

EXTRAORDINARY
GOVERNMENT



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KHYBER PAKHTUNKHWA

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GOVERNMENT OF KHYBER PAKHTUNKHWA
INDUSTRIES COMMERCE & TECHNICAL
EDUCATION DEPARTMENT

NOTIFICATION

Peshawar, dated the 24/09/2020.

No.SO-II (IND)10-217(R)/2020/Vol-20.- In exercise of the powers conferred by section 116 of the Khyber Pakhtunkhwa Trust Act, 2020 (Khyber Pakhtunkhwa Act No. XXXIII of 2020), the Government of Khyber Pakhtunkhwa is pleased to make the following rules, namely:

THE KHYBER PAKHTUNKHWA TRUST RULES, 2020.

1. **Short title and commencement.**---(1) These rules may be called the Khyber Pakhtunkhwa Trust Rules, 2020.

(2) They shall come into force at once.

2. **Definitions.**---(1) In these rules, unless there is anything repugnant in the subject or context,-

- (a) **“Act”** means the Khyber Pakhtunkhwa Trust Act, 2020;
- (b) **“member”** means any natural person associated with the trust such as author, trustees, beneficiaries and any other natural person exercising ultimate effective control over the trust;
- (c) **“public trust”** means a trust whose beneficiaries include the public at large and the number of beneficiaries are temporary and keeps on changing;
- (d) **“private trust”** means a trust whose beneficiaries include families or individuals and are pre-determined at the time of registration of trust; and
- (e) **“Schedule”** means a Schedule appended to the rules.

(2) Words and expressions used herein but not defined shall have the same meanings as are assigned to them in the Act.

3. Trust deed.---(1) A trust deed on stamp papers of the value of rupees five hundred or as the Secretary may fix from time to time is a legal evidence of the existence of the trust and it contains the governing classes of the trust.

(2) The trust deed shall contain the following, namely:

- (a) title of the trust;
- (b) life of the trust;
- (c) arbitration clause; and
- (d) an affidavit by members of the trust to obey the provisions of the Act and the rules made there under.

(3) The trust deed shall also contain bye-laws regarding the changes, removal or addition of the trustees, co-trustees and beneficiaries or any other clauses as the author deems necessary for the operation of the trust in a smooth manner.

(4) Each paper of the trust deed shall be signed by the author, trustees, any other persons associated with the trust and attested by a Notary Public.

4. Memorandum of Association.---(1) Memorandum of Association shall define the relationship of the author with the trustees and specify the objectives to which such trust is formed.

(2) The Memorandum of Association shall contain the name, addresses, cell numbers, occupations and designations of all members of the trust along with their signatures in the presence of two witnesses duly attested by a Notary Public.

5. Procedure for registration.---(1) A person in order to register a trust shall submit an application to the Director.

(2) The application under sub-rule (1) shall be accompanied by the following documents, namely:

- (a) trust deed;
- (b) Memorandum of Association as specified in **Schedule-I**;
- (c) Affidavit as required under the Section 10 of the Act on **Schedule-II**;

- (d) attested copies of CNICs or passports copies of members of the trust;
- (e) proof of the registered office address of the trust (Electricity/Sui Gas bill or rent agreement, mutation or any other proof);
- (f) no objection letter signed by the landlord;
- (g) Affidavit on **Schedule-III**, attesting that that neither any member of the trust nor the trust itself is involved in any criminal activities and no legal proceedings against any of above are pending in any court of law;
- (h) Bank *Challan* of Rs. 5,000/- credited to the Government under the head of accounts **CO3545**;
- (i) any other documents as the Director may require;
- (j) trust members' details on **Schedule-IV**; and

(3) It shall be mandatory for the author as well as two other witnesses to be physically present along with their identity proof at the time of registration of trust.

6. Documents verification.---(1) Upon submission of application for registration under rule 5 or renewal of registration under rule 9, the Director shall examine the documents and if found incomplete, the same shall be returned to the trustee for completion.

(2) The documents, if found in order and complete, the Director shall verify the same through the Assistant Director and Special Branch Police.

(3) The concerned Assistant Director shall verify the following, namely:

- (a) office of the trust and its related documents;
- (b) property of the trust;
- (c) members of the trust; and
- (d) any other documents for which he has been asked to verify.

(4) The Special Branch Police shall verify the following, namely:

- (a) the antecedents and criminal record of the members of the trust;
- (b) background of the members; and
- (c) any other verification they deem necessary.

(5) The Assistant Director and Special Branch Police respectively shall report to the Director within fourteen days of the receipt request. In case a foreigner is a member of the trust then his or her credentials shall be verified through the embassy of Pakistan in the country of his residence or origin and the above time limit shall not apply in such a case.

7. Issuance of registration certificate.---(1) The Director may, after receipt of the report under sub-rules (2), (3) and (4) of rule 6 and after fulfillment of all legal requirements, proceed to register the trust and issue registration certificate to the trust as per **Schedule-V**.

(2) The Director may refuse the registration for any of the reasons set out in the Act or for the following reasons, namely:

- (a) if the trust or any of its members is involved or likely to be involved in spreading of hatred, militancy, money laundering; or
- (b) if the trust is or likely to be a threat to national security and harmony; or
- (c) if the members of the trust failed to provide complete personal details or information; or
- (d) if the members of the trust provided any incomplete or false information; or
- (e) if the members of the trust provide fake or forged documents.

8. Maintenance of accounts.--- A trustee or each of the trustees, as the case may be, shall be bound to maintain the accounts of trust in the following manner, namely:

- (a) keep clear and accurate accounts of the trust property and its income;
- (b) at all reasonable times, at the request of the beneficiary, to furnish him with full and accurate information as to the amount and state of the trust property;

- (c) updated information within five days of any change in the members of the trust or its assets or any other change and provide the same to the Director;
- (d) get the accounts of the trust audited by a third party at least once in a year;
- (e) submit financial reports and audit report to the Director and concerned Assistant Director in every financial year;
- (f) ensure that the information is accurate and up to date; and
- (g) keep all records of the information provided to the Director or any other entity, including the information as set out in clauses (a) to (f) for at least five years after their involvement with the trust ceases.

9. Procedure for renewal of registration.---(1) An application for renewal of registration shall be submitted for the Director, thirty days prior to the expiry of the existing registration.

(2) The application under sub-rule (1) shall be accompanied by the following, namely:

- (a) details of all members on **Schedule-VI**;
- (b) bank *Challan* of rupees three thousand evidencing payment of fee for renewal of registration;
- (c) audited statement of accounts from a Chartered Accountants for the preceding financial year;
- (d) budget estimate and activities plan for the next financial year;
- (e) up to date bank account statement; and
- (f) details of members of the trust.

(3) The trustee shall also submit the form as specified in **Schedule-VI** for updating the information of trust from time to time as required by sub-section (2) of section 26 of the Act.

(4) The trustees shall also submit a soft form of record of information at the time of registration and during annual renewal and whenever required from time to time in accordance with section 26 of the Act.

10. Verification and grant of renewal of registration.---(1) The Director shall check the documents and information provided under rule 9 against the record available in his office. If he finds any change, he shall verify the same in the manner as mentioned in rule 6.

(2) Director may summon any or all members of the trust for clarification of any query.

(3) Director after receipt of verification reports under sub-rule (4) of rule 6, if deems necessary, may send the case to any other Investigation Agency or Intelligence Agency for further verification.

(4) The Director after receipt of report and fulfillment of all legal requirements may grant annual renewal certificate to the trust as per **Schedule-VII** or may refuse to grant annual renewal certificate, in case of any violation of the Act or these rules for any of the reasons mentioned in sub-rule (2) of rule 7.

11. Maintenance of register of trusts.---(1) The Director shall maintain a register of the trusts and he shall provide a copy of the same to concerned Assistant Directors to keep the record at district level updated as well.

(2) The Director shall make necessary arrangements for the development and updation of the register of trust on the Charity Commission Web Portal, including defining the internal procedures for its management and operation, access to its information and other conditions through which its administration will be carried out.

Explanation:- Charity Commission for the purposes of this rule means the Charitable Commission established under section 3 of the Khyber Pakhtunkhwa Charities Act, 2019 (Khyber Pakhtunkhwa Act No. XXIX of 2019).

(3) Until such time, the registration process is made online, the trustees shall use manual forms as provided in the Schedules.

(4) Notwithstanding anything contained in sub-rule (3), upon establishment of online registration, the trustees shall have the liberty either to apply online or manually.

(5) The register of the trusts shall contain the following information, namely:

(a) trust name;

(b) address of the main office of the trust along with address of the branch office or offices, if any, or in case there is no office of the trust, then the office address of the trustee who is managing the trust;

- (c) purpose of the trust;
- (d) duration of the trust;
- (e) registration number and date of registration;
- (f) identity of the trustees;
- (g) identity of all other members of the trust;
- (h) details of the members of trust, including residential address cell numbers and email addresses;
- (i) trust assets details;
- (j) change in property and members, if any;
- (k) annual renewal status;
- (l) details of inquiry conducted or under process against the trust or any of its members; and
- (m) remarks and signature of the Director.

(6) The register of the trust will be available on the Charity Commission Web Portal and information as required under clauses (a), (b), (c), (d), (i) and (j) of sub-rule (5) shall be made publicly available upon registration in the Web Portal.

(7) The competent authorities and reporting entities may request access to information of the register of trusts as provided in sub-rule (5).

12. Power to inspect and seize record.---(1) The Director or Assistant Director, as the case may be, may require any information for any purpose at any time related to the trust or members of the trust from the trustee and the trustees shall provide the same in soft and hard form or as asked for within five days of the request. The Director may take over property of the trust or freeze an asset of the trust in accordance with the provisions of the Act.

(2) The Director may share any information about any trust, including the trust assets, trust proceeds or members of the trust with the competent authorities upon written request through Home Department. The requisite information to be so shared shall be provided by the trustees to the Director shall further transmit the same to Home Department.

(3) The trustees shall be bound to facilitate the Director and Assistant Director, as the case may be, and provide all of the information as requested for under sub-rules (1) and (2) within fifteen days from the date of request.

13. Access to information.---(1) The Department and the Director through Assistant Director or himself, may at any time ask the trustees for any information relating to the trust or any member of the trust and the trustee shall be bound to provide the requisite information within ten days of the request in both soft and hard forms or as required otherwise by the Department or the Director.

(2) The competent authorities at any time, for the purpose of domestic or international cooperation, may ask for any information related to the trust or any of its members from the trustee through Home Department and the trustee shall provide the required information within seven days of the request in both soft and hard forms or in any other manner as may be required.

(3) The Home Department shall forward the information provided by the trustee under sub-rule (2) to the competent authorities without any delay.

(4) The request for information and the response thereto under this rule shall be regulated in the manner as may be directed by Secretary to Government, Home Department.

(5) The reporting entity through Home Department may ask for any information at anytime and in any manner from the trustees and the trustees shall be bound to provide the information requested for in the manner as asked for within seven days of the request in both soft and hard forms or as otherwise required.

14. Complaint and penalty.---(1) If a trustee or co-trustee is found to have violated the provisions of rule 12, the Director upon intimation by the Assistant Director or by his own motion may impose financial penalty up to one million rupees but shall not be less than one hundred thousand rupees.

(2) In case of failure to pay penalty under sub-rule (1), the Director may file a complaint in the court of Magistrate First Class on **Schedule-VIII** against the trustee responsible for non-compliance.

(3) The Director may authorize any of his subordinate officers for lodging complaint on his behalf in the court of Magistrate First Class against the trustees or co-trustees, as the case may be, for any violation of the Act or these rules.

(4) The court may on conviction, award imprisonment which may extend to six months but shall not be less than one month. The imprisonment granted under this rule shall be in addition to the financial penalty already imposed by Director under sub-rule (1).

(5) In case of violation of rule 13, the trustee shall also be liable for imprisonment which may extend to six months but which shall not be less than three months. Conviction under this sub-rule shall be made by the court of Magistrate First Class on the complaint of Director as specified in **Schedule-VIII**.

15. Principals of justice to be followed.---No order under sub-rules (1), (3), (4) and (5) of rule 14 shall be passed unless the trustees or any other relevant person is given an opportunity of being heard.

16. Appeal.---(1) Appeal against the orders passed under rules 14 shall be made in the following manner, namely:

- (a) appeal against the order of Director shall be made to the Secretary within thirty days of the date of the order of the Director; and
- (b) appeal against the order or judgment of Magistrate First Class shall be made to the Sessions Judge of the District where the main office of the trust is situated within thirty days of the date of the order of Magistrate.

(2) The Secretary while reviewing order of the Director shall consider-

- (a) the flaws in inquiry conducted as highlighted by the trustees;
- (b) whether penalties imposed are based on facts or otherwise;
- (c) whether order of the Director is based on facts or otherwise; and
- (d) after above consideration he may send the case back to the Director for re-inquiry or may issue order.

17. Power to obtain trust registration record.---The Department shall approach the Revenue and Estate Department, Government of Khyber Pakhtunkhwa for the record of trusts registration immediately after the commencement of these rules and obtain the same record within a period of sixty days.

**SECRETARY TO
GOVERNMENT OF THE KHYBER PAKHTUNKHWA
INDUSTRIES, COMMERCE AND TECHNICAL
EDUCATION DEPARTMENT**

SCHEDULE-I

(See clause (b) of sub-rule (2) of rule 5)

MEMORANDUM OF ASSOCIATION

Name of the Trust _____

Main office address of the Trust _____

Any other sub office address of the Trust if available _____

Objectives of the Trust _____

Author's Name and address (Present & Permanent) _____

CNIC _____ Cell No. _____

The details of Trustees and beneficiaries are to be provided in the Schedule-IV

Witness (1) _____

Witness (2) _____

ATTESTATION

SCHEDULE-II

(See clause (c) of sub-rule (2) of rule 5)

AFFIDAVIT OF ACCEPTANCE CERTIFICATE BY THE TRUSTEES.

I, _____ S/O _____ R/O _____
bearing CNIC No. _____
solemnly affirm that I have read and understood the duties, responsibilities and liabilities
of the trustee as mentioned in Chapter-IV of the Khyber Pakhtunkhwa Trust Act, 2020.

I, hereby accept the offer of the author of trust namely
_____ situated at _____ to be its trustee. I
shall abide by the provision of the Khyber Pakhtunkhwa Trust Act, 2020 and Khyber
Pakhtunkhwa Trust Rules, 2020 and shall discharge my duties honestly and with the best
of my abilities.

Trustee Signature _____

Witness (1) _____

Witness (2) _____

ATTESTATION

SCHEDULE-III

(See clause (g) of sub-rule (2) of rule 5)

AFFIDAVIT

(Non-Judicial Stamp Papers of Rs.100/-)

We the founding members of trust namely _____
situated at _____

declare and affirm that:

1. No trust is registered in the name of _____
under the Khyber Pakhtunkhwa Trust Act, 2020 and the Khyber Pakhtunkhwa Trust
Rules, 2020.
2. We are not involved in any criminal activity.
3. The trust deed and memorandum of association of the trust do not contain any clause /
section against the provision of Khyber Pakhtunkhwa Trust Act 2020 and the Khyber
Pakhtunkhwa Trust Rules, 2020.
4. The information provided in the submitted documents and this affidavit is true to the
best of our knowledge and belief.

(Signed by members of the trust in presence of two witnesses and attested by Notary public)

SCHEDULE-IV

(See clause (j) of sub-rule (1) of rule 5)

Details of Trust and Members of the Trust and Any other natural persons exercising control over the trust (if any)

S. No.	Details Required
1.	Trust assets details
2.	Values of trust assets
3.	Author Bio-data
4.	Author assets details
5.	Trustees Bio-data
6.	Trustees Dependents Bio-data
7.	Trustees and Co-trustees' dependents assets at the time of trust formation.
8.	Assets details of any other person or legal persons associated to the trust.
9.	Annual activities detail of the trust.
10.	Any other information as the authority or Government required from time to time.
11.	Bio-data and assets details of beneficiaries (In case of private trust)
12.	Bio-data of beneficiaries only (In case of public trust)

SCHEDULE-V

(See sub-rule (1) of rule 7)

No. _____

Date _____

**IN THE OFFICE OF THE DIRECTOR INDUSTRIES AND COMMERCE,
KHYBER PAKHTUNKHWA, PESHAWAR.**

TRUST REGISTRATION CERTIFICATE

I hereby certify that M/s _____

situated at _____

has this day been registered under Section 16 of the Khyber Pakhtunkhwa Trust Act,
2020.

Given under my hand and seal at _____

this _____ day of _____

_____ and _____

Seal

Fee Rs. _____

DIRECTOR
Industries and Commerce,
Khyber Pakhtunkhwa, Peshawar.

N.B.—The validity of this certificate requires Trust Annual Renewal Certificate.

SCHEDULE-VI

(See clause (a) of sub-rule (2) and sub-rule (3) of rule 9)

Annual Details of Trust and Members of the Trust and any other natural person exercising control over the trust (if any)

S. No.	Details Required
1.	Trust assets details gained during preceding year.
2.	Value of trust assets gained during preceding year.
3.	Author assets gained during preceding year.
4.	Trustees and co-trustees' dependents assets gained during preceding year.
5.	Annual assets details of trust, trustees and trustees' dependents gained during preceding year.
6.	Assets details of any other natural person or legal persons associated to the trust gained during preceding year.
7.	Annual activities detail of the trust of this year.
8.	Any other information as the authority or Government required from time to time.
9.	Assets details of beneficiaries gained during preceding year (In case of private trust).
10.	Bio-data of beneficiaries (In case of public trust).

SCHEDULE-VII

(See sub-rule (4) of rule 10)

No. _____

Dated. _____

**IN THE OFFICE OF THE DIRECTOR INDUSTRIES AND COMMERCE,
KHYBER PAKHTUNKHWA, PESHAWAR.**

TRUST ANNUAL RENEWAL CERTIFICATE

FOR THE YEAR ENDING DECEMBER 31, _____

I hereby certify that the annual renewal to M/s _____
situated at _____

has this day has been granted under Section 17 of the Khyber Pakhtunkhwa Trust
Act, 2020 with the following trustee(s) and Co-trustee(s).

Given under my hand and seal at _____
this _____ day of _____
and _____

Seal

Fee Rs. _____

DIRECTOR
Industries and Commerce,
Khyber Pakhtunkhwa, Peshawar.

SCHEDULE-VIII

(See sub-rule (2) of rule 14)

Complaint Form

Under the Rule 10(2) of Khyber Pakhtunkhwa Trust Rules, 2020.

Case NO. _____ Dated _____
In the Court of _____
Tehsil _____ District _____
State through Director/Assistant Director _____
Complainant
Versus
Accused Name _____ S/O _____
CNIC NO _____ Phone No. _____
Address _____
Trust Name with Address _____

Respectfully submits complaint under section 18(5)(7) of the Khyber Pakhtunkhwa Trust Act, 2020 and rules 14(2) (5) of the Khyber Pakhtunkhwa Trust Rules, 2020 as under:

That the Director:

- a) Received documents from _____ dated _____
- b) Examined / enquired the above mentioned documents _____
and found the following violations.

Brief of the case is _____

Details of enquiry if any: _____

A violation punishable under rule 14(4) (5) of the Khyber Pakhtunkhwa Trust Rules, 2020.

Enclosures:

1. _____
2. _____
3. _____

Signature and Seal of the Officer