

GOVERNMENT SECURITIES ACT  
(CHAPTER 121A, SECTION 31)

GOVERNMENT SECURITIES REGULATIONS

ARRANGEMENT OF REGULATIONS

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[1st April 1992]

**Citation**

1. These Regulations may be cited as the Government Securities Regulations.

**Definitions**

2. In these Regulations, unless the context otherwise requires —
- “application” means an application to purchase Government securities;
- “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 Government securities;
- “bid yield” means the yield expressed in an application;
- [S 116/2003]*
- “maturity date” means such date on which any Government security is redeemable at par;
- “multiple pricing format” means the manner of allotting Government securities set out in regulation 7;
- [S 116/2003]*
- “owner”, in relation to stock, means an owner of stock or the owners of stock in joint account;
- “primary dealer” means any financial institution specified in the First Schedule;
- “public notice” means a public notice issued by the Authority under section 30 of the Act;
- “uniform pricing format” means the manner of allotting Government securities set out in regulation 7A;
- [S 116/2003]*
- “yield” means the rate of return on any Government security computed on the basis of the price of the Government security, the total interest payments and the period commencing from the date of issue of the Government security to the date of maturity of the Government security.

**Applications**

- 3.—(1) Any person who intends to purchase Government securities in pursuance of a public notice may apply to purchase

such Government securities on a competitive basis or on a non-competitive basis.

(2) An application shall be made on what is commonly known as the Internet using the electronic application service provided by the Authority; and for this purpose, the Authority may enter into agreements with users of the service and issue a user guide setting out the terms and manner of use of the service.

[S 7/2002]

(3) In the event of a malfunction or failure of the electronic application service, an application shall be made in written form and in accordance with the user guide.

[S 7/2002]

(4) A person who is unable to use the electronic application service to make an application for any reason other than a malfunction or failure of the electronic application service may make the application in the manner referred to in paragraph (3) if he pays the Authority an administrative fee of \$10 (exclusive of goods and services tax chargeable under the Goods and Services Tax Act (Cap. 117A)) for each such application.

[S 7/2002; S 357/2007]

(5) This regulation is subject to regulation 4.

[S 7/2002]

(6) All applications made in pursuance of a public notice shall not be for less than the minimum nominal amount of \$1,000 and shall be made in multiples of \$1,000.

(7) All applications made on a competitive basis in pursuance of a public notice shall be expressed as a bid yield not exceeding 2 decimal places.

### **Applications to be submitted through primary dealers**

4.—(1) An application made in pursuance of a public notice by a person other than a primary dealer shall be submitted by the primary dealer on behalf of that person.

[S 7/2002]

(1A) An application by a primary dealer on its own behalf shall be kept distinct from an application made by the primary dealer on behalf

of another person, and the applications shall be submitted separately to the Authority.

[S 7/2002]

(1B) Any application by a primary dealer on behalf of other persons must be kept distinct from each other and submitted separately to the Authority.

[S 7/2002]

(2) The primary dealer shall submit all applications received under paragraph (1) to the Authority not later than 12 noon of the auction day.

(2) The primary dealer shall submit all applications received under paragraph (1) to the Authority not later than 12 noon of the auction day.

### **Cancellation of auction**

**4A.** The Authority may, at any time after the issue of a public notice, cancel the auction specified in the public notice, in which event the Authority shall as soon as possible inform the public of the cancellation.

[S 427/2011]

### **Variation in amount of Government securities to be allotted**

**4B.—**(1) Where the Authority has issued a public notice, it may at any time during the period commencing on the date of issue of the public notice and ending on 12 noon of the auction day specified in the public notice, vary the amount of Government securities to be made available for allotment as specified in the public notice, in which event the Authority shall as soon as possible inform the public of the variation.

(2) For the avoidance of doubt, the variation shall not affect the validity of any application to purchase Government securities made pursuant to the public notice before the variation.

[S 427/2011]

### **Authority to refuse applications after 12 noon**

**5.** The Authority shall refuse to accept any application made in pursuance of a public notice that is received after 12 noon of the

auction day or such extended time as the Authority may in any case allow.

[S 7/2002]

### **Manner of allotment of Government securities**

6.—(1) The Authority may allot Government securities under a multiple pricing format or a uniform pricing format as may be specified in the public notice for the issue of the Government securities.

(2) In respect of any issue of Government securities —

(a) each primary dealer applying on a non-competitive basis to purchase securities on its own behalf shall not be allotted more than 1% of the issue;

[S 427/2011]

(b) each person, other than a primary dealer, applying on a non-competitive basis to purchase securities shall not be allotted more than —

(i) \$1 million in the case of securities having a maturity of one year or less; or

(ii) \$2 million in the case of securities having a maturity of more than one year;

[S 427/2011]

(c) not more than 40% of the issue shall be allocated by the Authority to applications made on a non-competitive basis; and

(d) notwithstanding any other provision in these Regulations —

(i) each primary dealer shall not be allotted more than 30% of the issue; and

(ii) each person, other than a primary dealer, shall not be allotted more than 15% of the issue.

[S 116/2003]

**Allotment under multiple pricing format**

7.—(1) Subject to these Regulations, Government securities that are to be allotted under a multiple pricing format shall be allotted in accordance with paragraphs (2) to (8).

(2) Government securities shall be allotted to applications made on a non-competitive basis in priority to all applications made on a competitive basis.

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

(4) The balance of Government securities of the issue remaining after allotment under paragraph (2) or (3), as the case may be, shall be allotted to applications made on a competitive basis in ascending order commencing from the application expressing the lowest bid yield to the application expressing the highest bid yield.

(5) Subject to paragraph (6), where there are insufficient Government securities remaining in respect of the issue to allot such securities in full in accordance with paragraph (4), to any application made on a competitive basis, the amount of Government securities available for allotment shall be allotted to the application.

(6) Where 2 or more applications made on a competitive basis express the same bid yield, and there are insufficient Government securities remaining in respect of the issue to allot such securities in full in accordance with paragraph (4), to the applications, the amount of Government securities available for allotment shall be allotted to the applications rateably in proportion to the amounts applied for by the respective applicants.

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

(8) The yield for each successful application made on a competitive basis shall be the bid yield in the application.

*[S 116/2003]*

**Allotment under uniform pricing format**

**7A.—**(1) Subject to these Regulations, Government securities that are to be allotted under a uniform pricing format shall be allotted in accordance with paragraphs (2) to (7).

(2) Government securities shall be allotted to applications made on a non-competitive basis in priority to all applications made on a competitive basis.

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

(4) The balance of Government securities of the issue remaining after allotment under paragraph (2) or (3), as the case may be, shall be allotted to applications made on a competitive basis in ascending order commencing from the application expressing the lowest bid yield to the application expressing the highest bid yield.

(5) Subject to paragraph (6), where there are insufficient Government securities remaining in respect of the issue to allot such securities in full in accordance with paragraph (4), to any application made on a competitive basis, the amount of Government securities available for allotment shall be allotted to the application.

(6) Where 2 or more applications made on a competitive basis express the same bid yield, and there are insufficient Government securities remaining in respect of the issue to allot such securities in full in accordance with paragraph (4), to the applications, the amount of Government securities available for allotment shall be allotted to the applications rateably in proportion to the amounts applied for by the respective applicants.

(7) The yield for each successful application, whether made on a competitive or non-competitive basis, shall be that equal to the highest bid yield in any successful application made on a competitive basis.

[S 116/2003]

### **Inadequate applications**

8. No allotment of any Government security shall be made on any application made in pursuance of a public notice for an amount of Government security which is less than the minimum nominal amount specified in regulation 3.

### **Full or partial allotments**

9. [*Deleted by S 116/2003*]

### **Interest**

10.—(1) Subject to regulation 20, the interest rate of Government securities allotted under regulations 6 and 7 shall be determined in accordance with paragraph (2) or (3).

(2) The interest rate of Government securities in an issue of Government securities shall be as stated in the public notice for that issue.

(3) Where no interest rate is stated in the public notice for the issue of the Government securities, the interest rate of Government securities shall be —

- (a) equal to the weighted average of the bid yields expressed in all applications made on a competitive basis that were successful, rounded down to the nearest one-eighth percent, where the Government securities are allotted under a multiple pricing format; or
- (b) equal to the highest bid yield expressed in any application made on a competitive basis that is successful, rounded down to the nearest one-eighth percent, where the Government securities are allotted under a uniform pricing format.

[S 116/2003]

### **Notification of successful application**

11.—(1) The Authority shall notify every successful applicant who is a primary dealer.

(2) Where a successful applicant is not a primary dealer, the Authority shall give to the primary dealer which had submitted the application made by the successful applicant a notification specifying the particulars of allotment of Government securities to the successful applicant.

(3) The primary dealer on receipt of a notice under paragraph (2) shall forthwith inform the successful applicant of the particulars specified in the notice.

### **Payment**

12.—(1) Payment for allotted Government securities shall be made by way of a pre-authorised funds transfer to the Authority from the account of the applicant's settlement bank specified in the application, in accordance with the terms of authorisation provided to the Authority by the settlement bank.

(2) Payment shall be made on such date as may be specified in the public notice relating to the issue of the Government securities.

[S 7/2002]

### **Interest payments**

13.—(1) The interest payments on any issue of Government securities shall be made half-yearly on such dates as are specified in the public notice relating to that issue.

(2) Interest on any issue of Government securities shall cease and determine on such approved maturity date as may be specified in the public notice relating to that issue.

### **Interest payments for stock**

14.—(1) Unless otherwise requested, interest on stock shall be paid by interest statements accompanied by a cheque made payable to the owner thereof and forwarded by post to the owner at the address given to the Authority by that owner.

(2) Unless otherwise requested, interest shall be paid to the owner.

(3) Upon a request in accordance with the Second Schedule being made by the owner of stock or, in the case of a joint account, by all the owners, interest may be paid into any bank account, in which case the interest statement shall be accompanied by a credit advice relating to such payment and forwarded to the person whose bank account the interest was paid into.

(4) The owner to whom an interest statement is to be forwarded shall forthwith notify the Authority of any change in the address given to the Authority by that person and request that interest statements be forwarded to the new address.

(5) Where any request referred to in paragraph (3) or (4) reaches the Authority less than 14 days before the next interest is due, the Authority may decline to act thereon until after the payment of that interest.

(6) Any owner who does not receive his interest statement on the dates specified in the public notice for the payment of interest shall forthwith notify the Authority.

### **Interest payments for bearer bonds**

**15.**—(1) Interest coupons shall be attached to all bearer bonds.

(2) Any holder of a bearer bond may, on such dates for the payment of interest as are specified in the public notice relating to the issue of the bearer bond, present to the Authority or at any financial institution in Singapore appointed by the Authority for the purposes of this regulation such interest coupons for purposes of encashment.

### **Interest payments for book-entry Government securities**

**16.**—(1) Interest on any book-entry Government security shall be credited into the appropriate account for book-entry Government securities maintained by the Authority for the owner of such security or for the depositary institution which holds the book-entry Government security for the account of the owner.

(2) Where interest on any book-entry Government security is credited into an account of book-entry Government securities

maintained by the Authority for a depositary institution which holds the book-entry Government security for the account of the owner thereof, the depositary institution shall forthwith credit such interest into the appropriate account of the owner of the book-entry Government security maintained at that institution.

**Redemption**

17. The maturity date of any Government security shall be such approved maturity date as is specified in the public notice relating to the issue of such Government security.

**Conditions of holding Government securities**

18. No person or beneficial owner who is exempt from paying income tax in respect of interest on any Government securities, other than those Government securities where the interest is exempt from income tax, may hold such Government securities without the written permission of the Authority.

**Transfers**

19.—(1) Subject to paragraph (2), stock shall be transferable by way of an instrument of transfer signed by the owner thereof and the transferee which is registered with the Authority.

(2) No stock of less than the minimum nominal amount of \$1,000 may be transferred under paragraph (1).

(3) Book-entry Government securities maintained in any account with the Authority may be transferred to another account maintained by the Authority through such means (including a computer-based communications system) as the Authority may prescribe from time to time.

**Re-opened issues**

20. After the allotment of Government securities in any issue of Government securities, the Authority may subsequently issue Government securities in excess of the amount as stated in the original public notice of the issue on the same terms and conditions as to redemption and interest as the issue.

**Private placements**

**21.**—(1) These Regulations shall not apply to any issue of Government securities which is not offered to the public for purchase by way of a public notice.

(2) The manner, terms and conditions which the Government securities referred to in paragraph (1) may be issued shall be as determined by the Minister.

## FIRST SCHEDULE

Regulation 2

## PRIMARY DEALERS

- (1) Citibank NA.
- (2) The Hongkong and Shanghai Banking Corporation Limited.  
*[Deleted by S 35/2002]*
- (4) The Development Bank of Singapore Limited.
- (5) Overseas-Chinese Banking Corporation Limited.  
*[Deleted by S 35/2002]*
- (7) Bank of America NA.
- (8) United Overseas Bank Limited.
- (9) Standard Chartered Bank.
- (10) Barclays Bank PLC.
- (11) Credit Suisse First Boston Singapore Branch.
- (12) Deutsche Bank AG Singapore Branch.
- (13) The Royal Bank of Scotland N.V. (formerly known as ABN AMRO Bank N.V., Singapore Branch).  
*[S 531/2010]*
- (14) BNP Paribas.  
*[S 16/2010]*
- (15) Australia and New Zealand Banking Group Limited.  
*[S 737/2010]*

SECOND SCHEDULE

Regulation 14(3)

GOVERNMENT SECURITIES ACT  
(CHAPTER 121A)

GOVERNMENT SECURITIES REGULATIONS  
INTEREST MANDATE

LEGISLATIVE HISTORY  
GOVERNMENT SECURITIES REGULATIONS  
(CHAPTER 121A, RG 1)

This Legislative History is provided for the convenience of users of the Government Securities Regulations. It is not part of these Regulations.

**1. 1992 Revised Edition — Government Securities Regulations**

Date of operation : 1 April 1992

**2. G. N. No. S 379/1994 — Government Securities Regulations 1994**

Date of commencement : Date not available

**3. G. N. No. S 307/1995**

Date of commencement : Date not available

**4. G. N. No. S 490/1998 — Government Securities (Amendment) Regulations 1998**

Date of commencement : 1 December 1998

**5. G. N. No. S 352/1999 — Government Securities (Amendment) Regulations 1999**

Date of commencement : 16 August 1999

**6. G. N. No. S 353/2000 — Government Securities (Amendment) Regulations 2000**

Date of commencement : 29 June 2000

**7. G. N. No. S 93/2001 — Government Securities (Amendment) Regulations 2001**

Date of commencement : 22 February 2001

**8. G. N. No. S 284/2001 — Government Securities (Amendment No. 2) Regulations 2001**

Date of commencement : 28 May 2001

**9. G. N. No. S 7/2002 — Government Securities (Amendment) Regulations 2002**

Date of commencement : 4 January 2002

**10. G. N. No. S 35/2002 — Government Securities (Amendment No. 2) Regulations 2002**

Date of commencement : 17 January 2002

- 11. G. N. No. S 184/1992 — Government Securities Regulations 1992**  
Date of commencement : 31 January 2002
- 12. 2002 Revised Edition — Government Securities Regulations**  
Date of operation : 31 January 2002
- 13. G. N. No. S 172/2002 — Government Securities (Amendment No. 3) Regulations 2002**  
Date of commencement : 10 April 2002
- 14. G. N. No. S 116/2003 — Government Securities (Amendment) Regulations 2003**  
Date of commencement : 10 March 2003
- 15. G. N. No. S 357/2007 — Government Securities (Amendment) Regulations 2007**  
Date of commencement : 4 July 2007
- 16. G. N. No. S 16/2010 — Government Securities (Amendment) Regulations 2010**  
Date of commencement : 18 January 2010
- 17. G. N. No. S 531/2010 — Government Securities (Amendment No. 2) Regulations 2010**  
Date of commencement : 20 September 2010
- 18. G. N. No. S 737/2010**  
Date of commencement : 1 December 2010
- 19. 1993 Revised Edition — Government Securities Regulations 1993**  
Date of operation : 31 December 9999
- 20. G.N. No. S 427/2011 — Government Securities (Amendment) Regulations 2011**  
Date of commencement : 1 August 2011