

রেজিস্টার্ড নং ডি এ-১ “জাতির পিতা বঙ্গবন্ধু শেখ মুজিবুর রহমানের
জন্মশতবার্ষিকী উদ্‌যাপন সফল হোক”



বাংলাদেশ

গেজেট



অতিরিক্ত সংখ্যা

কর্তৃপক্ষ কর্তৃক প্রকাশিত

সোমবার, মে ৩১, ২০২১

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

BANGLADESH SECURITIES AND EXCHANGE COMMISSION

Securities Commission Bhaban
E-6/C Agargaon, Sher-e-Bangla Nagar
Administrative Area, Dhaka-1207, Bangladesh.

NOTIFICATION

Dated : the 31st March 2021

NO. **BSEC/CMRRCD/2020-373/13/Admin/119**—In exercise of the powers conferred by section 33 of the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), the Bangladesh Securities and Exchange Commission makes, after prior circulation, the following rules, namely :—

- 1. Short title and application.**—(1) These rules may be called the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021.
 - (2) These rules shall be applicable for issuance of debt securities through private offer or public issue or offer.
 - (3) These rules shall also be applicable for issuance of islamic shari'ah based securities including Sukuk (hereinafter referred to as “ISBS”) through private offer or public issue or offer.
 - (4) These rules shall also be applicable for issuance of asset backed securities (ABS) through public issue or offer.
 - (5) These rules shall come into force with immediate effect.

(৭৯১৩)

মূল্য : টাকা ৪০.০০

2. Definitions.—(1) In these rules, unless the context otherwise requires,—

- (a) **“asset backed securities (ABS)”** means any securities as defined under rule ২(১)(খ) of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সম্পদ ভিত্তিক সিকিউরিটি ইস্যু) বিধিমালা, ২০০৪;
- (b) **“best efforts”** means a commitment by an underwriter to the issuer to make its best effort to sell as much as possible of a securities offering.
- (c) **“blue bond”** means a debt securities or ISBS or ABS, the fund or proceeds of which is for investments in such a project or company or organization that is engaged in marine or ocean or sea or coast based activities or business with intention to generate a measurable and beneficial to blue economy or climate or environmental impact in addition to financial returns.
- (d) **“Commission”** means the Bangladesh Securities and Exchange Commission (BSEC) established under the বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন);
- (e) **“credit enhancement”** means a mode or process whereby the issuer or borrower shall make assurance to its lender(s) or creditor(s) or investor(s) in repayment of any debt security or ISBS or ABS or any kind of financial obligation through creation of charge by way of additional collateral, insurance policy, third party guarantee or any other means;
- (f) **“debt holder”** means the person in whose name a debt or financial obligation is registered at depository, or if the debt or obligation is not entered in the depository, the person shown on the records of the issuer;
- (g) **“debt securities, or debt instruments”** means any security that evidences the indebtedness of the issuer to the investor(s) in the form of any bond or debt, or any other instrument of indebtedness, whether secured or not;
- (h) **“deed of trust”** means a deed executed by the issuer or originator in favour of the trustee for the benefit of the holder of debt securities, certificate of interest or participation in or such other securities;
- (i) **“green bond”** means a debt securities or ISBS or ABS, the fund or proceeds of which is for investments in such project or company or organization to generate a measurable and beneficial climate or environmental impact in addition to financial returns.

- (j) **“information memorandum or IM”** means any document including an electronic document described or issued as an offer document or prospectus and includes any notice, circular, advertisement or any other document inviting under private offer or public issue or offer from the investors for the subscription or purchase of any debt securities or ISBS or ABS and other securities issued under these rules;
- (k) **“issue”** means an offer of debt securities or ISBS or ABS or such other securities by an issuer or originator under these rules;
- (l) **“islamic shari’ah based securities or ISBS”** means any securities including Sukuk issued or to be issued based on islamic shari’ah principle(s);
- (m) **“issue size”** means the aggregate amount of face value of the debt securities or ISBS or ABS or such other securities to be issued;
- (n) **“obligor”** means a person having any obligation upon the debts, whether as debtor, guarantor, provider of credit enhancement, issuer of conversion or warrant securities, or otherwise;
- (o) **“originator”** means a person who securitizes its assets for issuance of ABS or initiates the issuance of ISBS in line with the shari’ah principles, under respective rules through special purpose vehicle (SPV) or similar mechanism;
- (p) **“private offer”** means an offer of securities by an issuer or originator to any local or foreign person in a way other than public issue or offer under these rules;
- (q) **“public issue or offer”** means an offer of securities by an issuer or originator to the general public including any local or foreign person under these rules;
- (r) **“rating company”** means a credit rating company registered under the Credit Rating Companies Rules, 1996:
Provided that any global credit rating agency registered in other jurisdiction may be considered as ‘rating company’ if an issue is offered in foreign currency or outside the country;
- (s) **“schedule”** means a schedule appended to these rules;

- (t) **“secured debt instrument”** means any debt securities, in which the issuer owes the holders an indebtedness and which is secured by first claims over all present and future assets of the issuer;
- (u) **“special purpose vehicle (SPV)”** means a trust formed under the Trust Act, 1882 (Act. No. II of 1882) for issuance of ABS or ISBS or such other securities as per the respective rules;
- (v) **“trustee”** means an entity registered under these rules to act as a trustee to the issue of debt securities and such other securities;
- (w) **“unsecured debt instrument”** means debt securities, in which the issuer owes the holders an indebtedness, and which is secured by claims over all present and future assets of the issuer subsequent to all secured lenders.
- (2) Words and expressions used herein and not defined, but defined in the Securities and Exchange Ordinance, 1969 (Ordinance No. XVII of 1969), the বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন আইন, ১৯৯৩ (১৯৯৩ সনের ১৫ নং আইন), ডিপজিটরি আইন, ১৯৯৯ (১৯৯৯ সনের ১১ নম্বর আইন), Insurance Act, 2010 (Act No. XIII of 2010), ব্যাংক কোম্পানি আইন, ১৯৯১ (১৯৯১ সনের ১৪ নম্বর আইন), আর্থিক প্রতিষ্ঠান আইন, ১৯৯৩ (১৯৯৩ সনের ২৭ নম্বর আইন), কোম্পানি আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নম্বর আইন), the Trust Act, 1882 (Act No. II of 1882), the Registration Act, 1908 (Act No. XVI of 1908) shall have the same meanings respectively assigned to them in the said Acts and the Ordinance, and the Rules and Regulations issued hereunder.

3. Requirements to be fulfilled prior to filing application for issuance of debt securities, asset backed securities (ABS) or islamic shari’ah based securities including Sukuk (ISBS):

- (1) **General conditions to be fulfilled prior to making an application:—**
An issuer or originator, as applicable, may make an application to the Commission for issuance of debt securities, ABS or ISBS subject to fulfillment of the following :—

- (a) it has a good track record of profitability and liquidity generating from net operating cash flows:

Provided that if the issue is to support any new project or green field project, its forecasted financial position shall indicate a significant profitability, liquidity and ability to pay-back the obligations by generating sufficient net operating cash flows:

Provided further that such forecast shall have reasonable basis;

- (b) the issue is rated by a credit rating company and its periodical surveillance rating shall be done by the said rating company in line with the provisions of the Credit Rating Companies Rules, 1996 up to the full and final redemption or conversion of the issued securities :

Provided that if any issue of debt securities or ISBS or ABS is offered in foreign currency or outside the country, the issue may also be rated by any global credit rating agency.

- (c) it has a valid enforceable interest over its assets and the right to create charges thereon in course of issuance of the debt securities or debt instruments, or ABS or ISBS.
- (d) it has appointed a trustee registered with the Commission for the issue.
- (e) the issue shall not be rated below the minimum investment grade of triple 'BBB' or equivalent rating in the long term and "ST-3" or equivalent rating in the short term:

Provided that the Commission may relax the above rating requirement for any issue if it is offered outside the country;

- (f) its financial statements are prepared and presented as per International Financial Reporting Standards (IFRS), and duly audited as per International Standards on Auditing (ISA) and other applicable legal requirements:

Provided that in case of issuance of ISBS, the issuer or originator shall prepare and present its financial statements following the relevant shari'ah standards and accounting standards issued by Auditing and Accounting Organization of Islamic Financial Institution (AAOIFI).

- (g) the issue has been approved by the board of directors or governing body of the issuer or originator.
- (h) in case it is a listed company, the information concerning the issue is disseminated as price sensitive information immediately upon the decision of its board of directors or governing body in accordance with the provisions of relevant rules or regulations or order or directive of the Commission, with an explicit announcement while disseminating the information that the issue shall be subject to approval of the Commission.

- (i) it shall not apply for issuance of any debt securities or ISBS for providing loan to or acquisition of shares of any person or entity, whose function is closely related with it through a common source of control having mostly common ownership and management including parent, subsidiaries, associates and sisters concerns.
- (j) the issuer or originator itself or any of its director, sponsor and the Chief Executive Officer is not bank defaulter as per latest CIB report.
- (k) it shall submit a copy of resolution of the board of directors or the governing body as the case may be, in case of submission of guarantee;
- (l) for issuance of ISBS, it shall submit a copy of detailed shari'ah pronouncement from the respective shari'ah supervisory board (SSB) preferably in Bengali version duly signed by each shari'ah scholar of the SSB:

Provided that the Commission may take opinion on the shari'ah pronouncement from the shari'ah supervisory board (SSB) formed by the Commission or from any other established Shari'ah Board or Darul Ifta;

- (m) it shall submit a due diligence certificate as per **Annexure-II** by the trustee to the issue, if applicable, after examining all the documents including the legal and title documents of the issue;

(2) Additional conditions to be fulfilled before filing an application under public issue or offer.—An issuer or originator may make application for public issue of its debt securities, ABS or ISBS subject to fulfillment of the following conditions :—

- (a) if it is a public limited company and it has minimum existing shareholders' equity (excluding revaluation reserve) of Tk. 30 (thirty) crore:

Provided that a trust or statutory body including local government authority, city corporation, government infrastructure development project or public private partnership (PPP) project as an applicant, it is neither be a public limited company nor does it need to have minimum capital requirement under these rules.

- (b) its total debt including the proposed issue along with redeemable preference share, if any, does not exceed 70% (seventy percent) of its total tangible assets:

Provided that aforementioned total debt to total tangible assets ratio shall not be applicable for a bank, financial institution, insurance company or trust as an applicant:

Provided further that the Commission may consider variation of aforementioned total debt to total tangible assets ratio, if it thinks appropriate taking into account the industry scenario of the issuer or originator.

- (c) it has utilized at least 90% of the fund raised through issuance of capital previously.

- (d) if it is a subsidiary, its parent entity shall make guarantee for the debt securities issued or to be issued:

Provided that in case of issuance of ISBS, the originator or issuer, as applicable, shall state the obligation in the IM.

- (e) it has got its latest financial statements audited by the panel of auditors as declared by the Commission from time to time.

- (f) the issue shall not be rated below the single “A” or equivalent rating in the long term and “ST-2” or equivalent rating in the short term.

4. Requirements for filing application for issuance of debt securities, ABS or ISBS :

(1) General requirements :

- (a) An issuer or originator, as applicable, (hereinafter referred to as applicant) shall submit the application, to the Commission for consent of issuance of debt securities, ABS or ISBS as per Part-I of **Schedule ‘A’** and simultaneously to the exchange(s), if it intends to make listing of its securities as per requirements of these rules and relevant listing regulations of the exchange(s):

Provided that in case of filing application under these rules for issuance of asset backed securities (ABS), the issuer or originator shall also ensure the compliance of requirements of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সম্পদ ভিত্তিক সিকিউরিটি ইস্যু) বিধিমালা, ২০০৪:

Provided further that in case of filing of application under these rules for issuance of Sukuk, the issuer or originator shall also ensure the compliance of requirements of the Bangladesh Securities and Exchange Commission (Investment Sukuk) Rules, 2019 and relevant islamic shari'ah principles.

- (b) The applicant shall pay an amount of Tk. 10,000 (Taka ten thousand) (non-refundable) for private offer or public issue or offer as application fee, along with the application, by way of payment order or demand draft issued in favor of the Bangladesh Securities and Exchange Commission.
- (c) Along with the application, the applicant shall submit the information memorandum (IM) as per **Schedule – B**, the documents as specified in **Part-II** of Schedule – ‘A’ and the due diligence certificate by the trustee as per Annexure-II:

Provided that the Commission may require the issuer or originator to submit or disclose any additional documents or information as it deems necessary:

Provided further that if any securities is offered in foreign currency or outside the country, the issuer or originator shall disclose, among others, foreign exchange risk and risk management and mitigation policy in the IM.

- (d) All debt securities, ABS or ISBS issued or to be issued under public issue or offer or private offer shall be in dematerialized form.

(2) **Additional requirements for public issue of debt securities, ABS or ISBS.**—The applicant shall also fulfill the following requirements :

- (a) all the required documents as per **Annexure - I,II, III and IV** shall be submitted with the application;
- (b) resolution taken in the board of directors meeting or in the general meeting of the shareholders shall be submitted for issuance of any debt securities or ABS or ISBS:

Provided that if any debt securities or ISBS is offered with conversion option or exchange option to any equity securities (i.e., ordinary shares), the special resolution shall be taken by the shareholders in the general meeting for such conversion or exchange option with three fourth majority of shareholders by value present in the meeting.

- (c) any amendment to the IM, signed by the said persons, shall also have to be filed with the Commission and the exchange(s), in accordance with sub-rule (1);
- (d) the Commission may require the issuer or originator, or its directors, officers, issue manager(s), auditors, valuer(s), to submit additional disclosure, information, documents, certification and clarification, as the case may be, to produce or to disclose, in the information memorandum for sale of securities, within such time as may be stipulated;
- (e) the issuer or originator, or its directors, officers, issue manager(s), auditor(s), valuer(s) shall fulfill such requirements within such time;
- (f) the exchange(s) shall submit its observation, if any, on the proposed public issue or offer to the Commission mentioning specific non conformity of these rules or any other securities law, as applicable, and applicable financial reporting standards, within 10 (ten) days of receiving the application:

Provided that if any exchange fails to submit its observation within the stipulated time, the Commission shall assume that the respective exchange has no observation on the submitted documents of the applicant.

(3) Additional requirements for issuance of green bond or blue bond under private offer or public issue or offer : An issuer or originator shall fulfill the following conditions for issuance of green bond or blue bond through private offer or public issue or offer :

- (a) proceeds or fund raised by issuance of green bond shall be invested in such project, company or organization which is engaged in activities with intension to generate a measurable and beneficial environment and climate impact for the society in addition to financial returns as justified with internationally recognized criteria and that shall be properly assessed and quantified by an eligible expert.
- (b) proceeds or fund raised by issuance of blue bond shall be invested in such project, company or organization which is engaged in marine or ocean or sea or coast based activities or business with intension to generate a measurable and beneficial to blue economy, environment and climate impact for the society in addition to financial returns as justified with internationally recognized criteria and that shall be properly assessed and quantified by an eligible expert.

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- (c) a summary report on benefits of environmental and climate impact as well as social benefits as mentioned in clause (a) and (b) above shall be included in the information memorandum:
- Provided that if proceeds or fund of the green bond or blue bond are used fully or partially for any existing project through any refinance scheme, the issuer shall precisely estimate the financing versus refinancing and clarify which investments may be refinanced.
- (d) An issuer or originator of green bond shall, among others, additionally disclose the followings in the information memorandum:
- (i) objectives of the project with regard to climate and environmental impact or social benefits ;
 - (ii) the sector fits for green financing from the list of eligible sectors as mentioned in Schedule - E;
 - (iii) the evaluation process to assess the climate, environmental and social impact or benefits that applies for the project;
- (e) An issuer or originator of blue bond shall, among others, additionally disclose the followings in the information memorandum:
- (i) objectives of the project with regard to blue economy, climate and environmental impact or social benefits ;
 - (ii) the evaluation process to assess the blue economy, climate, environmental and social impact or benefits that applies for the project;
- (f) The proceeds or fund of the green bond or blue bond shall be placed in an escrow or specified bank account, and utilization of such proceeds or fund shall also be made from the escrow or specified bank account.
- (g) The report on utilization of proceeds or fund status as well as implementation status of the project shall be submitted to the Commission and to the exchange(s) in which its securities are listed, on half-yearly basis within 10 (ten) working days of close of the half year, till full utilization of proceeds or completion of the project.
- (4) **Conditions and distribution of securities having conversion or exchange option features.**—An issuer or originator shall fulfill the following conditions for issuance of any debt securities or ISBS or Sukuk with any conversion or exchange option :
- (a) the issuer or originator shall disclose the detailed criteria and procedures for exercising of conversion or exchange option in the IM;

(b) conversion or exchange option shall not be exercised within 02 (two) years of issuance of such securities;

(c) such exchange or converted equity securities shall not be issued exceeding 30% (thirty percent) of the issue size in a single financial year:

Provided that such exchange or converted equity securities in total shall not be issued exceeding 60% (sixty percent) of the pre- issue or existing paid up capital of the issuer or originator:

Provided further that on application of the issuer or originator, the Commission may relax the above requirement on merit basis:

Provided further that if the issuer or originator is a listed company, sponsors or promoters and directors shall jointly hold at least 30 (thirty) percent ordinary shares and each director shall hold at least 2 (two) percent ordinary shares of the paid-up capital of the company after issuance of exchange or converted securities.

(d) if the issuer or originator is a listed company, the distribution ratio of securities having conversion or exchange option features shall be as follows :

(i) At least 40% of the issue shall be offered to the existing shareholders as rights option:

Provided that the un-exercised option or un-subscribed portion of the existing shareholders shall be a part of the public offer;

(ii) Maximum 30% of the issue may be made through private offer:

Provided that the un-subscribed portion of the private offer shall be a part of the public offer; and

(iii) At least 30% of the issue shall be reserved for public issue or offer:

Provided that considering the application of issuer or originator, as applicable, the Commission may redistribute the above distribution ratio on merit basis.

(e) The issuer or originator, as applicable, shall notify the holder of securities to exercise the conversion or exchange option in two widely circulated national daily newspapers one in Bengali and another in English or in the trading platform of the stock exchange if securities are listed as well as invite the holder of securities at least 30 (thirty) working days prior to execution or exercise of the option:

Provided that such notice and invitation shall contain details of conversion or exchange exercise ratio, date and process including other information related to conversion or exchange option:

Provided further that the holder of securities shall also intimate his option to the issuer or originator, as applicable, regarding exercise the conversion or exchange option at least 10 (ten) days prior to the execution or exercise date:

Provided further that if any holder of securities does not intimate his option regarding exercise of the conversion or exchange option within the time as mentioned above to the issuer or originator, the right of his exercise option shall not be considered.

5. Appointment of issue manager.—

- (1) The issuer or originator shall appoint one or more issue manager(s), registered with the Bangladesh Securities and Exchange Commission, for the purpose of making the public issue of securities under these rules:

Provided that for issuance of any securities outside the country, the issuer or originator may appoint foreign manager to the issue.

Provided further that appointment of issue manager in case of private offer of securities under these rules is optional:

Provided further that for issuance of any securities outside the country, the issuer or originator may also appoint local or foreign advisor(s) to the issue.

- (2) The issue manager(s) shall be entitled to get fees and be responsible for the issue including preparation of IM and disclosures made in the IM.
- (3) The issue manager shall provide a compliance report to the Commission about the use of the proceeds raised through public issue by the issuer or originator on half-yearly basis up to full utilization of the proceeds.
- (4) The issue management fee shall not be exceeded 0.50 (zero point five zero) percent of the public issue size:

Provided that issue management fee for private offer shall be determined as per agreement between the issuer or originator and the issue manager(s):

Provided further that for issuance of any securities outside the country, fees for the foreign manager or local or foreign advisor(s) to the issue shall be determined as per agreement between the issuer or originator and the manager or advisor(s) to the issue.

6. Appointment of underwriters.—

- (1) The issuer or originator shall appoint underwriter(s), registered with the Bangladesh Securities and Exchange Commission for public issue of any securities under these rules.
- (2) The public issue of any securities made under these rules shall be at least 20(twenty) percent underwritten on a firm commitment basis by the underwriter(s):

Provided that underwriter(s) may also use best efforts for selling securities to any institutional investor or eligible investor:

Provided further that the unsubscribed portion of securities up to the commitment shall be subscribed by the underwriter(s) itself or selling of any portion of unsubscribed securities to any institutional investor or eligible investor under best efforts to fulfill the commitment:

Provided further that in case of under-subscription above 50 (fifty) percent of any public issue, the issue shall be cancelled.

- (3) The issuer or originator, if appoints any underwriter, shall send notice to the underwriter(s) within 3 (three) working days of closure of subscription calling upon them to subscribe the securities and pay for this in cash in full within 7 (seven) working days of the date of said notice and the said amount shall be credited into securities subscription account within the said period.
- (4) The underwriting agreement shall contain a condition to the effect as mentioned in sub-rule (2) and (3) above.
- (5) The issuer or originator shall, within 3 (three) working days of the expiry of the period mentioned in sub rule (3), send to the Commission proof of subscription and deposit of the money by the underwriter(s).
- (6) The underwriting fee shall not exceed 0.10 (zero point one zero) percent of the underwritten amount.

- (7) For issuance of any securities under these rules through private offer, the underwriting requirement is optional:

Provided that the issuer or originator may make an agreement with the underwriter(s) to sell the securities to any local or foreign investors on best efforts basis under private offer:

Provided further that best efforts underwriting fee for private offer shall be determined as per agreement between the issuer or originator and the underwriter(s);

7. Requirements for filing of application for issuance of asset backed securities (ABS) or Sukuk :—

- (1) For issuance of asset backed securities (ABS) through public offer, an issuer or originator shall submit application under these rules upon compliance of relevant requirements of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সম্পদ ভিত্তিক সিকিউরিটি ইস্যু) বিধিমালা, ২০০৪.
- (2) For issuance of Sukuk through public issue or private offer, the issuer or originator, as appropriate, shall submit application under these rules upon compliance of relevant requirements of the Bangladesh Securities and Exchange Commission (Investment Sukuk) Rules, 2019 and relevant islamic shari'ah principles.

8. Consideration of the application and decision thereon.—

- (1) On receipt of the application under private offer or public issue or offer as per rule 3 to rule 5 and rule 7, the Commission shall examine it, and if satisfies that all the conditions and requirements are fulfilled, the Commission shall accord consent in writing to the issue of debt securities or asset backed securities (excepting private offer) or ISBS or such other securities, as applied for, within 07 (seven) working days or 17 (seventeen) working days of receipt of the complete application respectively for private offer or public issue or offer.
- (2) If the Commission finds that the application does not fulfill all the requirements of these rules, it may, within 15 (fifteen) working days of receipt of the application, direct the applicant to fulfill the requirements as per rules or within such time as the Commission may determine, and on fulfillment of such requirements the Commission shall accord the consent as applied for, within 07 (seven) working days or 17 (seventeen) working days of such fulfillment respectively for private offer or public issue or offer.

- (3) The Commission may call for further information, if it so deems necessary.
- (4) If the Commission finds that the application does not fulfill all the requirements of these rules, it may reject the application, stating the reasons for such rejection, within 10 (ten) working days of receipt of the last correspondence.
- (5) The Commission reserves the right to accept or reject any proposal in its own discretion in the greater interest of the investors and the securities market as well.
- (6) An issuer or originator may submit application to the Commission along with the decision of its board of directors or governing body, as applicable, to withdraw the application for public issue or private offer at any time before the date of subscription collection, mentioning specific reasons thereof, and the issuer or originator shall comply with the method and conditions of withdrawal as determined by the Commission.

9. Approval of information memorandum and publication of information memorandum.—

- (1) After examination of the draft information memorandum and relevant documents, the Commission, if satisfied, shall issue consent for issuance of securities to the investors and approve the information memorandum.
- (2) The issuer or originator shall ensure necessary permissions or no objection certificate (NOC) from its primary regulator, as applicable, before publication of IM, if required.
- (3) Upon receiving the consent of the Commission to the issue of securities under these rules, the information memorandum, as approved by the Commission, shall be published by the issuer or originator and issue manager in their own official websites, within the time specified in the consent letter issued by the Commission:

Provided that the information memorandum shall, however, be posted on the websites of the exchange(s) within 03 (three) working days of approval, if the issuer or originator intends to list its securities at main board or alternative trading board or any other platform of the exchange(s):

Provided further that a notice regarding the publication of information memorandum in the websites mentioning web-addresses shall be circulated in the national daily newspaper at least one in Bangla and another in English.

- (4) After publication of information memorandum in the websites, subscription shall be received through designated banker or banker to the issue during subscription period not less than 05(five) working days and not more than 15 (fifteen) working days for public issue or not less than 30 (thirty) days and not more than 180 (one hundred eighty) days for private offer respectively.
- (5) Approved information memorandum (IM) shall be made available in the websites of the issuer or originator or the issue manager or the exchange(s), as applicable, till the closure of the subscription list.
- (6) The Commission may suspend the use of information memorandum (IM) for the interest of the investors, if there are material changes in any of the information included in the IM, or change in conditions, or declaration, which are required to intimate to the Commission.
- (7) In case there is any necessity for amendment to the IM during the subscription period, in that case, the subscription may be suspended by the Commission and the subscriber(s) who have already deposited money may decide either to withdraw his application or to continue.

10. Consent fees.—

- (1) In case of issuance of any securities under these rules, if the Commission decides to accord consent to the issue, the applicant shall pay consent fee at the rate of 0.10% on the total face value of the securities to be issued, within 05 (five) working days of issuance of the letter of intent or letter of consent, as applicable.
- (2) In case of issuance of green bond or blue bond under these rules, if the Commission decides to accord consent to the issue, the applicant shall pay consent fee at the rate of 0.03% on the total face value of the securities to be issued, within 05 (five) working days of issuance of the letter of intent or letter of consent, as applicable.
- (3) The consent fee under sub-rule (1) and (2) shall be paid through a bank draft or payment order issued in favour of the Bangladesh Securities and Exchange Commission.
- (4) If the applicant fails to pay the fee under sub-rule (1) and (2) within the specified time, the consent letter shall not be issued or consent letter shall be revoked.

11. Conditions to be fulfilled after getting consent for issuance of securities.—

- (1) Before issuance of the securities under these rules, the issuer or originator, as applicable, shall adhere to the following requirements upon obtaining consent of the Commission, namely :—
 - (a) it shall execute the deed of trust as per **Schedule-C** as approved by the Commission in favour of the trustee and register the same under the Registration Act, 1908 (Act No. XVI of 1908) and shall submit a copy of the registered trust deed attested by the Chief Executive Officers of the issuer or originator and the trustee to the Commission;
 - (b) it shall create charges over the assets only for issuance of secured bond, through execution of charge document(s) in favor of the trustee adhering due legal procedures;
 - (c) it shall execute guarantee(s) in favour of the trustee through observation of required legal procedures;
 - (d) it shall place the IM and the Deed of Trust in electronic form on the websites of the issuer or originator and the trustee and also shall make them available in the aforementioned websites up to the maturity of the securities.
- (2) The trustee shall submit a report to the Commission to the effect that all charges and/ or guarantee(s) as per the deed of trust, subscription agreements and IM or any other documents have been executed properly.
- (3) The consent for issuance of securities under private offer shall remain valid for 06 (six) months from the date of consent or for such a period as determined by the Commission in the consent letter.
- (4) The consent for issuance of securities under public issue shall remain valid for 03 (three) months from the date of consent or for such a period as determined by the Commission in the consent letter.

12. Subscription procedure and compliance.—

- (1) After publication of information memorandum in the websites, subscription shall be received through designated banker or banker to the issue during subscription period not less than 05(five) working days and not more than 15 (fifteen) working days for public issue or not less than 30 (thirty) days and not more than 180 (one hundred eighty) days for private offer respectively or as per conditions of the consent letter.

- (2) At least 30(thirty) percent of the public issue or offer of any securities under these rules shall be subscribed by the general public:

Provided that in case of under-subscription above 50 (fifty) percent of the public issue after subscription of 20 (twenty) percent by the underwriter(s), if necessary, the issue shall be cancelled.

- (3) Statement of subscription received against issuance of securities under these rules along with bank statement(s) shall be submitted to the Commission within 10 (ten) days of the closing of subscription list.
- (4) Statement of subscription received from the underwriter(s) against undersubscribed securities along with bank statement shall be submitted to the Commission within 07 (seven) days of the expiry of subscription period allowed to the underwriter(s) under rule 6.
- (5) The proceeds raised through issuance of securities under these rules shall be placed in a designated bank account, and utilization of such proceeds shall also be made from the said bank account.
- (6) The report on utilization of proceeds as well as implementation status shall be submitted to the Commission, the trustee, the issue manager(s) and to the stock exchange(s) in which its securities are listed, on half-yearly basis within 10 (ten) days of close of the half year, till full utilization of proceeds.

13. Registration of trustee.—

- (1) The trustee of a debt security shall be registered with the Commission under these rules and no person shall act as trustee to an issue without such registration.
- (2) The proposed trustee shall apply for registration to the Commission as per **Schedule 'D'** along with required information and documents and application fee of Taka 50,000.00 (fifty thousand) only.
- (3) The proposed trustee shall have the following eligibility criteria to apply for registration, namely :—
- (a) it is a company as defined in the কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন) or a corporation or a statutory body;
- (b) it has a minimum paid up capital of Taka 100,000,000.00 (one hundred million);
- (c) it has adequate manpower and logistic support to discharge its duties as a trustee;

- (d) it has appointed a compliance officer for the trust having a minimum of five years of service experience in the financial market;
- (e) neither the trustee, nor any of its affiliates or directors have any relation with the issuer or originator or issue manager;
- (f) it shall not act as arranger to the issue and shall not pursue any investor to or not to invest;
- (g) it has no track record of default, negligence or non-compliance with any of the securities laws for discharging its duties.

14. Duties and responsibilities of trustee.—

- (1) The trustee shall have to perform the following duties and responsibilities in addition to those described in the deed of trust concerned, namely :—
 - (a) it shall act on behalf and for the exclusive interest of the investors;
 - (b) it shall ensure compliance of the issuer as per the requirements of these rules;
 - (c) it shall monitor timely payment of all dues of the issuer to the investors in terms of the IM or other terms and conditions of the issue of securities under these rules;
 - (d) it shall ensure creation of charges by the issuer over collateral securities and obtaining other securities or guarantees in favour of the trustee;
 - (e) it shall enforce its rights, over the credit enhancement or collateral securities and other securities or guarantees when it is necessary to do;
 - (f) it shall call the investors' meeting and shall enforce the decisions within such time of any default or any act of the issuer which may affect the interest of the investors as specified in the deed of trust and in the IM;
 - (g) delay in payment of any dues by the issuer, which is not approved by the trustee shall be treated as final default, in such a case the trustee shall enforce its rights over the credit enhancement or collateral securities and other securities or

guarantees of the issuer observing due legal process and thereafter the trustee shall dispose-off the same to pay the proceeds proportionately to the investors after deduction of costs related thereto;

- (h) in case the delay is approved by the trustee for a certain period upon any reasonable ground, the trustee shall ensure repayment of the dues within the approved delay period along with interest for the delay period at a rate of 2% (two percent) per annum above the usual rate of return of the debt instrument;
- (i) in case a downgrade of credit rating (i.e. below the rating trigger) of the issue under surveillance rating, the trustee shall ensure the collection of risk premium from the issuer or originator for the investors as per declaration in the deed of trust or IM, aimed at securing the lender claims from the borrower's higher risk level;
- (j) the trustee shall submit an annual compliance report to the Commission regarding the activities of the issuer including repayment of dues to the investors;
- (k) the trustee shall take adequate steps for redress of grievances of the investors within one month of the date of receipt of the complaints and shall keep the Commission informed about the number, nature and other particulars of the complaints received and the manner in which such complaints have been redressed;
- (l) the trustee shall be liable to sue or to be sued on behalf of the investors:

Provided that if any loss incurred due to negligence of trustee in case of litigation or recovery process, the trustee shall bear the loss;

- (m) the trustee may, if required, inspect or call for books of accounts, records, registers of the issuers and the trust property to the extent necessary for discharging its obligation.
- (2) The trust deed shall be preserved in the trustee's office for observation of the investors.
 - (3) The trust deed or appointment of the trustee shall not be varied or modified without prior approval of the Commission.

- (4) The Commission may, considering the appeal of two third of the securities holders by value through written request or through a resolution taken in a general meeting, in the event of negligence of trustee's duties, replace the trustee of an issue by a new trustee:
Provided that the trustee shall be given an opportunity of being heard before cancellation of its appointment.
- (5) The Commission may, in the event of negligence of trustee's duties or in the public interest, if it thinks fit, replace the trustee of an issue by a new trustee:
Provided that the trustee shall be given an opportunity of being heard before cancellation of its appointment.
- (6) A trustee can resign with prior approval of the Commission which shall not be effective until appointment of a new trustee and handing over charges by the resigning trustee.
- (7) A trustee shall cease to exist as trustee of an issue upon full and final settlement of the securities.
- (8) The trustee for an issue shall be entitled to an annual trustee fee of maximum 0.30% of the outstanding amount of the securities.

15. Consideration of the application of trustee and decision thereon.—

- (1) On receipt of the application under these rules, the Commission shall examine it, and if it is satisfied that all the requirements of these rules are fulfilled, it shall accord registration to the trustee to act as trustee to the issue, as sought for, within 30 (thirty) days of receipt of the application.
- (2) If the Commission finds that the application does not fulfill all the requirements of these rules, it may, within 20 (twenty) days of receipt of the application, direct the applicant to fulfill the requirements within such time as the Commission may determine, and on fulfillment of such requirements, the Commission shall accord the consent as prayed for within 30 (thirty) days of such fulfillment.
- (3) The Commission may call for further information, in addition to the requirements of these rules, if it so deems necessary.

- (4) If the Commission finds that the application does not fulfill all the requirements of these rules, or where a direction to fulfill such requirements has been given under sub-rule (2) and (3) and the applicant has failed to fulfill such requirements, it may reject the application, stating the reasons thereof.
- (5) If the Commission decides to award registration to the trustee, the trustee shall pay, within fifteen days of issuance of the registration certificate, a registration fee of Taka 1,00,000.00 (one hundred thousand) only through a bank draft or payment order issued in favour of the Bangladesh Securities and Exchange Commission:

Provided that the trustee registered under these rules shall pay an amount of Taka 50,000.00 (fifty thousand) only as annual fee to the Commission through a bank draft or payment order issued in favour of the Bangladesh Securities and Exchange Commission within 1(one) month of end of each financial year:

Provided further that if any trustee fails to pay the annual fee within the stipulated time, it shall be liable to pay a penalty of Taka 25,000.00 (twenty five thousand) for each month of default or a part thereof:

Provided further that such application fee, registration fee, annual fee and delay fine shall also be applicable to the substitute trustee.

16. Substitute trustee or change of trustee.—

- (1) If the trustee resigns or fails to perform its duties under the deed of trust or these rules, the securities holders through a meeting shall appoint a substitute trustee or change a trustee:

Provided that in such a meeting the decision to change a trustee shall be passed by two-third majority of securities holders by value present in the said meeting.

- (2) The substitute trustee shall meet the qualification requirements of rule 13 and 14 and shall be registered as a trustee under these rules.
- (3) The trustee which is replaced shall do all that is necessary to substitute the new trustee in its place.

17. Duties of the trustee upon a default.—

- (1) If an event of default as defined in the deed of trust is known to the trustee, the trustee shall send a notice of the default within 07 (seven) working days after it occurs to debt holders, each stock exchange upon which the securities are traded, and the Commission.
 - (2) If all efforts of negotiation by the trustee fail after 15 (fifteen) working days of event of default, it can take legal action against the issuer for recovery of the outstanding including principal and interest of the debt securities as per existing laws.
 - (3) The trustee has the right to take control over the trust assets in case of any event of default continues for 30 (thirty) working days, or non-compliance of the issuer, shall take decision to liquidate the trust's assets, if required, in favor of the securities holders with due approval of the Commission.
 - (4) The trustee shall report the status of repayment of coupon and redemption of each securities issued under these rules on quarterly basis to the respective regulator or any authority as decided by the Commission.
- 18. Fees and expenses of the trustee.**—The issuer shall pay the fees and expenses of the trustee with regard to trust management of the concerned securities.
- 19. Secondary trading platform.**—
- (1) The stock exchange(s) shall introduce separate or exclusive yield based secondary trading platform or dealer based secondary trading platform in the main board or alternative trading board (ATB) for all debt securities, ABS or ISBS within six (06) months of effective of these rules.
 - (2) The stock exchange(s) may also create secondary trading platform focusing retail and institutional investors separately.
- 20. Arbitration.**—Any dispute between or among the issuer, trustee, debt security holders' association, debt security holders' advocate or any other person bound by the deed of trust shall be arbitrated according to the Arbitration Act, 2001.

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- 21. Contravention:—**If any issuer or originator or trustee violates any of the provisions of these rules or furnishes false, incorrect, misleading information or suppresses any information or neglects to discharge its duties, the Commission may take appropriate action under the Securities and Exchange Ordinance, 1969 or any other securities laws.
- 22. Penalties for violations of these rules.—**
- (1) Any person who violates the provisions of these rules shall be subject to civil and criminal penalties in accordance with law.
 - (2) No civil penalty may be imposed by the Commission nor criminal proceedings begun without notice and an opportunity to be heard. The Commission shall make a record of its proceedings.
 - (3) Appeals from civil penalties assessed by the decision of the Commission shall be to the Commission and then to the superior court.
- 23. Decision of the Commission shall be final on certain matter.—**Notwithstanding anything contained in these rules, in the event of any confusion or difference of opinion on any matter whatsoever, the decision of the Commission shall be final and binding on all concerned.
- 24. Repeal and Savings.—**
- (1) The Bangladesh Securities and Exchange Commission (Private placement of Debt Securities) Rules, 2012 is hereby repealed.
 - (2) The application of sub-rule (1) and (3) of Rule 13 of the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 for issuance of debt securities and asset backed securities through public offer are also hereby repealed.
 - (3) Notwithstanding the repeal of the said Rules, any consent given, document or agreement made, fee received or paid, resolution passed, direction given, proceeding taken, instrument executed or issued or things done under or in pursuance of the said Rules shall, if in force before the commencement of these rules, continue to be in force and shall have effect as if made, directed, passed, given, taken, executed, issued or done under or in pursuance of these Rules.

Schedule “A”
Part - I
[See rule 4(1)(a)]

Format and contents of the application—

Chairman

Bangladesh Securities and Exchange Commission

1. Particulars of issuer or originator, as applicable :
 - (a) Name:
 - (b) Legal status:
 - (c) Details of contact information:
 - (d) Date of incorporation (in case of company) or registration:
 - (e) Date of commencement of business:
 - (f) Authorized capital (in case of company):
 - (g) Paid-up capital (in case of company):
 - (h) Total equity:
 - (i) Total liabilities:
 - (j) Total financial obligations:
 - (k) Total assets:
 - (l) Total tangible assets:
 - (m) Net worth:
 - (n) Others:
2. Particulars of issue manager :
 - (a) Name of the issue manager:
 - (b) Legal status of the issue manager:
 - (c) Details of contact information of the issue manager:
 - (d) Name of the issue managed by the issue manager:
 - (e) Others:

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3. Particulars of the issue :
 - (a) Name of the issue:
 - (b) Type of instruments to be issued:
 - (c) Purpose of the issue:
 - (d) Number of securities and total size of the issue to be offered:
 - (e) Face value and issue price of securities mentioning discount or premium thereof:
 - (f) Coupon rate or rate of profit or discount rate and yield to maturity(YTM):
 - (g) Tenor or maturity:
 - (h) Details of conversion/exchange option features:
 - (i) Mode of redemption or conversion/exchange:
 - (j) Mode of option (call or put), if any, in case of redemption or conversion/exchange and discount or premium thereof:
 - (k) Rate of return;
 - (l) Applicable tax rate:
 - (m) Default protection mechanism (details of credit enhancement arrangement/agreement, redemption reserve, sinking fund etc.), if any:
 - (n) Type of collateral securities being offered, if any:
 - (o) Status of securities holders in case of priority of payment:
 - (p) Period within which securities to be issued:
 - (q) Nature of tradability or listing in the stock exchange(s) (Main Board / ATB /any other platform, mentioning the name of the stock exchange):
 - (r) Others:
 4. Particulars of the trustee :
 - (a) Name of the trustee:
 - (b) Paid-up capital of the trustee:
 - (c) Net worth of the trustee:
 - (d) Name of the issue(s) where performing as trustee:
 - (e) Others:

5. Particulars of the credit rating company :
 - (a) Name of credit rating company:
 - (b) Credit rating status of the issuer or originator:
 - (c) Credit rating status of the issue:
 - (d) Date and validity of rating along with surveillance rating for the issuer or originator and for the issue:
 - (e) Latest default rate of the credit rating company:
 - (f) Average time to default of the rated category:
 - (g) Rating trigger, if any:
 - (h) Others:
6. Particulars of originators, if any :
7. Particulars of other contractual parties :

Sd/-

Chief Executive Officer

Name of the issuer or originator, as applicable.

Schedule “A”
Part - II
[See rule 4 (1) (c)]

1. Following documents to be attached with the application :

- (a) certified copy of memorandum and articles of association or such certified legal documents, as the case may be;
- (b) certified copy of certificate of incorporation or registration and certificate of commencement of business, where applicable;
- (c) certified copy of particulars of directors or trustees or particulars of owners, as the case may be;
- (d) certified copy of return of allotment of shares and annual summary of share capital, where applicable;
- (e) latest original auditors’ report with the related audited financial statements of the issuer or originator:

Provided that the audited financial statements of the issuer or originator shall not be older than 180 (One hundred eighty) days at the time of submission to the Commission;

- (f) report on valuation of assets, if any, such valuation made in compliance with the provisions of guidelines issued by the Commission from time to time;
- (g) details of outstanding debt securities or ABS or ISBS, if any;
- (h) purpose of issuance of securities and plan to use of proceeds thereof;
- (i) resolution of the board of directors or governing body or board of trustees or concerned authority deciding to issue securities (Bond, Debenture or ISBS or Sukuk or ABS or any debt securities);
- (j) resolution of shareholders in the general meeting for issuance of securities with convertible/exchange option features, as applicable;
- (k) copy of disclosures of price sensitive information, in case the issuer or originator is a listed company;

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- (l) banker's certificate, or bank statement showing deposit of an amount equivalent to the owners' stake in the issuer or originator; or auditor's certificate in this regard attested by the Managing Director or Chief Executive Officer;
 - (m) certified copy of vendor's agreement in case of capital raised in other than cash consideration;
 - (n) description of business of the issuer or originator;
 - (o) latest credit rating report of the issue;
 - (p) latest credit rating report of the issuer or originator, in case of public issue;
 - (q) no objection certificate, or clearance from regulatory authority(s) concerned, if required;
 - (r) draft information memorandum (IM) prepared as per Schedule 'B':
Provided that IM shall be duly signed on each page, by the originator or issuer's chief executive officer or managing director, chief financial officer, company secretary and chief executive officer or managing director of the issue manager;
 - (s) draft deed of trust prepared as per schedule 'C';
 - (t) copy of the credit enhancement agreement, if any;
 - (u) declaration relating to covenants for rating trigger, if any and adoption of specific enforceable actions thereof;
 - (v) copy of registration certificate of the trustee by the Commission to act as trustee to the issue of debt securities or ISBS or Sukuk or ABS, as applicable;
 - (w) due diligence certificate of the trustee as per Schedule 'D';
 - (x) repayment or payment schedule of the debt securities or ISBS or Sukuk or ABS;
 - (y) undertaking of issuer or originator or guarantor(s) and its directors for obtaining CIB report from Bangladesh Bank,

Schedule “B”
[See rule 4(1)(c)]

Format and contents of the information memorandum

1. Material Information:

- (1) In addition to the information specifically required by these rules, the IM shall contain all material information necessary to enable the investors to make an informed assessment of the issue, the issuer or originator, the trustee, the securities being offered, the rights and obligations of the investors, and the trustee attaching to the debt securities being offered and full disclosure about the financial, corporate, management and other affairs of the issuer or originator;
- (2) The Commission may require disclosure of additional information in the IM as it considers appropriate in a particular issue, and the issuer or originator or issue manager shall comply it;
- (3) If the Commission requires such information, it shall inform the concerned party of the additional information in writing;

2. Information to be included in the IM—

- (1) Cover page of the IM: On the cover page of the IM, a brief of the information outlined in Schedule-A (Part-I) shall be included as well as include the following statement at the bottom of the cover page: “If you have any query about this document, you may consult the issuer or originator, issue manager and the trustee.”
- (2) Table of contents
- (3) Risk factors and management perception about the risks: All risk factors and management’s perception about the risks are to clearly stated which shall include, among others, namely :—
 - (a) interest rate risks;
 - (b) foreign exchange risks with risk mitigation policy;
 - (c) non-repayment risks;
 - (d) prepayment, call or refunding risks;

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- (e) security risks;
 - (f) liquidity risks;
 - (g) management risks;
 - (h) operational risks;
 - (i) business risks;
 - (j) industry risks;
 - (k) market and technology-related risks;
 - (l) risks related to potential or existing government regulations;
 - (m) risk related to potential changes in global or national policies;
- (3) Detailed description and information [excepting information as required in clause (6) below] to be provided as mentioned in Schedule-A (Part-I and Part-II);
- (4) Details plan of the utilization of proceeds;
- (5) Detail features of the debt securities to be issued, among others, namely :—
- (a) Basic features of the instrument;
 - (b) Rate of return, Yield to Maturity, Coupon/Discount Rate;
 - (c) Transferability/Liquidity;
 - (d) Prepayment, Call, Refunding, Conversion or Exchange option;
 - (e) Early redemption or Late redemption;
 - (f) Tax Features;
 - (g) Costs related to the issue;
 - (h) Repayment schedule;
 - (i) Call or put option, and premium or discount thereof, if any;
 - (j) Credit enhancement or guarantee, if any;
 - (k) Enforcement of charges over securities;
- (6) Description of collateral security and type of charges to be created against the issue;
- (7) Rights and obligations of the issuer and/or originator;

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- (8) Rights and obligations of the trustee;
 - (9) Rights and obligations of the issue manager, underwriter, or any other contractual parties;
 - (10) Rights of the investors;
 - (11) Description of the issuer or originator in respect of the following, namely :—
 - (a) Capital structure;
 - (b) Business;
 - (c) Management;
 - (d) Description of encumbered and unencumbered assets with value thereof;
 - (e) Brief profile of directors/owners of the issuer or originator;
 - (f) Brief description of assets and liabilities;
 - (g) Brief description of previously issued debt or equity securities or such other securities;
 - (12) Auditors' report along with the audited financial statements of the issuer or originator, as applicable made up to a date not older than 270 (two hundred seventy) days from the date of issue of the IM;
 - (13) Comparative financial statements of the issuer or originator, as applicable for the last 03(three) years or for the period of its commercial operation, as the case may be. If the issuer or originator, as applicable, is not in commercial operation, forecasted financial statements for the next five years.
 - (14) Ratio analysis of the issuer or originator for last 3 (three) accounting years or for the period of its commercial operation, as the case may be, among others, namely (If the issuer or originator, as applicable, is not in commercial operation, financial ratio based on the forecasted financial statements for the next five years) :—
 - (a) Current Ratio;
 - (b) Quick Ratio;
 - (c) Break-Even Point (including financial costs);
 - (d) Debt to Equity Ratio (prior to and after issue of debt securities);

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- (e) Debt to Total Assets Ratio;
 - (f) Accounts Receivable Turnover Ratio;
 - (g) Gross Margin Ratio;
 - (h) Operating Income Ratio;
 - (i) Net Income Ratio;
 - (j) Return on Assets;
 - (k) Return on Equity;
 - (l) Earnings- Per- Share (EPS);
 - (m) Net Asset Value (NAV) per share;
 - (n) Net operating cash flow to Net Income;
 - (o) Total debt to tangible assets ratio.
- (15) Rating summary with rating rationale of the issue and the issuer or originator, as applicable;
- (16) Latest default matrix and transition statistics of CRC;
- (17) Description of the trustee, Board of trustee, etc.;
- (18) Modus Operandi of the issue including:
- a. Application procedure;
 - b. Allotment;
 - c. Refund;
 - d. Transfer;
 - e. Trading or listing with the stock exchange;
 - f. Repayment and coupon payment;
 - g. Redemption or conversion or exchange;
 - h. Details of conversion or exchange option exercise procedures, if applicable;
- (19) Details of fees structure and expenses;

3. **Additional disclosures for IM under Public issue;**
4. **Conditions imposed by the Commission in the consent letter;**
5. **Declaration and due diligence certificates as per Annexure(s)-I, II, III and IV;**
6. **Credit Rating Report of the issue and issuer or originator;**
7. Particulars of underwriters and amount underwritten, if any;
8. **Public issue application procedure:** As per conditions in the consent letter;
9. **Rights option/issue application procedure:** As per conditions in the consent letter;
10. **Private offer application procedure:** As per conditions in the consent letter;
11. **Any others, as the Commission requires;**

Note: IM shall be duly signed on each page, by the originator or issuer's chief executive officer or managing director, chief financial officer, company secretary and chief executive officer or managing director of the issue manager.

Schedule “C”
[See rule 11(1)(a)]

Format and contents of the deed of trust, among others,—

1. Date of execution:
2. Name and legal status of the parties concerned:
3. Objectives of the issue:
4. Definitions:
5. Relation between the parties:
6. Governing laws:
7. Registered address of the trust:
8. Description of the trust:
9. Description of the collateral securities, guarantee or credit enhancement to be charged with the Trustee:
10. Enforcement of charges over the collateral securities, guarantee or credit enhancement:
11. Beneficiaries of the trust assets and charged assets:
12. Commencement and termination of the trust:
13. Costs involved with the issue and by whom the costs are to be assumed:
14. Description of the trustee with rights, duties and obligations:
15. Trustee fee:
16. Description of the securities to be issued:
17. Modus operandi of the issue:
18. Repayment, or redemption features:
19. Mode of transfer, or redemption, or conversion or exchange:
20. Rights, duties and obligations of the trustee:
21. Rights, duties and obligations of the issuer or originator:
22. Rights and obligations of the investors:

23. Rights and obligation of other contractual parties:
24. Financial statements and audit:
25. Term and termination of the deed of trust:
26. Retirement and substitution of the trustee and appointment of new trustee:
27. Meeting of holders of the securities with power, scope and quorum of the meeting:
28. Amendment provisions of the trust deed:
29. Any others, as the Commission requires.

Note : Each page of the draft deed of trust to be duly signed and stamped by the Chief Executive Officers of the issuer or originator and the trustee.

Schedule “D”
[See rule 13(2)]

Format and contents of the application for registration of trustee of a debt security—

Chairman
Bangladesh Securities and Exchange Commission

1. Information :—

- (a) Name of the applicant:
- (b) Legal status of the applicant:
- (c) Registered address and telephone numbers of the applicant:
- (d) Name, address and telephone number of the compliance officer for the issue:
- (e) Date of incorporation:
- (f) Date of commencement of business:
- (g) Authorized capital:
- (h) Paid-up capital:
- (i) Net worth:

2. Annexure :—

- (a) Certified copy of memorandum and articles of association;
- (b) Certified copy of certificate of incorporation and certificate of commencement of business;
- (c) Certified copy of particulars of directors;
- (d) Certified copy of return of allotment of shares, or annual summary of share capital;
- (e) Latest audited financial statements;
- (f) Resolution of the board of directors deciding to act as trustee to the issue;

- (g) An affidavit to the effect that neither the trustee, nor any of its affiliates or directors are anyway connected with the issuer of the proposed debt securities and that it has no track record of default, negligence or non-compliance of any of the securities laws discharging its duties, if the proposed trustee is in anyway connected with the securities market;
- (h) Description of manpower and logistic support to discharge its duties as a trustee;
- (i) Bio-data of the Chief Executive Officer and Compliance Officer;
- (j) CIB undertakings, where applicable.

Sd/-

Chief Executive Officer

Name of the proposed Trustee

Schedule “E”
[See rule 4(3)(d)(ii)]

List of eligible sectors for green bond financing.—

Category	Examples
Renewable Energy	Production, transmission, appliances, and products;
Energy Efficiency	Buildings, energy storage, heating, smart grids, appliances and products;
Pollution Prevention & Control	Wastewater treatment, greenhouse gas controls, reduction of air emissions, waste prevention/reduction/recycling;
Environment Sustainability	Sustainable agriculture, climate smart farms, sustainable fishery/aquaculture/forestry, preservation/restoration of natural lands;
Terrestrial/aquatic biodiversity conservation	Protection of coastal/marine/watershed environments;
Transportation	Electric/hybrid/public/rail/non-modal transportation, infrastructure for clean energy vehicles;
Water and waste	Sustainable infrastructure for clean water, wastewater treatment, urban drainage systems, flooding mitigation;
Climate change	Information support systems, climate observation;
Eco-friendly production	Research of eco-friendly products, resource-efficient packaging/ transportation;
Eco-friendly technology Green buildings	Infrastructure that meets sustainable recognized standards;
Others	As approved by the Commission.

Annexure- I**Declaration about the responsibility of the directors, including the CEO of the issuer or originator in respect of the information memorandum****[See rule 4(2)(a)]**

This information memorandum has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this public issue and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

We also confirm that full and fair disclosures have been made in this information memorandum to enable the investors to make a well-informed decision for investment.

Signature**[Full Name]****Designation****Date**

Annexure-II

[See rule 3(1)(m), 4(1)(c) and 4(2) (a)]

Due diligence certificate of the trustee

To

The Bangladesh Securities and Exchange Commission

Sub: Issuance of (number & type of the debt securities, ABS, ISBS or Sukuk) of Tk. (face value) each of(Name of the issuer or originator)

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

1. We, while act as trustee to the above-mentioned issue on behalf of the investors, have examined the draft Information Memorandum, legal and other documents and materials as relevant to our decision; and
2. On the basis of such examination and the discussions with the issuer, its directors and officers, and other agencies; independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

WE CONFIRM THAT :

- (a) all information and documents as are relevant to the issue have been received and examined by us and the draft IM, draft deed of trust and draft subscription agreement forwarded to the Commission has been approved by us;
- (b) we have also examined all documents of the assets to be charged with the trust and are satisfied that the assets bear the value, title and charge status as disclosed in the IM;
- (c) while examining the above documents, we find that all the requirements of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 have been complied with;

- (d) we shall act as trustee to the issue as mentioned above as per provisions of the deed of trust to be executed with the issuer or the originator, as applicable and shall assume the duties and responsibilities as described in the deed of trust and in the IM;
- (e) we shall also abide by the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and conditions imposed by the Commission as regards of the issue; and
- (f) the above declarations are unequivocal and irrevocable.

For Trustee

Sd/-

Chief Executive Officer

(Name of the Trustee)

Annexure-III

**Due diligence certificate to be furnished by issue manager(s) in the
information memorandum**

[See rule 4(2)(a)]

To

The Bangladesh Securities and Exchange Commission

Sub: Issuance of (number & type of the debt securities, ABS, ISBS or Sukuk) of Tk. (face value) each of (Name of the issuer or originator).

Dear Sir,

We, the issue manager(s) to the above-mentioned forthcoming issue, state and confirm as follows:

- (1) We have examined all the documents submitted with the application for the above-mentioned issue, visited the premises of the issuer or originator and interviewed the chairperson, directors and key management personnel of the issuer or originator in connection with the finalization of the information memorandum pertaining to the said issue;
- (2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer or originator, other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer or originator.

WE CONFIRM THAT :

- (a) The information memorandum filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;
- (b) All the legal requirements relating to the issue as also in the rules, notification, guidelines, instructions, etc. framed/issued by the Commission, other competent authorities in this behalf and the government have been duly complied with;

-
- (c) The disclosures made in information memorandum are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Trust Act, 1882, the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and other applicable laws;
- (d) Besides ourselves, all the intermediaries named in the information memorandum are registered with the Commission and till date such registrations are valid;
- (e) We have satisfied ourselves about the capability of the underwriters to fulfil their underwriting commitments;
- (f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the ‘main objects’ listed in the object clause of the Memorandum of Association or other charter of the issuer or originator and that the activities which have been carried out till now are valid in terms of the object clause of its Memorandum of Association;
- (g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the information memorandum;
- (h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well-informed decision;
- (i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background or the issuer or originator, situation at which the proposed business stands, the risk factors, sponsors experiences etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the issue of securities for any further inspection by the Commission;

- (j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 containing details such as the rule number, its text, the status of compliance, page numbers of the information memorandum where the rules has been complied with and our comments, if any;
- (k) We also declare that we have managed the issue of securities of the following issuers including originators in the last 05 (five) years:

<u>Serial No.</u>	<u>Name of the Issue Month/Year</u>	<u>Issue Price</u>	<u>Dividend or Repayment History</u>	<u>Category, if listed</u>
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1.

2.

Place: Managing Director/Chief Executive Officer

Date: Name of the Issue Manager(s)
Official Stamp(s)

Annexure - IV**Due diligence certificate by the underwriter(s)****[See rule 4(2)(a)]****To****The Bangladesh Securities and Exchange Commission**

Sub: Issuance of (number & type of the debt securities, ABS, ISBS or Sukuk) of Tk. (face value) each of(Name of the issuer or originator).

Dear Sir,

We, the under-noted underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

- (1) We, while underwriting the above-mentioned issue on a firm commitment basis, have examined the draft information memorandum, other documents and materials as relevant to our underwriting decision; and
- (2) On the basis of such examination and the discussions with the issuer or originator, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer or originator.

WE CONFIRM THAT:

- (a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk ----- (-----) and we have the capacity to underwrite a total amount of Tk-----, as per relevant legal requirements. We have committed to underwrite for up to Tk-----, for the upcoming issue.

- (b) At present, the following underwriting obligations are pending for us:
(Name of issue and amount underwritten)
- i) -----
ii) -----
- (c) All information as are relevant to our underwriting decision have been received by us and the draft IM forwarded to the Commission has been approved by us;
- (d) We shall subscribe and take up the un-subscribed securities against the above-mentioned issue within 15 (fifteen) days of calling up thereof by the issuer or originator; and
- (e) This underwriting commitment is unequivocal and irrevocable.

For the Underwriter:

Managing Director/Chief Executive Officer

Name of the Underwriter

Official Stamp

Date:

By order of the Bangladesh Securities and Exchange Commission

**Professor Shibli Rubayat-Ul-Islam
Chairman.**