

**PART 5**

**PRIVATE DEBT NOTES AND ISLAMIC PRIVATE DEBT NOTES**

## **Chapter 1**

### **GENERAL**

- 1.01 Section B, Part 5 of these Guidelines sets out specific requirements that must be complied with and exemptions of specific requirements under the Lodge and Launch framework in relation to corporate bonds and sukuk (which are referred to as private debt notes and Islamic private debt notes, respectively, under this Part) issued or offered by private companies to:
- (a) persons registered with the SC under the *Guidelines on the Registration of Venture Capital and Private Equity Corporations and Management Corporations*;
  - (b) private equity or venture capital funds managed by persons registered with the SC under the *Guidelines on the Registration of Venture Capital and Private Equity Corporations and Management Corporations*;
  - (c) wholesale funds; or
  - (d) fund management companies pursuant to an investment mandate agreed with sophisticated investors.
- 1.02 The issuance or offering of private debt notes and Islamic private debt notes as provided under paragraph 1.01 above is exempted from the compliance with the requirements under paragraphs 3.04, 3.05, 3.06 and 3.08, Section A, Part 1 and Section B, Part 3 of these Guidelines that are ordinarily applied to corporate bonds and sukuk provided that the eligibility criteria as set out in paragraph 2.01 below are fulfilled.
- 1.03 In addition to complying with these Guidelines, any proposal in relation to Islamic private debt notes must also comply with the *Guidelines on Islamic Capital Market Products and Services*.
- 1.04 [Deleted]
- 1.05 [Deleted]

1.06 [Deleted]

## **Chapter 2**

### **STRUCTURE**

- 2.01 In order to be eligible for the exemption as set out in paragraph 1.02 above, the issuance and offering of the private debt notes and Islamic private debt notes must meet the following criteria (Eligible private debt notes and Eligible Islamic private debt notes):
- (a) The issuance and offering must be solely to persons set out in paragraph 1.01 above;
  - (b) Not tradable;
  - (c) Not transferable save and except to persons set out in paragraph 1.01 above; and
  - (d) Where relevant, may only be convertible into shares of the issuer.

### **Utilisation of proceeds**

2.02 [Deleted]

2.03 An issuer must ensure that the proceeds from the issuance are utilised in accordance with the purposes disclosed to the SC and to the persons set out in paragraph 1.01 above.

## **Chapter 3**

### **LODGEMENT**

- 3.01 In relation to the Eligible private debt notes or Eligible Islamic private debt notes, lodgement under these Guidelines must be made by the issuer of the Eligible private debt notes or Eligible Islamic private debt notes.
- 3.02 An issuer must lodge all information and documents as set out in the Lodgement Kit prior to issuance.
- 3.03 The lodgement of such information must be made via e-mail or in any other manner as may be specified by the SC.
- 3.04 The issuance of Eligible private debt notes or Eligible Islamic private debt notes must be made within 90 business days from the date of lodgement.
- 3.04A The issuer of the Eligible private debt notes or Eligible Islamic private debt notes must furnish the relevant persons registered with the SC under the *Guidelines on the Registration of Venture Capital and Private Equity Corporations and Management Corporations* or fund management companies with a copy of the lodgement acknowledgement receipt.
- 3.05 Where the Eligible private debt notes or Eligible Islamic private debt notes are not issued within 90 business days from the date of lodgement (“**issuance term**”), an issuer must submit a withdrawal notice to the SC via e-mail within 14 business days from the end of the issuance term.
- 3.06 The SC may request from the issuer any other document where necessary in relation to the issuance of Eligible private debt notes or Eligible Islamic private debt notes.

### **Revision**

- 3.07 An issuer must notify the SC of any revision to the information lodged with the SC within 14 business days after the revision comes into effect.