RET Regulatory & Governance Dossier

RET Ecosystem - Regulatory, Governance & Property Integration Dossier
This dossier describes the governance, controls, and licensing roadmap for RET Assets LLC (“RET”) in connection with a real-world asset (“RWA”) platform for tokenized real estate. References to the Virtual Assets Regulatory Authority (“VARA”) describe an intended operating path and do not constitute a statement of current authorization. It is a working reference for RET’s compliance architecture and property integration processes. 1. Licensing Roadmap (VARA)
1. 1 VARA Overview
VARA oversees certain virtual asset activities in and from the Emirate of Dubai (excluding the DIFC). RET’s intended path contemplates operating as a Virtual Asset Service Provider (“VASP”) under applicable VARA rulebooks, which may include: - Company Rulebook; - Compliance and Risk Management Rulebook; - Market Conduct Rulebook; - VA Issuance Rulebook; - Virtual Asset Service Provider Rulebook; and
- Any RWA or tokenization-specific guidance published by VARA. 1. 2 Licensing Stages (Indicative)
Subject to applicable requirements and outcomes: Stage 1 - Initial Engagement and Concept Validation
- Submit initial application and project overview. - Conduct gap analysis against applicable rulebooks. - Appoint key control functions: Money Laundering Reporting Officer (MLRO), Compliance Officer, and Risk Officer. Stage 2 - MVP / Testnet Phase
- Operate a limited-scope test environment with restricted user access where permitted. - Finalize policies, procedures, technology controls, and risk management frameworks. Stage 3 - Full Authorization (if granted)
- Satisfy capital, governance, systems and controls, and third-party risk conditions. - Implement ongoing reporting, audits, and supervisory engagements as required. Stage 4 - Product & Token Submissions
- Submit documentation for the RET token and related products, which may include: - Whitepaper / Disclosure Document & PPM; - Technical architecture and smart contract audits; - Tokenomics, lock-up mechanics, and risk factors; - SPV structures and supporting materials; - Market integrity and participant protection measures. - Confirm any product-level conditions or limitations that apply. 2. Governance and Risk Management
2. 1 Corporate Governance
RET intends to implement a governance structure appropriate to its activities, which may include: - Board of Directors or equivalent governing body; - Clear separation of executive management, risk, and compliance functions; - Documented charters for the Board and committees (e. g. , Risk Committee, Audit/Compliance Committee); - Regular Board meetings with formal minutes and decision logs. 2. 2 Key Control Functions
- Compliance Function: responsible for regulatory liaison, policy maintenance, training, and monitoring. - MLRO / AML Officer: responsible for KYC/AML framework, suspicious activity monitoring, SAR/STR reporting, sanctions screening, and FATF alignment. - Risk Management Function: responsible for enterprise risk register, scenario analysis, stress testing, and risk appetite framework. - Internal Audit / Assurance: periodic independent review of controls and adherence to policies. 2. 3 Policies and Procedures
Core documented policies will include, at a minimum: - AML / CTF Policy and Procedure; - Sanctions and PEP Screening Policy; - Onboarding & KYC / KYB Procedures; - Market Conduct & Market Abuse Policy; - Information Security and Cybersecurity Policy; - Data Protection & Privacy Policy; - Incident Response and Business Continuity Plan; - Conflicts of Interest Policy; - Whistleblower and Complaints Handling Policy; - Treasury & Liquidity Risk Policy (including AMM liquidity management); - Valuation and Pricing Policy for RWA portfolios. 3. Token Lifecycle Governance
3. 1 Issuance Governance
- Formal token issuance proposals (T-Memo) documenting supply, allocation, lock-ups, pricing, and use of

proceeds. - Approval by the Board or delegated committee prior to any mint or reconfiguration. - Integration with technical change-management workflows (code review, testing, multi-sig approvals). 3. 2 Transfer Controls
- KYC/AML-gated onboarding for all investors and participants. - On-chain allow-list logic to ensure only approved wallets can receive or redeem RET. - Smart contract enforcement of lock-ups, rate limits, and restrictions on secondary transfers where required by VARA or SPV documentation. 3. 3 Redemption and Property Transfers
- Formal redemption procedures linking on-chain burn/lock events to off-chain SPV share transfers or beneficial interest allocations. - Dual-control processes for authorizing redemptions, including checks on eligibility, maturity, and compliance with lock-up and liquidity limits. - Reconciliation of on-chain balances with SPV registers and internal ledgers. 4. Real Estate SPV and Property Integration Workflow
4. 1 SPV Setup
- Jurisdiction and structure selection (e. g. , UAE free zone or other approved jurisdiction). - Incorporation of SPVs with clear purpose, share classes, and governance documents. - Bank and custodian accounts for each SPV. - Appointment of directors, administrators, legal counsel, and external auditors. 4. 2 Property Due Diligence
For each property considered for tokenization, RET will perform: - Legal due diligence (title, encumbrances, zoning, permits, leases); - Financial due diligence (historical cashflows, operating expenses, capex); - Technical and environmental inspections (where relevant); - Independent valuation by qualified valuers; - Sanctions and AML screening of sellers and counterparties. 4. 3 Investment Committee Process
- Preparation of Investment Memorandum detailing asset, location, risk profile, projected IRR, and fit within portfolio strategy. - Review and approval by Investment Committee with documented minutes. - Post-approval execution of purchase agreements and SPV funding. 4. 4 Tokenization and Listing
- Map SPV equity or beneficial interests to RET-based rights as per legal opinions. - Configure smart contracts to represent property-linked rights (e. g. , specific token IDs or on-chain metadata). - Register property in the internal asset registry and link to on-chain identifiers. - Publish a Property Fact Sheet including key metrics, risk flags, and disclosure items. - List the property within the RET platform and, where applicable, coordinate with VARA for any product-specific notifications or approvals. 4. 5 Ongoing Monitoring and Reporting
- Regular financial reporting (e. g. , quarterly property performance packs). - Annual audits of SPVs and, where required, of the platform. - Ongoing monitoring of covenant compliance, occupancy, rent collections, and major events (e. g. , refinancing, capex, disputes). - Periodic re-valuations and updates to investors where appropriate. 5. Investor Protection and Disclosures
5. 1 Onboarding and Suitability
- Segmentation of investors (e. g. , professional, institutional, retail where permitted). - Suitability and appropriateness assessments for higher-risk products. - Delivery of key information documents, risk summaries, and PPM prior to commitment. 5. 2 Complaints and Redress
- Documented complaints handling procedure, including timelines, escalation paths, and independent review where appropriate. - Clear communication channels (email, in-platform ticketing, or portal) for investor queries and complaints. - Alignment with VARA customer protection requirements. 5. 3 Transparency and Reporting
- Investor dashboards showing holdings, cashflows, fees, and performance metrics. - Periodic newsletters and regulatory disclosures. - Clear presentation of lock-up terms, exit options, and any changes to token or SPV terms. 6. Technology and Security
- Secure key management practices, including multi-signature or MPC solutions for treasury and administrative wallets. - Rigorous smart contract development lifecycle (specification, review, formal testing, third-party audits). - Continuous monitoring of infrastructure, with incident response runbooks and logging. - Regular penetration testing and security assessments. 7. Alignment with RWA and VARA Standards
7. 1 RWA Alignment
RET’s architecture aligns with RWA best practices in several respects: - Legal segregation of assets via SPVs; - Binding contractual mapping of tokens to economic rights; - Full KYC/AML and sanctions controls; -

Transparent on-chain auditability of token supply, lock-ups, and movements; - Clear risk disclosures and documented governance. 7. 2 VARA Considerations

While only VARA can determine compliance and licensing outcomes, RET’s design is intended to support: - Classification of RET as a regulated virtual asset with RWA linkage; - Satisfying requirements for token issuance documentation, risk disclosures, and investor protections; - Demonstrating robust governance, risk management, and AML/CTF frameworks; - Providing auditable, controlled tokenization of real-world assets.

8. Conclusion

This dossier sets out RET’s planned approach to regulation, governance, and property integration as it builds a compliant RWA platform under VARA supervision. It should be read alongside the Seed Investor Agreement, Token Purchase Agreement, and Disclosure Document & PPM. END OF DOSSIER