



12TH JUNE 2020

CIRCULAR NO.CMA/MRT/006/2020

REQUIREMENTS FOR CONVENING AND CONDUCTING VIRTUAL GENERAL MEETINGS BY APPROVED COLLECTIVE INVESTMENT SCHEMES AND REAL ESTATE INVESTMENT TRUSTS

1. This Circular is issued pursuant to Section 11(3) (d) of the Capital Markets Act (CM Act), the Capital Markets (Collective Investment Schemes) Regulations, 2001 (CIS Regulations) and the Capital Markets (Real Estate Investment Trusts)(Collective Investment Schemes) Regulations, 2013 (REITs Regulations).
2. Regulation 83 (1) of the CIS Regulations require the Trustee, Board of Directors, Fund Manager or holders, as the case may be to convene a general meeting of its unit holders within three months after the relevant accounting reference date. Regulation 121 and the Seventh Schedule of the REITs Regulation provide for the calling of meetings of the REIT securities holders, voting and procedures for the conduct of meetings. However, it has been deemed impracticable to conduct general meetings in the manner required under the CIS Regulations and REITs Regulations due to the measures set out by the Government as a result of the Corona Virus (COVID-19) pandemic and related public health laws, regulations and directives.
3. The Capital Markets Authority (CMA) recognizes that market participants are transitioning to teleworking, virtual meetings and have adopted other contingency measures to address public health concerns.
4. In response to the Government directives prohibiting public gatherings, the Authority hereby provides regulatory flexibility to CISs and REITs seeking to change the earlier scheduled dates of general meetings and instead conduct "virtual" meetings to eradicate the need for in-person unitholder attendance until such a time when the public gathering ban will be lifted. To this effect, all CISs and REITs are required to hold their virtual annual general meeting by 31st August, 2020.

5. When conducting a “virtual” annual general meeting through the available e-platforms, a CIS or a REIT should incorporate all legal, regulatory and practical considerations/requirements. The Authority is providing this guidance to assist CISs and REITs to meet their obligations under the CIS Regulations and REITs Regulations. In the conduct of a virtual meeting, a CIS or a REIT shall ensure the following;
- a) that the meeting notice is issued to unitholders or REIT securities holders and other relevant stakeholders in relation to the meeting in a timely manner and as required under the CIS Regulations or REITs Regulations, as applicable;
 - b) that reliable e-platform solution provider(s), with capacity to provide efficient and secure meeting platforms, are identified to host these virtual meetings;
 - c) that logistical details of the virtual meeting are clearly communicated to the unitholders or REITs securities holders;
 - d) that reasonable measures are implemented to facilitate unitholders or REIT securities holders to participate virtually, with the ability to conveniently sign-in to the virtual meeting platform from their home, office, mobile devices and vote on resolutions tabled at the meeting, follow discussions, ask questions, view messages and communicate with the other participants of the meeting contemporaneously, and otherwise exercise all of the unitholder rights for participation in meetings;
 - e) that the voting system is reliable, verifiable, secure and transparent, allowing for real time tabulation of voting;
 - f) that all unit holders or REIT securities holders are provided with enough information to enable them to make informed decisions, have the opportunity to ask questions and seek clarification before and during the meeting, have an opportunity to place items on the agenda and have a mechanism to appoint proxies;
 - g) that the CIS or REIT implements reasonable measures to verify that each person deemed present and permitted to vote at the virtual meeting is a unitholder or a REITs securities holder, as appropriate or their duly appointed proxy;
 - h) that full electronic access is granted to the CISs’ or REITs’ minutes of previous meetings, management discussion, annual reports and other relevant documents;
 - i) that the technology platform deployed in the conduct the virtual meeting will accommodate all of the unitholders or REIT securities holders, Trustee, Fund Manager or REIT Manager, Custodian and other persons participating in the meeting; and

We encourage all CISs and REITs to consider their own specific circumstances in determining the need for any additional measures beyond what has been provided under this paragraph. All relevant stakeholders including Trustees, Custodians, Fund Managers or REIT Managers and Promoters are encouraged to exercise flexibility and work collaboratively with one another.

6. Prior to holding virtual general meeting, a CIS or a REIT is required to submit its request for a No-Objection from the Authority setting out the details on how it intends to hold the virtual general meeting.
7. The request for a No Objection shall be submitted to the Authority at least 14 days prior to the commencement of the 21 days' or the applicable relevant notice period for the meeting.
8. When making an application for a No Objection, a CIS or a REIT shall disclose how it has met the conditions set out in paragraph 5 above and attach all relevant documents.
9. This Circular further requires that an approved CIS or a REIT or other party that requires additional regulatory guidance in relation to compliance with regulatory obligations under the Capital Markets Act and its attendant Regulations, Rules and Guidelines, shall apply in writing to the Authority for consideration.



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Ag. CHIEF EXECUTIVE