involving bookbuilding activities (as defined under the Code of Conduct), a written confirmation from the listing agent-overall coordinator appointed and designated, where applicable, providing:
   (a) the name of each overall coordinator;
   (b) the fixed fees to be paid to each overall coordinator;
   (c) the total fees (as a percentage of the gross proceeds to be raised from the new listing) in respect of both the public subscription and the placing tranches to be paid to all syndicate capital market intermediaries (“CMIs”); and
   (d) the ratio of fixed and discretionary fees to be paid to all syndicate CMIs for both the public subscription and the placing tranches (in percentage terms).

D. Documents to be submitted for fulfilment of authorisation conditions

(1) Confirmation and Undertaking from the Management Company for fulfilment of authorisation conditions in the form as set out in **Annex F**

(2) Confirmation and Undertaking from each of the listing agent(s) in the form as set out in **Annex G**

(3) Payment of authorisation fee and first year annual fee

(4) The in-principle approval letter from the Exchange for the listing application of the interests of the scheme

(5) The final proof of (a) offering circular (the “Offering Circular”) and (b) any application forms to subscribe for the units of the scheme

(6) In the case of a spin-off of vendor's interests in the properties to be acquired by the scheme, the covering letter to shareholders of the vendor who qualify for subscription for the interests in the scheme and the blue application form *(if applicable)*

(7) Each of the material agreements referred to in the Offering Circular

(8) Signed Chinese translation certificates in the form as set out in **Annex H** and the Chinese Offering Circular

E. <u>Documents to be submitted on or before the date of distribution of the Offering Circular to the public</u>

(1) Every written undertaking and confirmation (other than those provided under D(1) and D(2) above) from the Management Company and/or other relevant parties to the SFC referred to in the Offering Circular

(2) A New Listing initiation e-form, to be duly completed and submitted on FINI by the listing agent designated on FINI

F. <u>Documents to be filed with SFC before dealings commence</u>

(1) Confirmation and Undertaking from the Management Company in the form as set out in **Annex I**

(2) Confirmation and Undertaking from each of the listing agent(s) in the form as set out in **Annex J**

(3) In the case of a placing involving bookbuilding activities (as defined under the Code of Conduct):
  (a) separate Marketing and Independence Statements in Form D (published in Regulatory Forms section of the Exchange's website) of the Listing Rules of (i) each overall coordinator; (ii) each syndicate member (other than an overall coordinator); (iii) any distributor (other than a syndicate member); and (iv) any Exchange Participant referred to in paragraph 9 of Appendix F1 of the Listing Rules, to be duly completed and submitted on FINI; and
  (b) a placee list from each of the relevant parties mentioned in sub-paragraph (a) above, setting out the required information in paragraph 11 of Appendix F1 of the Listing Rules. The relevant party shall provide such lists directly on FINI in order to maintain confidentiality

(4) A declaration substantially as in Form E (published in Regulatory Forms section of the Exchange's website) of the Listing Rules, to be duly completed and submitted by each listing agent and each overall coordinator on FINI

(5) A declaration substantially as in Form F (published in Regulatory Forms section of the Exchange's website) of the Listing Rules, duly signed by a director and the secretary (where applicable) of the Management Company to be submitted by the Management Company's counsel on FINI in the form of a scanned copy of the duly completed and signed form

(6) A copy of the listing approval granted to the Scheme by the Exchange

Annex F: Management Company's Confirmation and Undertaking for fulfilment of authorisation conditions

- to be submitted for fulfilment of Authorisation Conditions

We, ……………………..…………………..……………………….. *[insert name of Management Company]*, are the manager of ……..……………………..……………….....…… *[insert name of the scheme]* (the "Scheme") and have offices located at ……………………………………... *[insert address of Management Company]*.

We refer to the letter from the SFC dated _______________ *[insert date]* granting authorisation of the Scheme and its offering circular (the "Authorisation Letter").

Confirmations/undertakings

We hereby confirm our agreement to all the conditions for the authorisation of the Scheme as set out in the Authorisation Letter ("Authorisation Conditions"). We further confirm and undertake that the Authorisation Conditions have been fulfilled and will be complied with in respect of the Scheme.

In particular:

☐ We confirm that the finalised draft of the offering circular of the Scheme (the "Offering Circular") has properly addressed all the comments of the SFC on the Offering Circular as set out in the Authorisation Letter; no material changes have been made to the authorized version of the Offering Circular; and no new information has arisen which requires disclosure in the Offering Circular since the date of Authorisation Letter. We also confirm that the Offering Circular submitted for publication has been duly authorised by the Management Company.

☐ We confirm that the Scheme has sufficient working capital to meet its present requirements, that is, for at least the next twelve months after the date of the Offering Circular as demonstrated by its working capital forecast for the …….. *[please state the number of months]* months ending …………………… *[please state the period end date]*.

☐ We confirm that (a) we have exercised due care and consideration in the compilation of the profit forecast of the Scheme (the "Profit Forecast"); (b) we are satisfied that the Profit Forecast has been stated after due and careful enquiry; and (c) we consider that the bases, accounting policies and assumptions used in the Profit Forecast to be appropriate and reasonable.

☐ We confirm that we have obtained written confirmation from the Hong Kong legal counsel that the Offering Circular duly complies with relevant provisions in the Code on Real Estate Investment Trusts and the Securities and Futures Ordinance, and all other applicable rules and regulations.

☐ We confirm that we have obtained written confirmation from the valuer that it has examined the rental income used in the calculations of the Profit Forecast and that such rental income forecast have been compiled in accordance with the assumptions made and such assumptions are reasonable.

☐ We confirm that we have obtained written consent from each of the experts to the issue of the Offering Circular with the inclusion therein of its opinion(s), report(s) and letter(s) and references to its name in the form and context in which they are included in the Offering Circular, and each of such written consent has not been withdrawn before publication of the Offering Circular.

☐ We confirm that all confirmations and undertakings we have submitted in relation to the application for authorisation of the Scheme remain true, accurate and valid as if they had been given again at the date of this confirmation.

☐ All other confirmations and/or undertakings that are required to be submitted in accordance with the Authorisation Letter are set out below: *(use separate sheet(s) if necessary)*

[insert the confirmations and/or undertakings here]

Supporting documentation

We confirm that all the documents as required to be submitted pursuant to the Authorisation Letter is enclosed and listed below:

☐ A cheque made payable to the “Securities and Futures Commission”, or other means of payment acceptable to the SFC, in the total sum of _______________ *[insert amount]* in payment of the authorisation fee and annual fee in respect of the Scheme

☐ Final proof of the English Offering Circular, with (i) changes (shown in mark-ups against previously submitted version) properly addressing all the comments of the SFC on the Offering Circular (if any) as set out in the Authorisation Letter and (ii) annotations against Appendix B to the Code on Real Estate Investment Trusts

☐ Chinese version of the Offering Circular and the executed Chinese translation certificates in the form as set out in Annex H to the Checklist on REIT Authorisation and Documentary Requirements

☐ Copy of the in-principle approval letter from The Stock Exchange of Hong Kong Limited for the listing application of the interests of the Scheme

☐ Copy of notification(s) and/or approval(s), if any, issued by other regulator(s) in all applicable jurisdiction(s), including but not limited to, The Stock Exchange of Hong Kong Limited and the China Securities Regulatory Commission in the PRC

☐ Certified copy of the duly executed trust deed of the Scheme with annotations against Appendix D to the Code on Real Estate Investment Trusts

☐ Other documents that are required to be submitted pursuant to the Authorisation Letter *(use separate sheet(s) if necessary)*

[insert the list of documents here]

Signature : ....

Name : ....

Title : ....

For and on behalf of the board of
[insert name of Management Company] : ....

Dated : ....

Annex G: Listing Agent's Confirmation and Undertaking

- to be submitted for fulfilment of Authorisation Conditions

We, ……………………………………….……….…………………………... *[insert name of Listing Agent]*, are the listing agent appointed by …….…………………………………….…*[insert name of the management company of the Scheme]* (the "Management Company") *for* …….………………………………….……….… *[insert name of the scheme]* (the "Scheme") on …………… *[insert date of appointment]* and have offices located at …………………..…….............. *[insert address of Listing Agent]*.

In connection with the application for authorisation of the Scheme (the "Authorisation Application") pursuant to section 104 of the Securities and Futures Ordinance (the "SFO") and the Code on Real Estate Investment Trusts (the "Code"), we hereby confirm to and undertake with the Securities and Futures Commission (the "SFC") the following:

(1) We have obtained written confirmation from the Management Company that the working capital available to the Scheme is sufficient for its present requirements, that is for at least the next 12 months from the date of publication of the offering circular of the Scheme (the "Offering Circular"); and we are satisfied that this confirmation has been given after due and careful enquiry by the Management Company and the persons or institutions providing finance have stated in writing that the relevant financing facilities exist.

(2) *(applicable if the Offering Circular contains a profit forecast)*

(i) We have obtained written confirmation from the reporting accountant that:

a. they have reviewed the accounting policies and calculations for the profit forecast of the Scheme ("Profit Forecast"), and that the Profit Forecast has been properly complied on the bases and assumptions adopted (which are set out in ……………………….. *[insert the heading of the section]* on pages …. to …. *[insert pages]* of the Offering Circular) and is presented on a basis consistent with the adopted accounting policies as set out in ……………………….. *[insert the heading of the section]* on pages …. to …. *[insert pages]* of the Offering Circular; and

b. they have checked (a) the arithmetic accuracy of the distribution per unit and found that it is arithmetically accurate and in agreement with the profit / dividend forecast as set out in the Offering Circular; and (b) the total/ annual distributable income is in agreement with such profit/ dividend forecast.

(ii) We are satisfied that the Profit Forecast has been made by the Management Company after due and careful enquiry.

(iii) We have obtained written confirmation from the valuer that it has examined the rental income used in the calculations of the Profit Forecast and that such rental income forecast have been compiled in accordance with the assumptions made and such assumptions are reasonable.

(3) We have obtained written consent from each of the experts to the issue of the Offering Circular with the inclusion therein of its opinion(s), report(s) and letter(s) and references to its name in the form and context in which they are included in the Offering Circular, and each of such written consent has not been withdrawn before publication of the Offering Circular.

(4) We undertake that we will submit the Offering Circular (with necessary redactions in compliance with the applicable laws and regulations) for publication on the website of the Exchange at least one business day prior to date of distribution of the Offering Circular to the public.

(5) We undertake that we will submit the formal notice of listing for publication on the website of the Exchange in compliance with the applicable laws and regulations.

(6) All confirmations and undertakings we have submitted in relation to the Authorisation Application remain true, accurate and valid as if they had been given again at the date of this confirmation.

(7) No material changes to or omission of material facts from the Offering Circular and no new information has arisen which requires disclosure in the Offering Circular since the date of the authorisation letter and that we undertake that we will inform the SFC in writing promptly upon discovery or becoming aware of any material changes to or omission of facts from the Offering Circular.

(8) (if applicable) We have obtained the in-principle approval letter from the Exchange in respect of the proposed spin-off of vendor's interests in the properties to be acquired by the Scheme for separate listing in the form of a real estate investment trust.

Signature	: ....
Name	: ....
Title	: ....
For and on behalf of *[insert name of listing agent]*	: ....
Dated	: ....

Annex H: Chinese translation confirmation
- to be submitted for fulfilment of Authorisation Conditions

Two Certificates to be Issued (Comprising the First Certificate and Second Certificate below)

First Certificate to be issued by the translator

To: Investment Products Division
Securities and Futures Commission

Dear Sirs,

Name of scheme under application (the "REIT"):
[*insert name of the scheme]*

I refer to the *[name of relevant document(s)]* of the REIT dated *[date of the relevant document(s)]* in connection with the proposed listing of units of the REIT on the Main Board of The Stock Exchange of Hong Kong Limited.

I, *[name of the translator]*, the translator and *[position/title of the translator]* of *[name of the translation company]* at *[address of the translation company]*, hereby certify that the Chinese language translation of the English version of the *[name of relevant document(s)]* of the REIT, is the true, fair, accurate and complete translation of the English language version of the same.

Signature	: ....
Name of the translator	: ....
Title / Position of the translator	: ....
Name of the translation company	: ....
Date	: ....

Second Certificate to be issued by the legal counsel to the management company or the listing agent(s)

To: Investment Products Division
Securities and Futures Commission

Dear Sirs,

Name of scheme under application (the "REIT"):
[*insert name of the scheme]*

We refer to the *[name of relevant document(s)]* of the REIT dated *[date of the relevant document(s)]* in connection with the proposed listing of units of the REIT on the Main Board of The Stock Exchange of Hong Kong Limited (the "Listing").

We, *[name of the party issuing the certificate],* being the *[Hong Kong legal counsel to the management company of the Scheme / listing agent]* to the Listing, hereby certify that *[name of the translator]*, the translator and *[position/title of the translator]* of *[name of the translation company]* at *[address of the translation company]* is competent to have given the certificate dated *[date of the certificate]*, confirming that the Chinese language translation of the English version of the *[name of relevant document(s)]* of the REIT, is the true, fair, accurate and complete translation of the English language version of the same.

Signature	: ....
Name of the party issuing the certificate[3]	: ....
Date	: ....

[3] The signatory should be the Hong Kong legal counsel to the Management Company or the listing agent(s).

Annex I: Management Company's Confirmation and Undertaking

- to be filed before dealing in units of the Scheme commence

We, …………………..…………………..………………….. *[insert name of Management Company]* (the "Management Company"), are the manager of ……..…………………….……………...…… *[insert name of the scheme]* (the "Scheme") and have offices located at ……………………………….... *[insert address of Management Company]*.

In connection with the application for authorisation of the Scheme (the "Authorisation Application") pursuant to section 104 of the Securities and Futures Ordinance (the "SFO") and the Code on Real Estate Investment Trusts (the "Code"), we hereby confirm to and undertake with the Securities and Futures SFC (the "SFC") the following:

(i) the Scheme has been validly constituted under Hong Kong law pursuant to the trust deed of the Scheme;

(ii) all documents required for authorisation of the Scheme under section 104 of the SFO and under Checklist for Application for Authorization of Real Estate Investment Trusts have been duly filed and all such documents and information comply with the Code;

(iii) no material alterations or amendments have been made to the offering circular of the Scheme ("the "Offering Circular") submitted to the SFC for confirming fulfilment of authorisation conditions;

(iv) all pre-conditions for the authorisation of the Scheme and its Offering Circular and for the waivers from strict compliance with certain conditions in the Code have been fulfilled;

(v) all units offered under the offering have been subscribed for cash and duly issued to the subscribers;

(vi) all unit certificates have been delivered in accordance with the Offering Circular;

(vii) all proceeds from the issue of the units have been received and transferred to accounts as directed by the Management Company and/or the Trustee; and

(viii) the underwriting agreements have become unconditional and not been terminated.

Signature : ....

Name : ....

Title : ....

For and on behalf of the board of
[insert name of Management Company] : ....

Dated : ....

Annex J: Listing Agent's Confirmation and Undertaking

- to be filed before dealing in units of the Scheme commence

We, ………………………………………………………………………….. *[insert name of Listing Agent]*, are the listing agent appointed by …….………………………………….…*[insert name of the management company of the Scheme]* (the "Management Company") *for* …….……………………………….………..… *[insert name of the scheme]* (the "Scheme") on …………… *[insert date of appointment]* and have offices located at ……………………..…….............. *[insert address of Listing Agent]*.

In connection with the application for authorisation of the Scheme (the "Authorisation Application") pursuant to section 104 of the Securities and Futures Ordinance (the "SFO") and the Code on Real Estate Investment Trusts (the "Code"), we hereby confirm to and undertake with the Securities and Futures SFC (the "SFC") the following:

(i) all documents required for authorisation of the Scheme under section 104 of the SFO and under Checklist for Application for Authorization of Real Estate Investment Trusts have been duly filed and all such documents and information comply with the Code;

(ii) no material alterations or amendments have been made to the offering circular of the Scheme (the "Offering Circular") submitted to the SFC for confirming fulfilment of authorisation conditions;

(iii) all pre-conditions for the authorisation of the Scheme and its Offering Circular and for the waivers from strict compliance with certain conditions in the Code have been fulfilled;

(iv) all units offered under the offering have been subscribed for cash and duly issued to the subscribers;

(v) all unit certificates have been delivered in accordance with the Offering Circular;

(vi) all proceeds from the issue of the units have been received and transferred to accounts as directed by the Management Company and/or the Trustee; and

(vii) the underwriting agreements have become unconditional and not been terminated.

Signature : ....

Name : ....

Title : ....

For and on behalf of
[insert name of listing agent] : ....

Dated : ....