

Securities and Futures (Offers of Investments) (Exemption for Offers of Post-seasoning Debentures) Regulations 2016

Table of Contents

Enacting Formula

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 post-seasoning debentures other than BT or REIT offer

6 Exemption of BT or REIT offer

7 Conditions of exemption under regulations 5 and 6

8 Product highlights sheet

9 Exemption of book building activity

THE SCHEDULE Form and content requirements of a product highlights sheet

No. S 224

**SECURITIES AND FUTURES ACT
(CHAPTER 289)**

SECURITIES AND FUTURES (OFFERS OF INVESTMENTS)
(EXEMPTION FOR OFFERS OF POST-SEASONING
DEBENTURES) REGULATIONS 2016

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 Post-seasoning 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 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 635/2018 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 debentures other than a BT offer or REIT offer, means —

(a) where the shares of —

(i) the offeror entity of the offer of 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 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 635/2018 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 635/2018 wef 08/10/2018]

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

“post-seasoning debenture” means a debenture to be issued by an entity, a trustee-manager of a business trust on behalf of the business trust, or a trustee of a REIT on behalf of the REIT, and is, or is to be, uniform in all respects with seasoned debentures previously issued by the same entity, the same trustee-manager on behalf of the same business trust, or the same trustee on

behalf of the same REIT, except with respect to price, original tenure, size and date of issue;

“published” includes published in a prospectus, in an annual report or through the electronic network operated by an approved exchange or a recognised securities exchange;

[S 635/2018 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 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;

“seasoned debenture” means a debenture which —

- (a) was issued pursuant to an offer made in reliance on an exemption under section 274 or 275 of the Act;
- (b) was part of an issue of debentures the size of which was not less than \$150 million (or its equivalent in a foreign currency);
- (c) is listed for quotation on an approved exchange;
[S 635/2018 wef 08/10/2018]
- (d) is made available for trading by investors (including retail investors) on the approved exchange pursuant to the listing rules of the approved exchange and only after its seasoning period;
[S 635/2018 wef 08/10/2018]
- (e) has a fixed term that does not exceed 10 years;
- (f) provides for repayment of the principal sum at the end of the fixed term;
- (g) has periodic interest payments which cannot be deferred;

- (h) 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 must not be less than zero);
- (i) 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 635/2018 wef 08/10/2018]
- (j) 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;
- (k) is not an asset-backed security within the meaning of section 262 of the Act, or a structured note;
- (l) 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
- (m) 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;

“seasoning period”, in relation to a seasoned debenture, means the period of 6 months after the date the debenture is listed for quotation on an approved exchange;

[S 635/2018 wef 08/10/2018]

[Deleted by S 635/2018 wef 08/10/2018]

[Deleted by S 635/2018 wef 08/10/2018]