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SIGNIFICANT INFRASTRUCTURE
GOVERNMENT LOAN ACT 2021
(ACT 15 OF 2021)

SIGNIFICANT INFRASTRUCTURE
GOVERNMENT LOAN REGULATIONS 2021

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In exercise of the powers conferred by section 24 of the Significant Infrastructure Government Loan Act 2021, the Minister for Finance makes the following Regulations:

PART 1**PRELIMINARY****Citation and commencement**

1. These Regulations are the Significant Infrastructure Government Loan Regulations 2021 and come into operation on 18 September 2021.

Definitions

2. In these Regulations, unless the context otherwise requires —

“application” means —

- (a) in Part 2 — an application to purchase one or more SINGA securities issued after conducting an auction in accordance with Part 2;
- (b) in Part 3 — an application to purchase one or more SINGA securities issued by syndication in accordance with Part 3; and
- (c) in Part 5 — an application to purchase one or more SINGA securities issued after conducting an auction in accordance with Part 2 or issued by syndication in accordance with Part 3, as the case may be;

“approved” means approved by the Minister;

“auction day” means such date as specified in a public notice as the auction day of an issue of SINGA securities;

“bid yield” means the yield expressed in an application;

“maturity date” means such date on which any SINGA security is redeemable at par;

“multiple pricing method” means the manner of allotting SINGA securities set out in regulation 12;

“public notice” means a public notice under section 17(2) of the Act inviting the public to apply to take up an issue of SINGA securities specified in the public notice;

“relevant electronic service” means an internet-based electronic service provided by the MAS for the purposes of these Regulations (even if there are other purposes), the terms of use of which are specified in agreements between the MAS and users of the service (which may take the form of a user guide);

“SINGA security” means a security issued under the Act;

“uniform pricing method” means the manner of allotting SINGA securities set out in regulation 13.

Methods of issue

3. SINGA securities may be issued after conducting an auction in accordance with Parts 2 and 5, or by syndication according to Parts 3 and 5.

PART 2 AUCTIONS

How to make application upon public notice

4.—(1) An application pursuant to a public notice has to be made as follows:

- (a) by using the relevant electronic service, subject to paragraph (2);
- (b) by an alternative method allowed by the MAS, either generally or specified in the public notice.

(2) Each application by an alternative method mentioned in paragraph (1)(b) must be accompanied by an administrative fee of \$10.70 (inclusive of goods and services tax chargeable under the Goods and Services Tax Act (Cap. 117A)).

(3) In the event of a malfunction or failure, or an imminent malfunction or failure, of the relevant electronic service in paragraph (1)(a), an application pursuant to a public notice has to be made in writing and according to the user guide for the relevant electronic service.

Who can make application

5.—(1) An application pursuant to a public notice has to be made —

- (a) where an applicant is not a primary dealer — on behalf of the applicant by an agent who is a primary dealer; or

(b) where an applicant is a primary dealer — by the primary dealer, which must be made distinct and separate from any application in sub-paragraph (a).

(2) Where a primary dealer makes applications under paragraph (1)(a) on behalf of 2 or more other persons, the applications must be kept distinct from each other and submitted separately to the MAS.

(3) Where a primary dealer makes any application under paragraph (1)(a) on behalf of another person, the application must be kept and submitted to the MAS separately from any application made under paragraph (1)(b) for itself.

Competitive and non-competitive applications

6.—(1) A person who intends to purchase SINGA securities pursuant to a public notice may make an application to purchase those SINGA securities on a competitive basis or on a non-competitive basis in accordance with the terms of the issue of those securities.

(2) All applications pursuant to a public notice made on a competitive basis —

(a) must be expressed as a bid yield not exceeding 2 decimal places;

(b) must not be less than the minimum nominal amount of \$1,000; and

(c) must be made in multiples of \$1,000.

Cut-off time for applications

7.—(1) All applications pursuant to a public notice must be made and received by the MAS not later than 12 noon of the auction day specified in that public notice.

(2) The MAS must refuse to accept any application pursuant to a public notice that is received by the MAS after 12 noon of the auction day specified in that public notice.

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- (3) However, the MAS may, in the event of —
- (a) any malfunction or failure, or an imminent malfunction or failure, of the relevant electronic service; or
 - (b) any fire, serious violence, public disorder, epidemic or other incident obstructing, disrupting or seriously affecting the proper conduct of the auction,

extend the time for making and accepting of applications pursuant to that public notice, and any reference to 12 noon of the auction day in paragraph (1) or (2) will then be a reference to that time as so extended.

Cancellation of auction

8. The MAS may, at any time after the issue of a public notice, cancel the auction specified in the public notice, in which event the MAS must, as soon as possible, publish a notice to the general public of the cancellation in a manner as will secure adequate publicity for the fact of cancelling that auction.

Variation in amount of SINGA securities to be allotted

9.—(1) Where the MAS has issued a public notice, it may at any time during the period starting the date of issue of the public notice and ending at 12 noon of the auction day specified in the public notice, vary the amount of SINGA securities specified in the public notice to be made available for allotment, in which event the MAS must, as soon as possible, publish a notice to the general public of the variation in a manner as will secure adequate publicity for the fact of the variation.

(2) To avoid doubt, a variation under paragraph (1) does not affect the validity of any application to purchase SINGA securities made pursuant to the public notice and before the variation.

Limits on allotment

- 10.** In respect of any issue of SINGA securities —
- (a) each primary dealer applying on a non-competitive basis to purchase SINGA securities on its own behalf must not be allotted more than 1% of the issue;
 - (b) each person, other than a primary dealer, applying on a non-competitive basis to purchase SINGA securities must not be allotted more than —
 - (i) \$1 million in the case of SINGA securities having a maturity of one year or less; or
 - (ii) \$2 million in the case of SINGA securities having a maturity of more than one year;
 - (c) not more than 40% of the issue must be allocated by the MAS to applications made on a non-competitive basis; and
 - (d) despite any other provision in these Regulations —
 - (i) each primary dealer must not be allotted more than 30% of the issue; and
 - (ii) each person, other than a primary dealer, must not be allotted more than 15% of the issue.

Methods of allotment

11. The MAS may allot SINGA securities upon an application pursuant to a public notice under either of the following methods that is specified in the public notice for the issue of those SINGA securities:

- (a) a multiple pricing method;
- (b) a uniform pricing method.

Allotment under multiple pricing method

12.—(1) Subject to these Regulations, SINGA securities that are to be allotted under a multiple pricing method must be allotted in accordance with paragraphs (2) to (7).

(2) For every issue of SINGA securities in a public notice, the SINGA securities must be allotted to applications pursuant to the public notice made on a non-competitive basis in priority to all applications pursuant to that public notice made on a competitive basis.

(3) Where there are insufficient SINGA securities in an issue to allot in full in accordance with paragraph (2), the SINGA securities available for allotment have to be allotted to the applications made on a non-competitive basis rateably in proportion to the amounts applied for by the respective applicants.

(4) For any issue of SINGA securities in a public notice, after allotment in accordance with paragraph (2) or (3), the balance of SINGA securities must be allotted to applications pursuant to the public notice made on a competitive basis, in ascending order, starting from the application expressing the lowest bid yield to the application expressing the highest bid yield.

(5) Where there are insufficient SINGA securities in an issue to allot in full in accordance with paragraph (4), the SINGA securities available must be allotted as follows:

- (a) allot the amount available for allotment to the applications pursuant to the public notice made on a competitive basis, subject to sub-paragraphs (b) and (c);
- (b) allot according to the respective amounts in each application pursuant to the public notice made on a competitive basis, subject to sub-paragraph (c);
- (c) where 2 or more applications made on a competitive basis express the same bid yield, allot rateably in proportion to the amounts applied for by the respective applicants.

(6) The yield for each successful application made on a non-competitive basis is equal to the weighted average of the bid yields in the successful applications made on a competitive basis.

(7) The yield for each successful application made on a competitive basis is the bid yield in the application.

Allotment under uniform pricing method

13.—(1) Subject to these Regulations, SINGA securities that are to be allotted under a uniform pricing method must be allotted in accordance with paragraphs (2) to (6).

(2) For every issue of SINGA securities in a public notice, the SINGA securities must be allotted to applications pursuant to the public notice made on a non-competitive basis in priority to all applications pursuant to that public notice made on a competitive basis.

(3) Where there are insufficient SINGA securities in an issue to allot in full in accordance with paragraph (2), the SINGA securities available for allotment have to be allotted to the applications made on a non-competitive basis rateably in proportion to the amounts applied for by the respective applicants.

(4) For any issue of SINGA securities in a public notice, after allotment in accordance with paragraph (2) or (3), the balance of SINGA securities must be allotted to applications pursuant to the public notice made on a competitive basis, in ascending order, starting from the application expressing the lowest bid yield to the application expressing the highest bid yield.

(5) Where there are insufficient SINGA securities in an issue to allot in full in accordance with paragraph (4), the SINGA securities available must be allotted as follows:

- (a) allot the amount available for allotment to the applications pursuant to the public notice made on a competitive basis, subject to sub-paragraphs (b) and (c);
- (b) allot according to the respective amounts in each application pursuant to the public notice made on a competitive basis, subject to sub-paragraph (c);
- (c) where 2 or more applications made on a competitive basis express the same bid yield, allot rateably in proportion to the amounts applied for by the respective applicants.

(6) The yield for each successful application pursuant to a public notice, whether made on a competitive or non-competitive basis, is

the highest bid yield in any successful application pursuant to that public notice made on a competitive basis.

Notification of successful application

14.—(1) The MAS has to notify every successful applicant who is a primary dealer.

(2) Where a successful applicant is not a primary dealer, the MAS has to give to the primary dealer which had submitted the application on behalf of the successful applicant, a notification specifying the particulars of allotment of SINGA securities to the successful applicant.

(3) On receipt of a notice under paragraph (2), the primary dealer concerned must without delay inform the successful applicant of the particulars specified in the notice.

PART 3

SYNDICATION

Appointment of syndicate members, etc.

15. For any SINGA securities which a public notice specifies are to be issued under a syndication method, the MAS has to —

- (a) appoint members of the syndicate for that issue, consisting of primary dealers or other financial institutions or a combination thereof; and
- (b) where applicable, identify the lead manager or lead managers from among the syndicate mentioned in paragraph (a).

Issue by syndication must be expressly stated in public notice

16. For any SINGA securities that are to be issued under a syndication method, the public notice relating to the issue of those SINGA securities must —

- (a) expressly specify that the issue is by syndication;

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- (b) state the indicative amount of the issue, which may be expressed in the form of a range;
 - (c) describe the procedure and timelines for making applications to purchase that issue of SINGA securities;
 - (d) state when the amount and price of, and yield for, that issue of SINGA securities, are expected to be determined;
 - (e) state whether the Government, or the MAS acting as agent of the Government, reserves the right to set the final issuance amount and allotment of that issue of SINGA securities;
 - (f) specify the members of the syndicate for that issue, consisting either of primary dealers or other financial institutions or a combination thereof; and
 - (g) where applicable, identify the lead manager or lead managers from among the syndicate mentioned in paragraph (f).

Cancellation of syndicated issue

17. The MAS may, at any time after the issue of a public notice for any SINGA securities that are to be issued under a syndication method, cancel the syndicated issue in the public notice, in which event the MAS must, as soon as possible, publish a notice to the general public of the cancellation in a manner as will secure adequate publicity for the fact of cancelling that syndicated issue.

Determination of yield under syndication method

18. The yield for each successful application pursuant to a public notice for any SINGA securities that are to be issued under a syndication method, is the highest bid yield in any successful application pursuant to that public notice.

Publication of syndication results

19. After the final issuance amount, the price, the yield and the allotment have been determined in respect of an issue of SINGA securities that are to be allotted under a syndication method, the MAS

has to, without delay, publish a notice to the general public of the final price and yield in a manner as will secure adequate publicity for the price and yield.

PART 4

INTEREST AND REDEMPTION

Interest

20.—(1) Subject to regulation 28, the interest rate of SINGA securities allotted —

(a) under Part 2; or

(b) under a syndication method in Part 3,

must be determined in accordance with paragraphs (2) and (3).

(2) The interest rate of any SINGA security in an issue of SINGA securities must be as stated in the public notice for that issue.

(3) Where no interest rate is stated in the public notice for an issue of SINGA securities, the interest rate of any SINGA security in that issue of SINGA securities is —

(a) equal to —

(i) the weighted average of the bid yields expressed in all applications made on a competitive basis that were successful, rounded down to the nearest 0.125%, where the SINGA securities are allotted under a multiple pricing method; or

(ii) the highest bid yield expressed in any application made on a competitive basis that is successful, rounded down to the nearest 0.125%, where the SINGA securities are allotted under a uniform pricing method or syndication method; or

(b) 0.125%,

whichever is the higher.

Interest payments

21. The interest payments on any issue of SINGA securities must be made half-yearly on the dates or dates that are specified in the public notice relating to that issue.

Interest payments for book-entry SINGA securities

22.—(1) Interest on any book-entry SINGA security must be credited into the appropriate account for book-entry SINGA securities maintained by the MAS —

- (a) for the owner of such a security; or
- (b) for the depositary institution which holds the book-entry SINGA security for the account of the owner.

(2) Where interest on any book-entry SINGA security is credited into an account of book-entry SINGA securities maintained by the MAS for a depositary institution which holds the book-entry SINGA security for the account of the owner thereof, the depositary institution must immediately credit the interest into the appropriate account of the owner of the book-entry SINGA security maintained at that institution.

Redemption

23. The maturity date of any SINGA security is the approved maturity date as is specified in the public notice relating to the issue of such SINGA security as the date on which the security is redeemable at par.

PART 5**GENERAL PROVISIONS****Correction or resubmission of application**

24. If the MAS considers it necessary to do so, the MAS may, at any time after the issue of a public notice, without assigning any reason —

- (a) accept or refuse any request to correct or resubmit any application made pursuant to the public notice; or

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- (b) require any application made pursuant to the public notice to be corrected or resubmitted.

Inadequate applications

25. SINGA securities must not be allotted to any application pursuant to a public notice for an amount of SINGA security which is less than the minimum nominal amount of \$1,000.

Payment for allotted SINGA securities

26.—(1) Payment for SINGA securities allotted under Part 2 or 3 has to be made by way of a pre-authorised funds transfer to the MAS from the account of the applicant's settlement bank specified in the application, in accordance with the terms of authorisation provided to the MAS by the settlement bank.

(2) Payment for SINGA securities allotted under Part 2 or 3 must be made on the date specified in the public notice relating to the relevant issue of the SINGA securities.

Transfers

27. Book-entry SINGA securities maintained in any account with the MAS may be transferred to another account maintained by the MAS through such means (including a computer-based communications system) as the MAS may provide from time to time.

Re-opened issues of SINGA securities

28. After the allotment of SINGA securities in any issue of such securities specified in a public notice, the MAS may subsequently issue SINGA securities in excess of the amount as stated in the public notice on the same terms and conditions as to redemption and interest as the issue.

Made on 17 September 2021.

TAN CHING YEE
*Permanent Secretary,
Ministry of Finance,
Singapore.*

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