

Securities and Futures (Market Conduct) (Exemptions) Regulations 2006

Table of Contents

Enacting Formula

1 Citation and commencement

2 Definitions

3 Exemption for stabilising action during offer of specified products not listed on approved exchange

3A Exemption for stabilising action taken on approved exchange or overseas exchange

3B Exemption for stabilising action not taken on approved exchange or overseas exchange

4 Exemption in bond dealings

5 Exemption from sections 218(2) and 219(2) of Act in certain circumstances

5A Exemption from section 218(3) of Act in certain circumstances

5B Exemption from section 219(3) of Act in certain circumstances

6 Revocation

7 (Deleted)

THE SCHEDULE Maximum Prices for Stabilising Action

SECURITIES AND FUTURES ACT
(CHAPTER 289)

SECURITIES AND FUTURES (MARKET CONDUCT) (EXEMPTIONS)
REGULATIONS 2006

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

Citation and commencement

1. These Regulations may be cited as the Securities and Futures (Market Conduct) (Exemptions) Regulations 2006 and shall come into operation on 6th March 2006.

Definitions

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

“closing date”, in relation to an offer, means the date specified in the offer document as the last date for the submission of applications for subscription or purchase of the specified products being offered;

[S 648/2018 wef 08/10/2018]

“dealer” —

(a) in regulation 5 and in respect of any stabilising action undertaken in Singapore, means a person who is the holder of a capital markets services licence to deal in capital markets products; and

[S 648/2018 wef 08/10/2018]

(b) in respect of any stabilising action undertaken outside Singapore, means a person who is licensed, approved, authorised or otherwise regulated under the laws, codes or other requirements of any foreign jurisdiction in respect of dealing in capital markets products;

[S 426/2010 wef 02/08/2010]

[S 648/2018 wef 08/10/2018]

“issuer”, in relation to an offer, means the person who issues the specified products being offered or, where the specified products have been issued, the person making the offer;

[S 648/2018 wef 08/10/2018]

“offer” means an offer for subscription or purchase of specified products in conjunction with the listing of such specified products on an approved exchange, or on both an approved exchange and an overseas exchange (as the

case may be) and includes an offer of additional specified products to rank alongside specified products that have been previously issued;

[S 648/2018 wef 08/10/2018]

“offer document” —

(a) means any notice, circular, material, advertisement, publication or other document inviting applications or offers from the public to subscribe for or purchase specified products in conjunction with the listing of the specified products that are the subject matter of an offer; and

(b) includes a prospectus or a profile statement as defined in section 239(1) or 283(1) of the Act or an offer information statement mentioned in section 277(1)(b) or 305B(1)(a) of the Act;

[S 648/2018 wef 08/10/2018]

“offer price”, in relation to an offer, means the price of the specified products being offered or, where the specified products are offered in more than one tranche at different prices, the highest price offered;

[S 426/2010 wef 02/08/2010]

[S 648/2018 wef 08/10/2018]

“over-allotment”, in relation to an offer, means the allotment or sale of a nominal value or number of the relevant specified products in excess of the nominal value or number, as the case may be, of the specified products available for subscription or purchase under the offer;

[S 426/2010 wef 02/08/2010]

[S 648/2018 wef 08/10/2018]

[Deleted by S 648/2018 wef 08/10/2018]

“relevant specified products”, in relation to an offer, means the specified products which are, or when issued will be, uniform in all respects with the specified products being offered under the offer, and includes the specified products being offered under the offer;

[S 648/2018 wef 08/10/2018]

“stabilising action”, in relation to an offer, means the action taken in Singapore or elsewhere by a stabilising manager, or by a dealer on behalf of the stabilising manager, to buy, or to offer or agree to buy, any relevant specified products (whether on an organised market or otherwise) in order to stabilise or maintain the market price of such specified products in Singapore or elsewhere;

[S 648/2018 wef 08/10/2018]

“stabilising manager”, in relation to an offer, means a person —

(a) who is appointed in writing by the issuer of an offer to take stabilising action in respect of the offer; and

- (b) whose appointment under paragraph (a) is notified to the approved exchange on which the relevant specified products are or are intended to be listed —
 - (i) in the case of stabilising action taken under regulation 3A, before the closing date of the offer; and
 - (ii) in the case of stabilising action taken under regulation 3B, before the stabilising action is taken.

[S 426/2010 wef 02/08/2010]

[S 648/2018 wef 08/10/2018]

(2) In these Regulations, whether a person is an associate of another person shall be ascertained in accordance with section 4(6) of the Act.

[S 426/2010 wef 02/08/2010]

Exemption for stabilising action during offer of specified products not listed on approved exchange

3. Sections 197, 198, 218(2) and 219(2) of the Act do not apply in relation to any stabilising action taken in respect of an offer of specified products where the relevant specified products are not listed, and are not intended to be listed, on any approved exchange.

[S 648/2018 wef 08/10/2018]

Exemption for stabilising action taken on approved exchange or overseas exchange

3A.—(1) Sections 197, 198, 218(2) and 219(2) of the Act shall not apply in relation to any stabilising action referred to in paragraph (2) taken in respect of an offer, if and only if the stabilising manager undertaking the stabilising action, and every dealer acting on behalf of the stabilising manager, complies with paragraphs (3) to (15) in carrying out the stabilising action.

(2) For the purpose of paragraph (1), the stabilising action shall be in respect of an offer which fulfils all of the following conditions which are applicable to it:

- (a) in the case where the relevant specified products are or are intended to be listed on an approved exchange, the stabilising action is taken on the approved exchange;
- (b) in the case where the relevant specified products are or are intended to be listed on both an approved exchange and an overseas exchange, the stabilising action is taken on either the approved exchange or the overseas exchange on which the relevant specified products are or are intended to be listed, or on both;

[S 648/2018 wef 08/10/2018]

[S 648/2018 wef 08/10/2018]

- (c) the total value of the specified products being offered, calculated based on the offer price, is not less than \$25 million (or its equivalent in a foreign currency);

[S 648/2018 wef 08/10/2018]

- (d) in the case where the specified products being offered are debentures, the total nominal value of the debentures that the stabilising manager buys to undertake stabilising action does not exceed 20% of the total nominal value of the debentures being offered prior to any over-allotment, if applicable;

[S 648/2018 wef 08/10/2018]

- (e) in the case where the specified products being offered are not debentures, the total number of the specified products that the stabilising manager buys to undertake stabilising action does not exceed 20% of the total number of the specified products being offered prior to any over-allotment, if applicable;

[S 648/2018 wef 08/10/2018]

- (f) the offer document states —

- (i) that stabilising action may be taken in respect of the relevant specified products;

[S 648/2018 wef 08/10/2018]

- (ii) the maximum period during which stabilising action may be taken;

- (iii) the total nominal value or number, as the case may be, of the relevant specified products which are the subject of an over-allotment option, if applicable; and

[S 648/2018 wef 08/10/2018]

- (iv) the total nominal value or number, as the case may be, of the relevant specified products that the stabilising manager may buy to undertake stabilising action, which shall not exceed the nominal value or number prescribed in sub-paragraph (d) or (e), as the case may be;

[S 648/2018 wef 08/10/2018]

- (g) a public announcement has been made, through the approved exchange on which the relevant specified products are or are intended to be listed, before the end of the trading day of that approved exchange immediately following the closing date of the offer, stating —

- (i) that such specified products may be subject to stabilising action;

[S 648/2018 wef 08/10/2018]