

SGX-ST Listing Rules
Practice Note 3.2
Seasoning of Debt Securities

Details	Cross References
<u>Issue date: 19 May 2016</u>	<u>Part VI of Chapter 3</u>
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1. Introduction

1.1 This Practice Note provides guidance on the procedures and disclosure requirements applicable to debt securities to be listed on the Exchange for trading by non-specified investors under Part VI of Chapter 3.

2. Procedures Applicable to the Seasoning of Debt Securities

Application to List the Initial Issuance of Debt Securities on the Exchange for Seasoning

2.1 An issuer will be assessed by the Exchange on its compliance with Rule 308 and Part VI of Chapter 3 at the time of its application to list the initial issuance of its debt securities for seasoning.

2.2 The offer documents issued to specified investors, under the requirements of Rule 320(3) must be announced via SGXNET before the start of trading on the market day prior to the listing of the initial issuance of debt securities.

Application for Confirmation that the Debt Securities are Eligible for Trading by Non-Specified Investors

2.3 5 market days before the end of the seasoning period, the issuer is to seek confirmation from the Exchange that the debt securities are eligible for trading on the Exchange by non-specified investors. In its application, the issuer is to submit an undertaking that it continues to comply with the eligibility criteria in Rule 318. If the application is approved by the Exchange, the Exchange will issue a confirmation to the issuer confirming that the debt securities are eligible for trading by non-specified investors. The issue of the confirmation letter is at the Exchange's discretion.

2.4 The issuer is to immediately announce via SGXNET:

- (a) that the Exchange has given confirmation that the debt securities are eligible for trading on the Exchange by non-specified investors;
- (b) the date of commencement of trading by non-specified investors, which will be within 7-20 market days after the receipt of the Exchange's confirmation; and
- (c) the documents required under Rule 320(4),
upon receiving confirmation from the Exchange.

Application to List Additional Debt Securities for Offer to Non-Specified Investors through a Re-Tap in conjunction with the Commencement of Trading of the Debt Securities by Non-Specified Investors

2.5 5 market days before the end of the seasoning period, the issuer is to:

- (a) seek confirmation from the Exchange that the debt securities are eligible for trading on the Exchange by non-specified investors. In its application, the issuer is to submit an undertaking that it continues to comply with the eligibility criteria in Rule 318; and
- (b) submit the listing application for the listing and quotation on the Exchange of additional debt securities for offers to non-specified investors through a re-tap.

2.6 The issuer is to immediately announce via SGXNET:

- (a) that the Exchange has given confirmation that the debt securities are eligible for trading on the Exchange by non-specified investors;
- (b) that the Exchange has granted approval-in-principle for the listing and quotation of additional debt securities offered to non-specified investors issued through the re-tap;
- (c) the date of commencement of trading by non-specified investors, which will be within 7-20 market days after the receipt of the Exchange's confirmation and approval-in-principle; and
- (d) the documents required under Rule 320(4),
upon receiving confirmation and approval-in-principle from the Exchange.

Application to List Additional Debt Securities for Offer to Non-Specified Investors through a Re-Tap after the Commencement of Trading of the Debt Securities by Non-Specified Investors

2.7 Issuers may submit applications to list additional debt securities for offer to non-specified investors via a re-tap at any time after the date of commencement of trading on Exchange by non-specified investors. In its application, the issuer is to submit an undertaking that it continues to comply with the eligibility criteria in Rule 318.

2.8 The issuer is to immediately announce via SGXNET:

- (a) that the Exchange has granted approval-in-principle for the listing and quotation of additional debt securities offered to non-specified investors issued through a re-tap;
- (b) the date of commencement of trading for the additional debt securities; and
- (c) the documents required under Rule 320(4),

upon receiving approval-in-principle from the Exchange.

Withdrawing debt securities from the seasoning framework

2.9 When an issuer decides to withdraw its debt securities from the seasoning framework prior to the commencement of trading of the debt securities on the Exchange by non-specified investors, the issuer must immediately inform the Exchange and announce such withdrawal via SGXNET. The announcement must also provide the reasons for the withdrawal.

3. Assessment Criteria for Debt Securities to be Eligible for Trading by Non-Specified Investors

3.1 The Exchange will take into account, amongst others, the following factors when assessing whether the issuer's debt securities are eligible for trading on the Exchange by non-specified investors:

- (a) material developments relating to the issuer since the commencement of the seasoning period; and
- (b) the issuer's track record of compliance with Part VI of Chapter 3 during the seasoning period,

upon receiving the issuer's undertaking as required under paragraph 2.3, 2.5 and 2.7.

3.2 The Exchange retains the discretion to determine if the debt securities are eligible for trading on the Exchange by non-specified investors.

4. Disclosures

4.1 As the initial issuance of debt securities are offered only to specified investors, there is no prescribed format for the offering memorandum or introductory document for such debt securities save that such offer documents must comply with the requirements under Rules 313 and 322. Issuers should also take note of the disclosure requirements in relation to the Product Highlights Sheet under the Securities and Futures (Offers of Investments) (Exemption for Offers of Post-Seasoning Debentures) Regulations 2016.