
First published in the *Government Gazette*, Electronic Edition, on 19th May 2016 at 5:00 pm.

No. S 225

SECURITIES AND FUTURES ACT (CHAPTER 289)

SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (EXEMPTION FOR OFFERS OF STRAIGHT DEBENTURES) REGULATIONS 2016

ARRANGEMENT OF REGULATIONS

Regulation

1. Citation and commencement
 2. Definitions
 3. Meaning of “subsidiary entity of another entity”
 4. Meaning of “subsidiary entity of business trust or REIT”
 5. Exemption of offer of straight debentures other than BT or REIT offer
 6. Exemption of BT or REIT offer
 7. Conditions of exemption under regulations 5 and 6
 8. Simplified disclosure document
 9. Product highlights sheet
 10. Exemption of book building activity
- The Schedules
-

In exercise of the powers conferred by section 337(1) of the Securities and Futures Act, the Monetary Authority of Singapore makes the following Regulations:

Citation and commencement

1. These Regulations are the Securities and Futures (Offers of Investments) (Exemption for Offers of Straight Debentures) Regulations 2016 and come into operation on 19 May 2016.

Definitions

2.—(1) In these Regulations —

“annual consolidated financial statements”, in relation to an entity, a business trust or a REIT, means the consolidated financial statements covering a financial year of the entity, business trust or REIT;

“BT offer” means an offer of straight debentures by a trustee-manager of a business trust, on behalf of the business trust;

“business trust” means a business trust registered under section 4 of the Business Trusts Act (Cap. 31A) or recognised under section 239D of the Act;

[S 634/2018 wef 08/10/2018]

“equity interest”, in relation to an entity, means any right or interest (whether legal or equitable) in the entity, by whatever name called, and includes any option to acquire any such right or interest in the entity;

“financial statements”, in relation to an entity, a business trust or a REIT, means profit and loss statements, balance-sheets and cash flow statements, and includes any attached notes and schedules which are required by the accounting standards adopted by the entity or for the business trust or REIT, to be included in its financial statements;

“guaranteed debenture issue” means an issue of debentures the obligations under which are unconditionally and irrevocably guaranteed by an entity that wholly owns the entity that issues the debentures;

“guarantor entity”, in relation to a guaranteed debenture issue, means the entity that guarantees the obligations under the debentures mentioned in the definition of “guaranteed debenture issue”;

“manager”, in relation to a REIT, means the responsible person for the REIT;

“market day”, in relation to an offer of straight debentures other than a BT offer or REIT offer, means —

- (a) where the shares of —
 - (i) the offeror entity of the offer of straight debentures; or
 - (ii) if the debentures are to be the subject of a guaranteed debenture issue, the guarantor entity of the guaranteed debenture issue,
are listed on an approved exchange — a day on which the approved exchange is open for trading in specified products; or
- (b) where the shares of —
 - (i) the offeror entity of the offer of straight debentures; or
 - (ii) if the debentures are to be the subject of a guaranteed debenture issue, the guarantor entity of the guaranteed debenture issue,
are listed on a recognised securities exchange — a day on which the recognised securities exchange is open for trading in specified products;

[S 634/2018 wef 08/10/2018]

“market day”, in relation to a BT offer or REIT offer, means —

- (a) where the units of the business trust or REIT (as the case may be) are listed on an approved exchange — a day on which the approved exchange is open for trading in specified products; or
- (b) where the units of the business trust or REIT (as the case may be) are listed on a recognised securities exchange — a day on which the recognised securities exchange is open for trading in specified products;

[S 634/2018 wef 08/10/2018]

“offeror entity”, in relation to an offer of straight debentures other than a BT offer or REIT offer, means the entity that makes the offer of those debentures;

“published” includes published in a prospectus, in a simplified disclosure document, in a base document as defined in regulation 8(3), in an annual report or through the electronic network operated by an approved exchange or a recognised securities exchange;

[S 634/2018 wef 08/10/2018]

“REIT” means a collective investment scheme —

- (a) that is a trust;
- (b) that invests primarily in real estate and real estate-related assets specified by the Authority in the Code on Collective Investments; and
- (c) that is —
 - (i) authorised under section 286 of the Act; or
 - (ii) recognised under section 287 of the Act;

“REIT offer” means an offer of straight debentures by a manager of a REIT, on behalf of the REIT;

“relevant person” has the same meaning as in section 275(2) of the Act;

“retail investor” means a person other than an institutional investor or a relevant person;

[Deleted by S 634/2018 wef 08/10/2018]

“straight debenture” means a debenture that is the subject of an offer and which —

- (a) has a fixed term that does not exceed 10 years;
- (b) provides for repayment of the principal sum at the end of the fixed term;
- (c) has periodic interest payments which cannot be deferred;

-
-
- (d) carries a fixed rate of interest, or a floating rate of interest comprising a reference rate and a fixed spread which cannot be decreased (the sum of which may not be less than zero);
- (e) is not convertible into or exchangeable for other securities or securities-based derivatives contracts, equity interests or property, nor attached with options, warrants or similar rights to subscribe for or purchase other securities or securities-based derivatives contracts, equity interests or property;
[S 634/2018 wef 08/10/2018]
- (f) is not redeemable before the end of the fixed term except —
- (i) in any of the circumstances in paragraph (2), if the offer is not a BT offer or REIT offer; or
 - (ii) in any of the circumstances in paragraph (3), if the offer is a BT offer or REIT offer;
- (g) is not an asset-backed security within the meaning of section 262 of the Act, or a structured note;
- (h) is not subordinated to —
- (i) in the case of a BT offer, any other debt obligation of the business trust;
 - (ii) in the case of a REIT offer, any other debt obligation of the REIT; or
 - (iii) in the case of any other offer, any other debt obligation of the offeror entity, or (if the debenture is to be the subject of a guaranteed debenture issue) any other debt obligation of the offeror entity or the guarantor entity; and
- (i) cannot be written off, whether in whole or in part, except with the approval of a minimum percentage of holders of debentures of the same issue as that debenture, as specified in the debenture;

[Deleted by S 634/2018 wef 08/10/2018]

“structured notes” has the same meaning as in section 240AA(5) of the Act.

[S 634/2018 wef 08/10/2018]

[Deleted by S 634/2018 wef 08/10/2018]

(2) For the purposes of paragraph (f)(i) of the definition of “straight debenture” in paragraph (1), the circumstances are —

- (a) the debenture becomes redeemable when the offeror entity or (if the debenture is to be the subject of a guaranteed debenture issue) either the offeror entity or the guarantor entity, incurs or will incur additional taxes, duties or government charges imposed, levied, collected, withheld or assessed by any authority of any country or territory in relation to the debenture, due to —
 - (i) a change in a law, regulation, ruling, treaty or administrative pronouncement; or
 - (ii) a change in the application or interpretation of any of the matters mentioned in sub-paragraph (i),
and the redemption is for an amount that is at least equal to the sum of the principal amount at par and accrued interest;
- (b) the redemption of the debenture is for an amount equal to the sum of the accrued interest and the greater of —
 - (i) the principal amount at par; and
 - (ii) a make-whole amount determined by discounting the principal amount and all remaining interest payments at a discount rate comprising a reference rate and a fixed spread specified in the debenture; or
- (c) the debenture becomes redeemable upon the exercise of an option by the holder upon the occurrence of any of the following:
 - (i) there is a change of control of, or a change of interests in, the offeror entity, or (if the debenture is to be the subject of a guaranteed debenture issue) a change of control of, or a change of interests in, either the offeror entity or guarantor entity;

- (ii) the shares in the offeror entity or (if the debenture is to be the subject of a guaranteed debenture issue) either the offeror entity or the guarantor entity cease to be listed or traded on an approved exchange or overseas exchange;

[S 634/2018 wef 08/10/2018]

- (iii) trading in the shares in the offeror entity or (if the debenture is to be the subject of a guaranteed debenture issue) either the offeror entity or the guarantor entity on an approved exchange or overseas exchange is suspended for a continuous period which is longer than the period specified in the debenture.

[S 634/2018 wef 08/10/2018]

(3) For the purposes of paragraph (f)(ii) of the definition of “straight debenture” in paragraph (1), the circumstances are —

- (a) the debenture becomes redeemable when the business trust or REIT incurs or will incur additional taxes, duties or government charges imposed, levied, collected, withheld or assessed by any authority of any country or territory in relation to the debenture, due to —

- (i) a change in a law, regulation, ruling, treaty, or administrative pronouncement; or
- (ii) a change in the application or interpretation of any of the matters mentioned in sub-paragraph (i),

and the redemption is for an amount that is at least equal to the sum of the principal amount at par and accrued interest;

- (b) the redemption of the debenture is for an amount equal to the sum of the accrued interest and the greater of —

- (i) the principal amount at par; and
- (ii) a make-whole amount determined by discounting the principal amount and all remaining interest payments at a discount rate comprising a reference rate and a fixed spread specified in the debenture; or

(c) the debenture becomes redeemable upon the exercise of an option by the holder upon the occurrence of any of the following:

- (i) there is a change of control of, or a change of interests in, the business trust or REIT;
- (ii) the units in the business trust or REIT cease to be listed or traded on an approved exchange or overseas exchange;

[S 634/2018 wef 08/10/2018]

- (iii) trading in units in the business trust or REIT on an approved exchange or overseas exchange is suspended for a continuous period which is longer than the period specified in the debenture.

[S 634/2018 wef 08/10/2018]

(4) In paragraph (2)(c) —

(a) a change of control of an entity occurs where —

- (i) any person acquires, or persons acting together acquire, control of the entity; or
- (ii) the entity consolidates or merges with another entity, or sells or transfers all or substantially all of its assets to any other person, resulting in any other person or persons (not previously having control of the entity) having control of the entity or an entity that succeeds or replaces the entity; and

(b) a change of interests in an entity occurs where —

- (i) any person acquires, or persons acting together acquire, a percentage specified in the debenture of the issued equity interest in the entity;
- (ii) any person specified in the debenture, whether acting alone or together with other persons, acquires a percentage specified in the debenture of the issued equity interest in the entity; or

- (iii) any person specified in the debenture ceases to own a percentage specified in the debenture of the issued equity interest in the entity.

(5) In paragraph (3)(c) —

- (a) a change of control of a business trust or REIT occurs where —

- (i) any person acquires, or persons acting together acquire, control of the business trust or its trustee-manager, or the REIT or its manager; or
- (ii) the business trust or REIT consolidates or merges with another business trust or REIT, or all or substantially all of its assets are sold or transferred to any other person, resulting in any other person or persons (not previously having control of the business trust or REIT) having control of the business trust or REIT, or any business trust or REIT that succeeds or replaces the business trust or REIT;

- (b) a change of interests in a business trust or REIT occurs where —

- (i) any person acquires, or persons acting together acquire, a percentage specified in the debenture of the issued units in the business trust or REIT, or of the issued equity interest in the trustee-manager of the business trust or the manager of the REIT;
- (ii) any person specified in the debenture, whether acting alone or together with other persons, acquires a percentage specified in the debenture of the issued units in the business trust or REIT, or of the issued equity interest in the trustee-manager of the business trust or the manager of the REIT; or
- (iii) any person specified in the debenture ceases to own a percentage specified in the debenture of the issued units in the business trust or REIT, or of the issued

equity interest in the trustee-manager of the business trust or the manager of the REIT.

(6) In these Regulations, an entity wholly owns another entity if it beneficially owns all the equity interests in that other entity.

(7) For the purpose of paragraph (6), if —

- (a) an entity (called in this paragraph the 1st entity) beneficially owns (including by reason of one or more applications of this paragraph) all the equity interests in another entity (called in this paragraph the 2nd entity); and
- (b) the 2nd entity beneficially owns all the equity interests in another entity (called in this paragraph the 3rd entity),

then the 1st entity is taken to beneficially own all the equity interests in the 3rd entity.

(8) Any word or expression used in these Regulations which is defined in section 239 of the Act has the meaning given to it in that section.

Meaning of “subsidiary entity of another entity”

3.—(1) In these Regulations, an entity (called in this regulation the 1st entity) is treated as a subsidiary entity of another entity (called in this regulation the holding entity), if —

- (a) the holding entity —
 - (i) controls the composition of the board of directors or its equivalent (called in this regulation the board) of the 1st entity; or
 - (ii) controls more than half of the voting power of the 1st entity; or
- (b) the 1st entity is a subsidiary entity of another entity which is a subsidiary entity of the holding entity.

(2) For the purposes of paragraph (1)(a)(i), the holding entity is treated as having control of the composition of the 1st entity’s board if the holding entity has the power to appoint or remove all or a majority

of the directors (or their equivalent) of the board without the consent or concurrence of any other person.

(3) The holding entity mentioned in paragraph (2) is treated as having the power mentioned in that paragraph if —

- (a) a person cannot be appointed as a director or equivalent of the 1st entity's board without the exercise in his or her favour by the holding entity of that power; or
- (b) a person's appointment as a director or equivalent of the 1st entity's board follows necessarily from his or her being a director or other officer, or the equivalent of a director or other officer, of the holding entity.

(4) In determining whether an entity is a subsidiary entity of another entity under paragraph (1) —

- (a) any power exercisable over the 1st entity by the other entity in a fiduciary capacity is not to be treated as exercisable by the other entity;
- (b) subject to sub-paragraphs (c) and (d), any power exercisable over the 1st entity —
 - (i) by a nominee for the other entity (except where the other entity is concerned only in a fiduciary capacity); or
 - (ii) by a subsidiary entity of the other entity or a nominee for the subsidiary entity (except where the subsidiary entity is concerned only in a fiduciary capacity),
is to be treated as exercisable over the 1st entity by the other entity;
- (c) any power exercisable over the 1st entity by any person by reason of the provisions of any debentures of the 1st entity or of a trust deed for securing any issue of such debentures is to be disregarded; and
- (d) any power exercisable over the 1st entity by, or by a nominee for, the other entity or its subsidiary entity (not being power exercisable over the 1st entity as mentioned in

sub-paragraph (c)) is not to be treated as exercisable by the other entity if —

- (i) the ordinary business of the other entity or its subsidiary entity (as the case may be) includes the lending of money; and
- (ii) the power is exercisable only as security for the purposes of a transaction entered into in the ordinary course of that business.

(5) For the purposes of these Regulations, an entity is not to be treated as a subsidiary entity of another entity, being the Depository mentioned in section 5(5) of the Companies Act (Cap. 50), by reason only of the shares that the Depository holds in that entity as a bare trustee.

Meaning of “subsidiary entity of business trust or REIT”

4.—(1) In these Regulations, an entity is treated as a subsidiary entity of a business trust or REIT, if —

- (a) the trustee-manager of the business trust or the manager of the REIT (acting in such capacity) —
 - (i) controls the composition of the board of directors or its equivalent (called in this regulation the board) of the entity; or
 - (ii) controls more than half of the voting power of the entity; or
- (b) the entity is a subsidiary entity of another entity which is a subsidiary entity of the business trust or REIT.

(2) For the purposes of paragraph (1)(a)(i), the trustee-manager of the business trust or the manager of the REIT (acting in such capacity) is treated as having control of the composition of the entity’s board if the trustee-manager or manager has the power to appoint or remove all or a majority of the directors (or their equivalent) of the board without the consent or concurrence of any other person.

(3) The trustee-manager of the business trust or the manager of the REIT mentioned in paragraph (2) is treated as having the power mentioned in that paragraph if —

- (a) a person cannot be appointed as a director or equivalent of the entity's board without the exercise in his or her favour by the trustee-manager or manager of that power; or
- (b) a person's appointment as a director or equivalent of the entity's board follows necessarily from his or her being a director or other officer, or the equivalent of a director or other officer, of the trustee-manager or manager.

(4) In determining whether an entity is a subsidiary entity of a business trust or REIT under paragraph (1) —

- (a) subject to sub-paragraphs (b) and (c), any power exercisable over the entity by, or by a nominee for, a subsidiary entity of the business trust or REIT (not being a subsidiary entity which is concerned only in a fiduciary capacity) is to be treated as exercisable over the entity by the trustee-manager of the business trust or the manager of the REIT;
- (b) any power exercisable over the entity by any person by reason of the provisions of any debentures of the entity or of a trust deed for securing any issue of such debentures is to be disregarded; and
- (c) any power exercisable over the entity by, or by a nominee for, the trustee-manager or manager, or a subsidiary entity of the business trust or REIT (not being power exercisable over the entity as mentioned in sub-paragraph (b)) is not to be treated as exercisable by the trustee-manager or manager if —
 - (i) the ordinary business of the trustee-manager, manager or subsidiary entity (as the case may be) includes the lending of money; and
 - (ii) the power is exercisable only as security for the purposes of a transaction entered into in the ordinary course of that business.

Exemption of offer of straight debentures other than BT or REIT offer

5.—(1) Subject to the conditions in regulation 7, Subdivisions (2) and (3) of Division 1 of Part XIII (but not section 258) of the Act do not apply to an offer of straight debentures (not being a BT offer or a REIT offer) to be issued by the offeror entity itself, if —

(a) either of the following is satisfied:

(i) at the time of the offer, all or any of the shares in the offeror entity are listed for quotation on an approved exchange or a recognised securities exchange, and traded on the exchange, and for a continuous period of at least 5 years immediately before that time, all or any of those shares were so listed and traded;

[S 634/2018 wef 08/10/2018]

(ii) for a continuous period of at least 5 years immediately before the time of the offer, debentures issued by the offeror entity or by entities wholly owned by the offeror entity which are unconditionally and irrevocably guaranteed by the offeror entity, and whether or not part of the same issue, were listed for quotation on an approved exchange;

[S 634/2018 wef 08/10/2018]

(b) either of the following is satisfied:

(i) the market capitalisation of the offeror entity is not less than \$1 billion (or its equivalent in a foreign currency) for each of the 180 market days prior to the offer;

(ii) the offeror entity satisfies both of the following:

(A) its net assets, as determined from the published audited annual consolidated financial statements for its most recent completed financial year, are not less than \$500 million (or its equivalent in a foreign currency);

-
-
- (B) its average net assets, as determined from the published audited annual consolidated financial statements for its 3 most recent completed financial years, are not less than \$500 million (or its equivalent in a foreign currency); and
- (c) any of the following is satisfied:
- (i) for each of its 3 most recent completed financial years, the offeror entity has —
- (A) a net profit of not less than \$100 million (or its equivalent in a foreign currency); and
- (B) positive net cash inflows from its operating activities,
- as determined from its published audited annual consolidated financial statements;
- (ii) either the offeror entity has been, or the straight debentures have been, awarded a credit rating (whether final or provisional) of not less than any of the following:
- (A) AA- by Fitch Ratings;
- (B) Aa3 by Moody's Investors Service;
- (C) AA- by Standard & Poor's Ratings Services,
- and such rating remains current at the time of the offer;
- (iii) debentures issued in the period of 5 years immediately before the time of the offer by the offeror entity, or by entities wholly owned by the offeror entity which are unconditionally and irrevocably guaranteed by the offeror entity, satisfy both of the following:
- (A) the total value of all of those debentures that are or were listed for quotation on an approved exchange, as at the date they were issued, was

not less than \$1 billion (or its equivalent in a foreign currency);

[S 634/2018 wef 08/10/2018]

(B) there has not been a default in the repayment of moneys under any of those debentures.

(2) Paragraph (1) applies to an offer of straight debentures which are to be the subject of a guaranteed debenture issue, if either —

(a) all of the requirements in paragraph (1)(a), (b) and (c) are satisfied; or

(b) all of the requirements in paragraph (1)(a), (b) and (c), modified by replacing each reference to the offeror entity with a reference to the guarantor entity, are satisfied.

(3) For the purposes of sub-paragraphs (b)(ii) and (c)(i) of paragraph (1), if the offeror entity or (as the case may be) guarantor entity has one or more subsidiary entities, then a reference to the offeror entity or guarantor entity is a reference to all of the following taken as a whole:

(a) the offeror entity or guarantor entity (as the case may be);

(b) all of its subsidiary entities.

Exemption of BT or REIT offer

6.—(1) Subject to the conditions specified in regulation 7, Subdivisions (2) and (3) of Division 1 of Part XIII (but not section 258) of the Act do not apply to a BT offer or a REIT offer if —

(a) either of the following is satisfied:

(i) at the time of the offer, all or any of the units in the business trust or REIT are listed for quotation on an approved exchange or a recognised securities exchange, and traded on the exchange, and for a continuous period of at least 5 years immediately before that time, all or any of those units were so listed and traded;

[S 634/2018 wef 08/10/2018]

-
-
- (ii) for a continuous period of at least 5 years immediately before the time of the offer, debentures issued on behalf of the business trust or REIT (as the case may be), and whether or not part of the same issue, were listed for quotation on an approved exchange;

[S 634/2018 wef 08/10/2018]

(b) either of the following is satisfied:

- (i) the market capitalisation of the business trust or REIT is not less than \$1 billion (or its equivalent in a foreign currency) for each of the 180 market days prior to the offer;
- (ii) the business trust or REIT satisfies both of the following:
 - (A) its net assets, as determined from the published audited annual consolidated financial statements for its most recent completed financial year, are not less than \$500 million (or its equivalent in a foreign currency);
 - (B) its average net assets, as determined from the published audited annual consolidated financial statements for its 3 most recent completed financial years, are not less than \$500 million (or its equivalent in a foreign currency); and

(c) any of the following is satisfied:

- (i) for each of its 3 most recent completed financial years, the business trust or REIT has —
 - (A) a net profit of not less than \$100 million (or its equivalent in a foreign currency); and
 - (B) positive net cash inflows from its operating activities,

as determined from its published audited annual consolidated financial statements;

-
-
- (ii) either the business trust or REIT has been, or the straight debentures have been, awarded a credit rating (whether final or provisional) of not less than any of the following:
 - (A) AA- by Fitch Ratings;
 - (B) Aa3 by Moody's Investors Service;
 - (C) AA- by Standard & Poor's Ratings Services,and such rating remains current at the time of the offer;
 - (iii) debentures issued in the period of 5 years immediately before the time of the offer on behalf of the business trust or REIT (as the case may be), satisfy both of the following:
 - (A) the total value of all of those debentures that are or were listed for quotation on an approved exchange, as at the date they were issued, was not less than \$1 billion (or its equivalent in a foreign currency);
[S 634/2018 wef 08/10/2018]
 - (B) there has not been a default in the repayment of moneys under any of those debentures.

(2) For the purposes of sub-paragraphs (b)(ii) and (c)(i) of paragraph (1), if the business trust or REIT has one or more subsidiary entities, then a reference to the business trust or REIT is a reference to all of the following taken as a whole:

- (a) the business trust or REIT;
- (b) all of its subsidiary entities.

Conditions of exemption under regulations 5 and 6

7.—(1) An exemption under regulation 5 or 6 is subject to the following conditions:

- (a) the offer is made to —
 - (i) retail investors; and

-
-
- (ii) institutional investors or relevant persons, or both;
 - (b) the debentures are to be listed for quotation on an approved exchange and traded on the approved exchange;
[S 634/2018 wef 08/10/2018]
 - (c) at the time the offer is made, the offeror entity, trustee-manager of the business trust (in the case of a BT offer) or manager of a REIT (in the case of a REIT offer), announces or otherwise disseminates to the organised market operated by the approved exchange —
 - (i) a simplified disclosure document relating to the offer that complies with regulation 8 and sets out information that is current at the time of the offer; and
 - (ii) a product highlights sheet relating to the offer that complies with regulation 9 and sets out information that is current at the time of the offer;
[S 634/2018 wef 08/10/2018]
 - (d) each retail investor is given the simplified disclosure document and product highlights sheet mentioned in sub-paragraph (c) before the retail investor applies to subscribe for or purchase the debentures;
 - (e) each institutional investor or relevant person is given the simplified disclosure document mentioned in sub-paragraph (c) before the institutional investor or relevant person applies to subscribe for or purchase the debentures; and
 - (f) the amount of debentures issued or to be issued to institutional investors and relevant persons (excluding any amount of debentures issued or to be issued to the lead manager, arranger and underwriter of the offer for their own accounts) is not less than 20% of the size of the straight debenture issue.
- (2) Where the offer is made using any automated teller machine or other electronic means —

-
-
- (a) paragraph (1)(d) is treated as satisfied if —
- (i) before enabling a retail investor to submit any application to subscribe for or purchase the debentures, the retail investor is informed through the automated teller machine or other electronic means —
 - (A) how the retail investor can obtain, or arrange to receive, copies of the simplified disclosure document and product highlights sheet relating to the offer;
 - (B) that the retail investor should read the simplified disclosure document and product highlights sheet before submitting the application; and
 - (ii) the simplified disclosure document and product highlights sheet comply with the requirements in regulations 8 and 9 respectively, and set out information that is current at the time of the offer;
- (b) paragraph (1)(e) is treated as satisfied if —
- (i) before enabling an institutional investor or a relevant person to submit any application to subscribe for or purchase the debentures, the institutional investor or relevant person is informed through the automated teller machine or other electronic means —
 - (A) how the institutional investor or relevant person can obtain, or arrange to receive, a copy of the simplified disclosure document relating to the offer; and
 - (B) that the institutional investor or relevant person should read the simplified disclosure document before submitting the application; and
 - (ii) the simplified disclosure document complies with the requirements in regulation 8, and sets out information that is current at the time of the offer.

Simplified disclosure document

8.—(1) Where the debentures being offered are to be part of a debenture issuance programme, the simplified disclosure document must take the form of either —

- (a) a document that contains all of the information in the First Schedule applicable to the offer, and that is valid for up to 6 months after the date the offeror entity, trustee-manager of the business trust (in the case of a BT offer) or manager of a REIT (in the case of a REIT offer), first announces or otherwise disseminates it in accordance with regulation 7(1)(c); or
- (b) both of the following:
 - (i) a base document as defined in paragraph (3);
 - (ii) a pricing supplement that contains all of the information in the First Schedule applicable to a pricing supplement, that applies to the particular offer, and that is valid for up to 6 months after the date the offeror entity, trustee-manager of the business trust (in the case of a BT offer) or manager of a REIT (in the case of a REIT offer), first announces or otherwise disseminates it in accordance with regulation 7(1)(c).

(2) Where the offer of debentures is not part of a debenture issuance programme, the simplified disclosure document must take the form of a document that contains all of the information in the First Schedule that applies to the offer, and that is valid for up to 6 months after the date the offeror entity, trustee-manager of the business trust (in the case of a BT offer) or manager of a REIT (in the case of a REIT offer), first announces or otherwise disseminates it in accordance with regulation 7(1)(c).

(3) In paragraph (1)(b)(i), “base document” —

- (a) means either —
 - (i) a document that contains all of the information in the First Schedule (apart from information applicable

-
-
- only to a pricing supplement) that applies to every offer to be made under the debenture issuance programme, and that is valid for up to 24 months after the date the offeror entity, trustee-manager of the business trust (in the case of a BT offer) or manager of a REIT (in the case of a REIT offer), first announces or otherwise disseminates it in accordance with regulation 7(1)(c); or
- (ii) if the document mentioned in sub-paragraph (i) has been replaced, the replacement document that —
- (A) contains all of the information mentioned in that sub-paragraph;
 - (B) has at its beginning an identification of the document it replaces;
 - (C) has been announced or otherwise disseminated before the expiration of the validity period of the document mentioned in that sub-paragraph, and at a time when no offer to which the document it replaces relates, was subsisting; and
- (b) includes every document amending the applicable document in sub-paragraph (a) (called a supplementary base document) that —
- (i) has at its beginning a statement that it is to be read together with the applicable document in sub-paragraph (a), and that it supplements any previous supplementary base document; and
 - (ii) has been announced or otherwise disseminated before the expiration of the validity period of the document mentioned in sub-paragraph (a)(i), and at a time when no offer to which the applicable document in sub-paragraph (a) relates was subsisting.
- (4) For the purposes of paragraph (3)(a)(ii)(C) and (b)(ii), an offer is treated as not subsisting if —

-
-
- (a) a pricing supplement in respect of the offer has not been announced or otherwise disseminated to the organised market operated by the approved exchange on which the debentures are to be listed for quotation; or
[S 634/2018 wef 08/10/2018]
- (b) a pricing supplement in respect of the offer has been announced or otherwise disseminated to the organised market operated by the approved exchange on which the debentures are to be listed for quotation, and —
- (i) the offer has closed with no application to subscribe for or purchase the debentures having been received or accepted; or
- (ii) one or more applications to subscribe for or purchase the debentures have been received or accepted, and the debentures are listed for quotation on the approved exchange and trading in them has commenced.

[S 634/2018 wef 08/10/2018]

[S 634/2018 wef 08/10/2018]

Product highlights sheet

9.—(1) The product highlights sheet must contain all the information in the Second Schedule and be prepared in accordance with the format in that Schedule.

(2) The information (including footnotes and references) to be contained in the product highlights sheet under paragraph (1) —

- (a) must be clearly legible; and
- (b) must be in a font size of at least 10-point Times New Roman or equivalent.
- (3) The product highlights sheet must be —
- (a) where the offer is not a BT offer or a REIT offer, and the shares of the offeror entity or (if the debentures are to be the subject of a guaranteed debenture issue) either the

shares of the offeror entity or the guarantor entity are listed on an approved exchange, not more than 8 pages;

[S 634/2018 wef 08/10/2018]

- (b) where the offer is a BT offer or a REIT offer, and the units of the business trust or REIT are listed on an approved exchange, not more than 8 pages; or

[S 634/2018 wef 08/10/2018]

- (c) in all other cases, not more than 12 pages.

- (4) For the purposes of paragraph (3) —

- (a) if the product highlights sheet is printed on both sides, each sheet counts as 2 pages; and

- (b) a page must be no more than 297 millimetres in length and 210 millimetres in breadth (A4 paper size).

Exemption of book building activity

10.—(1) Subdivisions (2) and (3) of Division 1 of Part XIII of the Act do not apply to the dissemination to institutional investors and relevant persons of a preliminary document relating to an offer of straight debentures if —

- (a) the front page of the document contains statements in bold lettering to the effect that —

(i) it is a preliminary document and is subject to further amendments and completion;

(ii) a person to whom a copy of the document is issued must not transfer it to any other person; and

(iii) no offer or agreement to purchase or subscribe for any debentures may be made on the basis of the document; and

- (b) the preliminary document does not contain or have attached to it any form of application that will facilitate the making by any person of an offer of the debentures to which the preliminary document relates, or the acceptance of such an offer by any person.

- (2) In this regulation, a preliminary document is a document —
- (a) issued for the primary purpose of determining the issue or sale price, the rate of interest, and the number of debentures to be issued or sold; and
 - (b) that contains all the information required to be included in a simplified disclosure document under regulation 8 except where such information is not available or finalised at the time the preliminary document is disseminated to institutional investors and relevant persons.

FIRST SCHEDULE

Regulation 8(1), (2) and (3)

CONTENT REQUIREMENTS OF A SIMPLIFIED DISCLOSURE DOCUMENT

PART 1

DEFINITIONS

1. In this Schedule —

- “base document” means a base document mentioned in regulation 8(1)(b)(i);
- “disclosure document” means a document mentioned in regulation 8(1)(a) or (2);
- “pricing supplement” means a pricing supplement mentioned in regulation 8(1)(b)(ii).

PART 2

FRONT COVER

2. Subject to paragraphs 3 and 4, on the front cover of the disclosure document, provide —

- (a) the date the disclosure document is to be announced or otherwise disseminated to the approved exchange in accordance with regulation 7(1)(c) (called in this Schedule the disclosure date of the disclosure document);

[S 634/2018 wef 08/10/2018]

- (b) the following statements:

- (i) “This offer to investors in Singapore is made in reliance on an exemption granted by the Monetary Authority of Singapore

FIRST SCHEDULE — *continued*

(“the Authority”) pursuant to the Securities and Futures (Offers of Investments) (Exemption for Offers of Straight Debentures) Regulations 2016. It is not made in or accompanied by a prospectus that is registered by the Authority. This document constitutes the simplified disclosure document referred to in the Securities and Futures (Offers of Investments) (Exemption for Offers of Straight Debentures) Regulations 2016.”;

- (ii) “This document is important. If you are in doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.”;
 - (c) in the case of an offer of straight debentures that is not a BT offer or a REIT offer, the name of the offeror entity, its place of incorporation or constitution and the date of incorporation or constitution. If the debentures are to be the subject of a guaranteed debenture issue, provide also such information in respect of the guarantor entity;
 - (d) in the case of a BT offer, the names of the business trust and the trustee-manager of the business trust, and their respective places and dates of constitution or incorporation;
 - (e) in the case of a REIT offer, the names of the REIT and the manager of the REIT, and their respective places and dates of constitution or incorporation;
 - (f) in the case of an offer of straight debentures that is not a BT offer or a REIT offer, a description of how the offeror entity or, (if the debentures are to be the subject of a guaranteed debenture issue) either the offeror entity or the guarantor entity satisfies the requirements for the exemption set out in regulation 5(1); and
 - (g) in the case of a BT offer or a REIT offer, a description of how the business trust or REIT satisfies the requirements for the exemption set out in regulation 6(1).
3. On the front cover of the base document, provide —
- (a) the date the base document is to be announced or otherwise disseminated to the approved exchange in accordance with regulation 7(1)(c) (called in this Schedule the disclosure date of the base document) or, if already announced or disseminated, the date of its first announcement or dissemination;

[S 634/2018 wef 08/10/2018]

FIRST SCHEDULE — *continued*

- (b) the following statements:
- (i) “An offer to investors in Singapore under this programme which is made in reliance on an exemption granted by the Monetary Authority of Singapore (“the Authority”) pursuant to the Securities and Futures (Offers of Investments) (Exemption for Offers of Straight Debentures) Regulations 2016 is not made in or accompanied by a prospectus that is registered by the Authority. This document constitutes the base document referred to in the Securities and Futures (Offers of Investments) (Exemption for Offers of Straight Debentures) Regulations 2016. This base document together with the relevant pricing supplement constitute the simplified disclosure document referred to in the Securities and Futures (Offers of Investments) (Exemption for Offers of Straight Debentures) Regulations 2016.”;
 - (ii) “This document is important. If you are in doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.”;
- (c) in the case of an offer of straight debentures that is not a BT offer or a REIT offer, the name of the offeror entity, its place of incorporation or constitution and the date of incorporation or constitution. If the debentures are to be the subject of a guaranteed debenture issue, provide also such information in respect of the guarantor entity;
- (d) in the case of a BT offer, the names of the business trust and the trustee-manager of the business trust and their respective places and dates of constitution or incorporation;
- (e) in the case of a REIT offer, the names of the REIT and the manager of the REIT, and their respective places and dates of constitution or incorporation;
- (f) in the case of an offer of straight debentures that is not a BT offer or a REIT offer, a description of how the offeror entity or, (if the debentures are to be the subject of a guaranteed debenture issue) either the offeror entity or the guarantor entity satisfies the requirements for the exemption set out in regulation 5(1); and
- (g) in the case of a BT offer or a REIT offer, a description of how the business trust or REIT satisfies the requirements for the exemption set out in regulation 6(1).

FIRST SCHEDULE — *continued*

4. On the front cover of the pricing supplement, provide —
- (a) the date the pricing supplement is to be announced or otherwise disseminated, to the approved exchange in accordance with regulation 7(1)(c) (called in this Schedule the disclosure date of the pricing supplement); and
[S 634/2018 wef 08/10/2018]
 - (b) the following statement: “This offer to investors in Singapore under this programme is made in reliance on an exemption granted by the Monetary Authority of Singapore (the “Authority”) pursuant to the Securities and Futures (Offers of Investments) (Exemption for Offers of Straight Debentures) Regulations 2016. It is not made in or accompanied by a prospectus that is registered by the Authority. This document constitutes the pricing supplement referred to in the Securities and Futures (Offers of Investments) (Exemption for Offers of Straight Debentures) Regulations 2016. This pricing supplement together with the base document constitute the simplified disclosure document referred to in the Securities and Futures (Offers of Investments) (Exemption for Offers of Straight Debentures) Regulations 2016.”.

PART 3

IDENTITY OF DIRECTORS, ADVISERS AND AGENTS

5. In the case of an offer of straight debentures that is not a BT offer or a REIT offer, provide the names and addresses of the directors or (if the entity is not a corporation) equivalent officers of the offeror entity, the advisers and agents in relation to the offer, and the trustee or other representative for the debenture holders. If the debentures are to be the subject of a guaranteed debenture issue, provide also such information in respect of the guarantor entity.
6. In the case of a BT offer or a REIT offer, provide the names and addresses of the advisers and agents in relation to the offer, the trustee or other representative for the debenture holders, and the names and addresses of the trustee-manager and the directors of the trustee-manager of the business trust or the names and addresses of the manager and the directors or equivalent officers of the manager of the REIT, as the case may be.

FIRST SCHEDULE — *continued*

PART 4

OFFER STATISTICS, PLAN OF DISTRIBUTION AND TIMETABLE

Offer statistics

7. Provide the amount of debentures being offered and other relevant offer statistics.

8. Indicate the price at which the debentures are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the price at which the debentures are being offered and the amount of any expense specifically charged to the subscriber or purchaser at the disclosure date of the disclosure document or base document, the method by which this information is to be determined must be explained in the disclosure document or base document.

9. Indicate whether the amount of the debentures being offered can be increased, such as by the exercise of an underwriter's over-allotment option or "greenshoe" option, and state the exercise period of and amount under such option.

10. Where the debentures being offered are to be the part of a debenture issuance programme and any of the information in paragraphs 7, 8 and 9 is not known on the disclosure date of the base document, that information must be provided in the pricing supplement.

Plan of distribution

11. Indicate the amount, and outline briefly the plan of distribution, of the debentures that are to be offered otherwise than through underwriters. If the debentures are to be offered through any broker or dealer, identify each broker or dealer (if known) that will participate in the offer, state the amount to be offered through each entity, and describe the terms of any agreement or understanding with such entities.

12. Where the debentures being offered are to be part of a debenture issuance programme and the information in paragraph 11 is not known on the disclosure date of the base document, that information must be provided in the pricing supplement.

Method and timetable

13. State the period during which the offer will be kept open, and describe the procedure by which subscription applications are to be made and the manner in which results of the allocation are to be made public. If the exact period is not known on the disclosure date of the disclosure document, describe the arrangements for announcing the definitive period.

FIRST SCHEDULE — *continued*

14. Where the debentures being offered are to be part of a debenture issuance programme and the information in paragraph 13 is not known on the disclosure date of the base document, that information must be provided in the pricing supplement.

PART 5

KEY INFORMATION

Principal terms and conditions

15. Provide the principal terms and conditions of the debentures being offered, including the yield, interest rate, interest payment dates, final repayment date and particulars of any significant covenants or events of default. Where the debentures may be redeemed prior to maturity, provide details on the circumstances under which the early redemption may occur.

16. Where the debentures being offered are to be part of a debenture issuance programme and the information in paragraph 15 is not known on the disclosure date of the base document, that information must be provided in the pricing supplement.

17. In the case of a guaranteed debenture issue, describe the nature and scope of the guarantee.

Credit rating

18. In the case of an offer of straight debentures that is not a BT offer or a REIT offer, if the offeror entity, the guarantor entity (if the debentures are to be the subject of a guaranteed debenture issue) or the debentures being offered have been given a credit rating by a credit rating agency, disclose —

- (a) the name of the credit rating agency;
- (b) the credit rating;
- (c) whether any fee or benefit has been paid by the offeror entity, the guarantor entity or any of their related parties, to the credit rating agency in consideration for the credit rating assessment; and
- (d) the date on which the credit rating was given.

19. In the case of a BT offer or a REIT offer, if the business trust or REIT or the debentures being offered have been given a credit rating by a credit rating agency, disclose all of the information in paragraph 18(a) to (d) in respect of that rating.

20. Where a credit rating is disclosed under paragraph 18 or 19, provide all of the following information in the disclosure document or (as the case may be) either the base document or the pricing supplement:

FIRST SCHEDULE — *continued*

- (a) whether the credit rating is current as of the disclosure date of the disclosure document, the base document or the pricing supplement (as the case may be);
- (b) that the credit rating is not a recommendation to invest in the debentures, and investors should perform their own evaluation as to whether the investment is appropriate;
- (c) that the credit rating may be subject to revision or withdrawal at any time;
- (d) that the credit rating is only a statement of opinion;
- (e) where information regarding the rating methodology used by the credit rating agency and the relative ranking of the credit rating, including both of the following, can be obtained:
 - (i) an explanation of the meaning and limitations of the credit rating;
[S 634/2018 wef 08/10/2018]
 - (ii) if the credit rating is a “provisional” or “expected” rating, the status of that designation and its implications on the offeror entity, business trust or REIT (as the case may be), or the debentures being offered or, in the case of a guaranteed debenture issue, its implications on the offeror entity, the guarantor entity or the debentures being offered;
[S 634/2018 wef 08/10/2018]
- (f) where the credit rating is a “provisional” or “expected” rating, a statement undertaking to announce the final rating when it is available.

Use of proceeds from offer

21. Disclose the estimated amount of the proceeds from the offer and the intended use of the proceeds. Where the debentures being offered are to be part of a debenture issuance programme and the information is not known on the disclosure date of the base document, that information must be provided in the pricing supplement.

Risk factors

22. In the case of an offer of straight debentures that is not a BT offer or a REIT offer, disclose, in a specific section with the heading “Risk Factors”, the risk factors that are specific to the offeror entity and its industry as well as the debentures being offered, which had materially affected, or could materially affect, directly or indirectly —

FIRST SCHEDULE — *continued*

(a) the offeror entity's ability to fulfil its obligations to holders of the debentures; or

(b) the price or value of the debentures,

or both of these. If the debentures are to be the subject of a guaranteed debenture issue, provide also such information in respect of the guarantor entity.

23. In the case of a BT offer or a REIT offer, disclose the risk factors that are specific to the business trust or REIT and its industry as well as the debentures being offered, which had materially affected, or could materially affect, directly or indirectly —

(a) the business trust's or the REIT's ability to fulfil their obligations to holders of the debentures; or

(b) the price or value of the debentures,

or both of these.

Information on offeror entity and guarantor entity (where applicable)

24. In the case of an offer of straight debentures that is not a BT offer or a REIT offer, provide the nature of the operations and principal activities of the offeror entity or, where the offeror entity has one or more subsidiary entities, provide such information in respect of the offeror entity and all its subsidiary entities (called in this Schedule the Issuer Group) as a whole. If the debentures are to be the subject of a guaranteed debenture issue, provide also such information in respect of the guarantor entity or, where the guarantor entity has one or more subsidiary entities, provide such information in respect of the guarantor entity and all its subsidiary entities (called in this Schedule the Guarantor Group) as a whole.

25. In the case of a BT offer or a REIT offer, provide the nature of the operations and principal activities of the business trust or REIT.

26. In the case of an offer of straight debentures that is not a BT offer or a REIT offer, identify the substantial shareholders of the offeror entity and the amount of equity interest held by each substantial shareholder. If the debentures are to be the subject of a guaranteed debenture issue, identify the substantial shareholders of the offeror entity and the guarantor entity, and the amount of equity interest held by each substantial shareholder.

27. In the case of a BT offer or a REIT offer, identify the substantial unitholders of the business trust or REIT and the number of units in the business trust or REIT held by each substantial unitholder.

FIRST SCHEDULE — *continued*

PART 6

OPERATING AND FINANCIAL REVIEW AND PROSPECTS

28.—(1) In the case of an offer of straight debentures that is not a BT offer or a REIT offer, provide the information required under this Part in respect of the offeror entity or, where the offeror entity has one or more subsidiary entities, in respect of the Issuer Group as a whole.

(2) If the debentures are to be the subject of a guaranteed debenture issue, provide also the information required under this Part in respect of the guarantor entity or, where the guarantor entity has one or more subsidiary entities, in respect of the Guarantor Group as a whole.

(3) In the case of a BT offer or a REIT offer, provide the same information in respect of the business trust or REIT as the information required under this Part in respect of the offeror entity, unless otherwise specified in this Part.

Financial information

29. Provide the annual audited financial statements of the offeror entity for the 2 most recent completed financial years for which the statements have been published, and interim financial statements for any subsequent period for which that statement has been published.

Liquidity and capital resources

30. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities of the offeror entity in respect of the most recent completed financial year for which financial statements have been published and, if interim financial statements have been published for any subsequent period, that period.

Capitalisation and indebtedness

31. Provide a statement of capitalisation and indebtedness of the offeror entity as of a date no earlier than the end of the period covered by the most recent completed financial year for which financial statements have been published or, if interim financial statements have been published for any subsequent period, that period.

Trend information and profit forecast or profit estimate

32.—(1) Discuss, for at least the current financial year, the business and financial prospects of the offeror entity as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that

FIRST SCHEDULE — *continued*

would cause financial information disclosed in the simplified disclosure document or in the product highlights sheet to be not necessarily indicative of the future operating results or financial condition of the offeror entity. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.

(2) Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the offeror entity, trustee-manager of the business trust or manager of the REIT have based their profit forecast or profit estimate, as the case may be.

Significant changes

33. Disclose any event that has occurred from the end of —

- (a) the most recent completed financial year for which financial statements have been published; or
- (b) if interim financial statements have been published for any subsequent period, that period,

to the latest practicable date which may have a material effect on the ability of the offeror entity to meet its payment obligations under the debentures being offered. If there is no such event, provide an appropriate negative statement.

PART 7

OTHER MATTERS

Other matters

34. Include particulars of any other matters not disclosed under any other paragraph of this Schedule which may have a material effect on an investor's decision to subscribe for the debentures.

SECOND SCHEDULE

Regulation 9(1)

FORM AND CONTENT REQUIREMENTS OF A PRODUCT
HIGHLIGHTS SHEET

The product highlights sheet must contain a rectangular side bar —

- (a) appearing at the rightmost side of each page;
- (b) of at least 1.8 centimetres in width and in the full length of each page;
- (c) in the colour Pantone 109C; and

SECOND SCHEDULE — *continued*

- (d) the words “PRODUCT HIGHLIGHTS SHEET” oriented at 90 degrees clockwise in typeface Arial Black, font size 20-point and the colour Black.

Prepared on: [DD/MM/YY]

**NAME OF OFFER OF DEBENTURES
 (“the Bonds”)**

EXAMPLE: OFFER OF S\$[●] BONDS DUE [●] BY [NAME OF THE ENTITY (REFERRED TO IN THIS SCHEDULE AS THE ISSUER) IN RESPECT OF WHICH THE DEBENTURES ARE BEING OFFERED] (“the Bonds”)

*Prior to making a decision to purchase the Bonds, you should carefully consider all the information contained in the [title of simplified disclosure document]¹ (including any Pricing Supplement). This **PRODUCT HIGHLIGHTS SHEET SHOULD NOT BE READ BY ITSELF** but in conjunction with the [title of simplified disclosure document] (including any Pricing Supplement). You will be subject to various risks and uncertainties, including the potential loss of the entire principal amount invested. If you are in doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.*

This offer to investors in Singapore is made in reliance on an exemption granted by the Monetary Authority of Singapore (“the Authority”) pursuant to the Securities and Futures (Offers of Investments) (Exemption for Offers of Straight Debentures) Regulations 2016. It is not made in or accompanied by a prospectus that is registered by the Authority.

This Product Highlights Sheet is an important document.

- It highlights the key information and risks relating to the offer of the Bonds contained in the [title of simplified disclosure document] (including any Pricing Supplement). It complements the [title of simplified disclosure document] (including any Pricing Supplement).
- You should not purchase the Bonds if you do not understand the nature of an investment in bonds, our business or are not comfortable with the accompanying risks.

Issuer and Guarantor (if applicable)/Trustee-Manager of business	[●]	Place of incorporation/constitution	[●]
------------------------------------------------------------------	-----	-------------------------------------	-----

SECOND SCHEDULE — *continued*

trust/Manager and Trustee of REIT			
Issue price and denomination of the Bonds	<p>[●]</p> <p>Example:</p> <p>S\$[●] per S\$[●] in principal amount of the Bonds.</p> <p>The Bonds will be issued in registered form in denominations of S\$[●] each.</p>	<p>Estimated amount to be raised in this offer, and percentage² of the Bonds offered to (a) Institutional Investors and Relevant Persons; and (b) Retail Investors³</p>	<p>[●]</p> <p>Example:</p> <ul style="list-style-type: none"> • Gross proceeds – S\$[●] to S\$[●] • Net proceeds – S\$[●] to S\$[●] • [●]% of the Bonds are offered to institutional investors and relevant persons. • The remaining [●]% of the Bonds are offered to retail investors.
Description of the Bonds, including maturity date, tenure, coupon rate and frequency of coupon payments.	<p>[●]</p> <p>Example:</p> <p>S\$[●] in aggregate principal amount of [●]-year senior bonds with interest of [●]% per annum, made in two payments each year, maturing on [date].</p>	<p>Listing status of Issuer/Business Trust/REIT/Guarantor and the Bonds</p>	<p>[●]</p> <p>Example:</p> <ul style="list-style-type: none"> • Issuer – Primary Listing on the Mainboard of SGX-ST since [date]. • Bonds – To be listed on the Mainboard of SGX-ST from [date]. Trading will be in board lots of S\$[●] in principal amount.
Lead Manager (s)/Arranger(s)	<p>[●]</p>	<p>Underwriter(s)</p>	<p>[●]</p>
Credit rating⁴ of Issuer/Business Trust/REIT/Guarantor/the Bonds (if	<p>Example:</p> <p>The Issuer has obtained, in respect of the Bonds, a</p>	<p>Satisfaction of eligibility criteria for exemption set out in regulation 5(1) or</p>	<p>Example:</p> <p>The Issuer has met the following eligibility criteria —</p>

SECOND SCHEDULE — *continued*

any) and Credit Rating Agencies	credit rating of [●] rating by [<i>Name of Credit Rating Agency</i>].	6(1) of the Securities and Futures (Offers of Investments) (Exemption for Offers of Straight Debentures) Regulations 2016	<ul style="list-style-type: none"> • size test – The Issuer has a market capitalisation of S\$[●] for the past 180 market days. • listing test – The Issuer has been listed on the [<i>Name of exchange</i>] since [<i>date of listing</i>]. • credit test – The Issuer has recorded a net profit of [●], [●], and [●] and positive net cash flows of [●], [●], and [●] for its 3 most recent audited annual financial statements for years [●], [●], and [●].
Trustee for holders of the Bonds	[●]	Paying Agent/Registrar	[●]
Mode of application	Example: <ul style="list-style-type: none"> • Automated teller machines • Brokerage firms • Internet banking • Mobile banking 	Opening/closing date(s) and time(s) for application	[●]

¹ The [*title of simplified disclosure document*] (including any Pricing Supplement) is available for collection at [*time and place, if applicable*] or accessible at [*web address*].

² The actual percentage offered and subsequently issued to institutional investors and relevant persons and retail investors may differ from the above percentages.

³ Relevant persons include accredited investors and other persons referred to in section 275(2) of the Securities and Futures Act. Retail investors are persons other than institutional investors and relevant persons.

SECOND SCHEDULE — *continued*

⁴ Where the credit rating is a “provisional” or “expected” rating, [*Name of the entity in respect of which the debentures are being offered*] undertakes to announce the final rating when it is available.

INVESTMENT SUITABILITY**WHO IS THE INVESTMENT SUITABLE FOR?**

- This investment is suitable for you if you:
 - [*State return objectives (e.g. capital growth/income/capital preservation) which the investment will be suitable for*]
 - [*State if the principal investment will be at risk*]
 - [*State how long investors should be prepared to hold the investment for*]
 - [*State other key characteristics of the product which will help investors determine whether the investment is suitable for them*]

Example:

- The Bonds are suitable for you if you:
 - want regular income at a fixed rate rather than capital growth;
 - want priority in payouts over share dividends in an insolvency situation;
 - are prepared to lose the principal investment if the issuer fails to repay the amount due under the Bonds; and
 - are prepared to hold your investment until maturity or to exit the Bonds only by sale in the secondary market which may be unprofitable or impossible.

KEY FEATURES**Background Information****WHO ARE YOU INVESTING WITH?**

[*Provide an overview of the offeror entity or, if the offeror entity has one or more subsidiary entities, an overview of the Issuer Group as a whole, including the nature of the Issuer Group’s operations and principal activities. If the*

Refer to —

- “[*relevant section*]” on page(s) [●] of the [*title of simplified disclosure document*] for more

SECOND SCHEDULE — *continued*

<p><i>debentures are to be the subject of a guaranteed debenture issue, provide also an overview of the guarantor entity or, if the guarantor entity has one or more subsidiary entities, the Guarantor Group as a whole. In respect of a BT offer or REIT offer, provide instead an overview of the business trust or the REIT (including the nature of the business trust's or REIT's operations and principal activities).]</i></p> <p>Example:</p> <p>We are engaged in the business of [<i>principal business</i>] in [<i>country</i>]. Our Company was incorporated in [<i>year</i>] in [<i>country</i>].</p> <p>WHAT ARE YOU INVESTING IN?</p> <p><i>[State key features of the debentures offered, including issue date, issue price, maturity date, tenure, principal amount, coupon rate and frequency of coupon payments. Where the debentures may be redeemed prior to maturity, briefly discuss the circumstances under which the early redemption may occur. Description of these features should be presented using diagrams (e.g. tables, graphs and charts) where appropriate.]</i></p> <p>Example:</p> <p>We are offering up to S\$[●] million in aggregate principal amount of the Bonds to the public in Singapore. The Bonds are issued pursuant to the [<i>name of bond issuance programme</i>]. The issue price is S\$[●] per S\$[●] in principal amount of the Bonds. Holders of the Bonds will receive interest from [<i>issue date</i>] to [<i>maturity date</i>] at a rate of [●]% per annum, made in two payments on [<i>date</i>] and [<i>date</i>] each year.</p> <p>The Bonds are not secured by any underlying assets and ranks equally with our other unsecured debt (other than debt prioritised by law). You will have the same rights as our other debt obligations in respect of bonds of the same class issued by us. We have previously issued S\$[●] of [●]% debt obligations of the same class as the Bonds on [<i>date</i>].</p>	<p>information on our business</p> <p>• “[<i>relevant section</i>]” on page(s) [●] of the [<i>title of simplified disclosure document</i>] for more information on the Bonds.</p>
<p>Key Financial Information</p>	

SECOND SCHEDULE — *continued*

<p><i>[Provide key profit and loss data and cash flows data of the offeror entity in respect of each of the 2 most recent completed financial years and any subsequent interim period for which financial information has been published.]</i></p> <p><i>[Provide also key balance sheet data as at the end of the most recent completed financial year or any subsequent interim period for which financial information has been published. Key financial information should be presented using diagrams (e.g. tables, graphs and charts) where appropriate.]</i></p> <p><i>[Where the offeror entity has one or more subsidiary entities, provide such information in respect of the Issuer Group as a whole. Where the debentures are to be the subject of a guaranteed debenture issue, provide such information in respect of the guarantor entity or, where the guarantor entity has one or more subsidiary entities, provide such information in respect of the Guarantor Group as a whole.]</i></p> <p><i>[In respect of a BT offer or REIT offer, provide instead such information in respect of the business trust or the REIT.]</i></p> <p>Example:</p> <p>Key profit and loss information</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th colspan="2" style="text-align: center;">Year ended 31 December</th> </tr> <tr> <th></th> <th style="text-align: center;">[Year]</th> <th style="text-align: center;">[Year]</th> </tr> <tr> <th></th> <th style="text-align: center;">S\$('000)</th> <th style="text-align: center;">S\$('000)</th> </tr> </thead> <tbody> <tr> <td>Net revenue</td> <td style="text-align: center;">[•]</td> <td style="text-align: center;">[•]</td> </tr> <tr> <td>Profit/(loss) before tax</td> <td style="text-align: center;">[•]</td> <td style="text-align: center;">[•]</td> </tr> <tr> <td>Profit/(loss) after tax</td> <td style="text-align: center;">[•]</td> <td style="text-align: center;">[•]</td> </tr> <tr> <td>Profit/(loss) after tax including discontinued operations</td> <td style="text-align: center;">[•]</td> <td style="text-align: center;">[•]</td> </tr> <tr> <td>Earnings/(loss) per share - Basic</td> <td style="text-align: center;">[•]</td> <td style="text-align: center;">[•]</td> </tr> </tbody> </table>		Year ended 31 December			[Year]	[Year]		S\$('000)	S\$('000)	Net revenue	[•]	[•]	Profit/(loss) before tax	[•]	[•]	Profit/(loss) after tax	[•]	[•]	Profit/(loss) after tax including discontinued operations	[•]	[•]	Earnings/(loss) per share - Basic	[•]	[•]	<p>Refer to the “[relevant section]” on page(s) [•] of the [title of simplified disclosure document] for more information on our financial performance.</p>
	Year ended 31 December																								
	[Year]	[Year]																							
	S\$('000)	S\$('000)																							
Net revenue	[•]	[•]																							
Profit/(loss) before tax	[•]	[•]																							
Profit/(loss) after tax	[•]	[•]																							
Profit/(loss) after tax including discontinued operations	[•]	[•]																							
Earnings/(loss) per share - Basic	[•]	[•]																							

SECOND SCHEDULE — *continued*

Earnings/(loss) per share - Diluted	[•]	[•]
Key cash flows information		
	Year ended 31 December	
	[Year]	[Year]
	S\$('000)	S\$('000)
Net cash generated from operating activities	[•]	[•]
Net cash used in investing activities	[•]	[•]
Net cash generated from financing activities	[•]	[•]
Net increase/(decrease) in cash and cash equivalents	[•]	[•]
Cash and cash equivalents at end of year/period	[•]	[•]
Key balance sheet information		
	Year ended 31 December	
	[Year]	[Year]
	S\$('000)	S\$('000)
Total assets	[•]	[•]
Total liabilities	[•]	[•]
Net assets/(liabilities)	[•]	[•]
Trends, Uncertainties, Demands, Commitments or Events Reasonably Likely to Have a Material Effect		

SECOND SCHEDULE — *continued*

<p><i>[Briefly discuss, for at least the current financial year, the offeror entity's business and financial prospects, as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information published or disclosed in the Simplified Disclosure Document or in the Product Highlights Sheet to be not necessarily indicative of the future operating results or financial condition of the offeror entity. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.]</i></p> <p><i>[Where the offeror entity has one or more subsidiary entities, provide such information in respect of the Issuer Group as a whole. If the debentures are to be the subject of a guaranteed debenture issue, provide the information in respect of the guarantor entity or, where the guarantor entity has one or more subsidiary entities, provide such information in respect of the Guarantor Group as a whole.]</i></p> <p><i>[In respect of a BT offer or REIT offer, provide instead such information in respect of the business trust or the REIT.]</i></p> <p>Example:</p> <p>For the current financial year, our Directors have observed the following trends, uncertainties, demands, commitments or material events:</p> <ul style="list-style-type: none"> (a) the demand for <i>[activity]</i> has increased with the recent growth in <i>[country]</i>'s economy. We expect our revenue from our <i>[business segment]</i> to increase in line with the increase in <i>[activity]</i>; and (b) we expect the upward trend in <i>[activity]</i> to have positive impact on the demand for our <i>[service]</i>. <p>Operating costs are also expected to increase together with the increase in the level of <i>[activity]</i>.</p> <p>The above is a summary of section <i>[relevant section reference]</i> of the <i>[title of simplified disclosure document]</i> and these are not the only trends, uncertainties, demands, commitments or events that could affect us. Please refer to section <i>[relevant section reference]</i> of the <i>[title of simplified disclosure document]</i> and the other</p>	<p>Refer to the “[<i>relevant section</i>]” on page(s) [●] of the [<i>title of simplified disclosure document</i>] for more information on trends and prospects.</p>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------

SECOND SCHEDULE — *continued*

factors set out in pages [●] to [●] of the [title of simplified disclosure document].									
Use of Proceeds									
<p>[Provide information on the estimated amount of proceeds raised from the offer and its intended use. Where there is more than one intended use, information on the use of proceeds should be presented using diagrams (e.g. tables, graphs and charts) where appropriate.]</p> <p>Example:</p> <p>The following represents our estimate of the intended use of the estimated amount of proceeds expected to be raised from the Offer.</p> <table border="1"> <thead> <tr> <th style="text-align: left;">Details of utilisation</th> <th style="text-align: left;">S\$ (million)/Allocation for each S\$1.00 of proceeds raised</th> </tr> </thead> <tbody> <tr> <td>Expansion of business</td> <td>[●]</td> </tr> <tr> <td>Working capital and general corporate purposes</td> <td>[●]</td> </tr> <tr> <td>Total</td> <td>[●]</td> </tr> </tbody> </table>	Details of utilisation	S\$ (million)/Allocation for each S\$1.00 of proceeds raised	Expansion of business	[●]	Working capital and general corporate purposes	[●]	Total	[●]	<p>Refer to the “[relevant section]” on page(s) [●] of the [title of simplified disclosure document] for more information on use of proceeds.</p>
Details of utilisation	S\$ (million)/Allocation for each S\$1.00 of proceeds raised								
Expansion of business	[●]								
Working capital and general corporate purposes	[●]								
Total	[●]								
KEY RISKS									
<p>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</p> <p>[Set out a summary of the key risks which had materially affected, or could materially affect (a) the offeror entity’s ability to fulfil its obligations to holders of the debentures; (b) the price or value of the debentures; or both (a) and (b),</p>	<p>Refer to the “[relevant section]” on page(s) [●] of the [title of simplified disclosure document] for more information on risks factors.</p>								

SECOND SCHEDULE — *continued*

<p><i>if they occur. If a particular risk falls into multiple categories below, it is sufficient to include the risk under one category. There is no need to repeat the risk in more than one category. There is no need to reproduce the risk factors in the Simplified Disclosure Document in their entirety and it will be sufficient to include a summary of the nature of the risk and its impact. Where there is a risk that an investor may lose all of his or her initial principal investment, emphasise this with bold or italicised formatting. If the debentures are to be the subject of a guaranteed debenture issue, provide also such information in respect of the guarantor entity.]</i></p> <p><i>[In respect of a BT offer or REIT offer, provide instead such information in respect of the business trust or the REIT.]</i></p> <p>Investing in the Bonds involves substantial risks. Set out below are some of the key risks of investing in the Bonds. This list is not exhaustive, and does not represent all the risks associated with, and considerations relevant to, the Bonds or your decision to purchase the Bonds. Please refer to the section “Risk Factors” on pages [●] to [●] of the [title of simplified disclosure document] for more information on risk factors. These risk factors could affect our ability to fulfil our obligations to holders of the Bonds, or the price or value of the Bonds, and may cause you to lose some or all of your investment.</p>	
Business-Related Risks	
<p><i>[State the material business-related risks which may affect the investor’s investment in the debentures, e.g. risks relating to the industries within which the offeror entity operates, any significant supplier or customer relationships, the offeror entity’s properties, assets or equipment, distribution channels, material contracts, key personnel, intellectual property, corporate structure, financing, environmental concerns, or competition etc. If the debentures are to be the subject of a guaranteed debenture issue, provide also the information in respect of the guarantor entity.]</i></p>	

SECOND SCHEDULE — *continued*

<p><i>[In respect of a BT offer or REIT offer, provide instead such information in respect of the business trust or the REIT.]</i></p> <p>Example:</p> <ul style="list-style-type: none"> • We compete against numerous businesses in our industry that may be larger and have greater financial resources. Our ability to compete effectively depends on several factors, including our market presence, our reputation, our competitors, and general trends in the industry and economy. There is no assurance that we can compete successfully. • A substantial proportion of our revenue is derived from several major customers. Our financial results may be seriously impacted if we lose any of these customers or they reduce their volume of business with us. • As we are a holding company that conducts substantially all of our business through our operating subsidiaries in [<i>country</i>], we rely on dividends paid by our subsidiaries for our cash needs. Any restrictions on their ability to make payments to us will adversely affect our ability to fund and operate our business. 	
<p>Legal, Regulatory and Enforcement Risks</p>	
<p><i>[State the material legal, regulatory and enforcement risks which may affect the investor's investment in the debentures e.g. any litigation which may have a material impact on the offeror entity, or legal or regulatory issues faced by the offeror entity etc. If the debentures are to be the subject of a guaranteed debenture issue, provide also such information in respect of the guarantor entity.]</i></p> <p><i>[In respect of a BT offer or REIT offer, provide instead such information in respect of the business trust or the REIT.]</i></p> <p>Example:</p> <ul style="list-style-type: none"> • We are appealing to [<i>name of authority</i>] on a ruling against our company regarding a tax dispute between the [<i>inland revenue authority of country</i>] and our company from our operations in [<i>country</i>]. In the event that the appeal is not successful, we may be potentially liable to a fine of up to S\$[●] which could 	

SECOND SCHEDULE — *continued*

<p>materially and adversely affect our business and results of our operations.</p>	
Market and Credit Risks	
<p><i>[State the market risks (including currency risks) and credit risks which may affect the traded price of the debentures.]</i></p> <p>Example:</p> <ul style="list-style-type: none"> • The Bonds are subject to interest rate risk as the Bonds bear a fixed rate of interest. Subsequent changes in market interest rates may adversely impact the value of the Bonds. Generally, bond prices are inversely related to interest rate movements. A rise in interest rates could see a fall in bond prices. • We may issue additional securities with identical terms that may adversely affect the market price of the Bonds. 	
Liquidity Risks	
<p><i>[State the risks that an investor would face in trying to exit his investment in the debentures.]</i></p> <p>Example:</p> <p>There is no prior market for the Bonds and an active trading market may not develop. In addition, bonds generally have lower liquidity as compared to equity securities. While an application has been made for admission to trade the Bonds on the SGX-ST, there can be no assurance that a liquid market will develop for the Bonds or that you will be able to sell the Bonds at a price that reflects their value.</p>	
Other Pertinent Risks	

SECOND SCHEDULE — *continued*

[State any other pertinent risks that have not been highlighted in the foregoing sections.]

Example:

- The Bonds are denominated and traded in USD. Therefore, Singapore investors may lose money if the USD were to depreciate against the SGD.
- We may elect to redeem the Bonds before the maturity date for tax reasons in the amount of 100% of the principal plus any accrued interest. You may not realise interest payments extending to the maturity date. Investors who do not hold the Bonds to maturity could suffer a capital loss as a result of market price fluctuations.

DEFINITIONS

[Provide definitions if necessary.]

CONTACT INFORMATION

HOW DO YOU CONTACT US?

[Provide contact details of offeror entity/trustee-manager of the business trust/manager and trustee of the REIT, distributor(s)/underwriter(s)/arranger(s) and/or lead manager(s) whom investors can contact if they have enquiries. Include a website address and email address, if appropriate. If there is a dedicated hotline, the hotline number can be provided in lieu of the contact details referred to here.]

Made on 18 May 2016.

RAVI MENON
Managing Director,
Monetary Authority of Singapore.

[MCD PMC 028/2016 V1; AG/LEGIS/SL/289/2015/6 Vol. 1]