

CONSULTATION PAPER

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Introduction of Due Diligence Requirements for Corporate Finance Advisers

MAS

Monetary Authority of Singapore

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1 Preface

1.1 This consultation paper sets out proposed due diligence requirements that the Monetary Authority of Singapore (“MAS”) intends to impose on holders of a capital markets services (“CMS”) licence and banks, merchant banks and finance companies exempt from holding a CMS licence that undertake the regulated activity of advising on corporate finance (collectively referred to as “corporate finance (“CF”) advisers”).

1.2 MAS invites comments from CF advisers and other interested parties.

Please note that all submissions received will be published and attributed to the respective respondents unless they expressly request MAS not to do so. As such, if respondents would like:

- (i) their whole submission or part of it (but not their identity), or**
- (ii) their identity along with their whole submission,**

to be kept confidential, please expressly state so in the submission to MAS. MAS will only publish non-anonymous submissions. In addition, MAS reserves the right not to publish any submission received where MAS considers it not in the public interest to do so, such as where the submission appears to be libellous or offensive.

1.3 Please submit your comments to the consultation paper by 15 February 2022 at the link: <https://form.gov.sg/61b2c5ba0200290012824e6d>. If you have any queries, please email CMI_CF@mas.gov.sg.

2 Introduction

2.1 CF advisers play an important role in the capital markets by providing advice to entities which intend to raise funds or are involved in takeover and merger transactions. In particular, issue managers (“IMs”)¹ which advise on initial public offerings and other public issuances serve as gatekeepers of quality in the capital markets. They are responsible for conducting due diligence on the issuer and providing guidance to the issuer to ensure disclosures are accurate and complete in all material aspects. In a disclosure-based regime, investors rely on these disclosures as a key source of information to make their investment decisions.

2.2 CF advisers are subject to general conduct requirements under the Securities and Futures (Licensing and Conduct of Business) Regulations, such as ensuring effective controls and segregation of duties to mitigate potential conflicts of interests that may arise from their operations, and maintaining records to explain the steps taken to monitor compliance with the policies and procedures relevant to their business. IMs advising issuers on public offers are also subject to the prospectus liability provision under section 253 of the Securities and Futures Act.

3 Raising the standards of conduct of CF advisers

3.1 As part of our efforts to improve industry standards, MAS is proposing to introduce regulatory requirements on the conduct of due diligence by CF advisers, via a new Notice. This will raise the minimum standards of conduct of CF advisers, strengthen public confidence and promote informed decision making by investors through quality disclosures. We have developed these requirements taking into account industry best practices and the requirements in other major jurisdictions.

3.2 Under the proposal, CF advisers will be required to act with due care, skill and diligence when performing due diligence², establish a governance framework over the performance of due diligence by their representatives and staff, and keep records of the

¹ As referred to under the SGX-ST Main Board Listing Manual. All references to “issue manager” shall also include a full sponsor as referred to under the SGX-ST Listing Manual Section B: Rules of Catalyst.

² We do not intend to apply the requirements as set out in Para 8(b) to (d) of the draft Notice to a corporate finance adviser who advises on private mergers and acquisitions.

due diligence work performed. Further, CF advisers acting as IMs for IPOs³ will be subject to additional requirements (being Part II of the draft Notice), given that IPOs entail the introduction of new entities and businesses to raise funds from the public. CF advisers acting as IMs will have to assess and be satisfied that a listing applicant is suitable for listing and ensure that there is an independent review of the due diligence performed by the transaction team for each listing application. Where CF advisers place reliance on the work of third parties or experts, CF advisers should be satisfied that the third parties or experts are suitably qualified to perform the work and that their reliance on the work or opinions of these persons is reasonable. The additional requirements in Part II of the Notice are also intended to be applied to CF advisers when advising on reverse takeovers (“RTOs”) and very substantial acquisitions (“VSAs”), given that these transactions result in significant changes to the business of the publicly listed entity.

Question 1. MAS seeks comments on the proposed requirements in the Notice as set out in Annex A. Where you disagree with any of the proposed requirements, please explain why and provide alternative options.

Question 2. MAS seeks views on whether Part II of the Notice should be applied to CF advisers when advising on RTOs or VSAs. Where you agree or disagree, please explain why, and where you disagree, please provide alternative options.

In developing the requirements, MAS is proposing to introduce materiality considerations for the following requirements:

Paragraph number in the proposed Notice	Requirement
9	A corporate finance adviser must identify, mitigate and disclose to its customers potential, actual or perceived material conflicts of interest between the interests of its customers, and the interests of the corporate finance adviser or its related corporation.

³ This would include the listing of Special Purpose Acquisition Companies.

<p>14 (a)(iii)</p>	<p>The corporate finance adviser must ensure that it has put in place an adequate framework for senior management to have oversight over matters including, but not limited to the proposed due diligence plan for each specific transaction, and any material departures from such due diligence plan;</p>
<p>16</p>	<p>For the purposes of paragraph 15, the reportable matters refer to material issues relating to non-compliance with the Act, this Notice, listing rules and other relevant legal and regulatory requirements, conflicting information from a customer or other persons, suspicious circumstances, difficult or sensitive issues or any other material issues that may be prejudicial to the transaction.</p>
<p>19 (e)</p>	<p>Without prejudice to the generality of paragraph 18, a corporate finance adviser must maintain records of the bases for the opinions, assurances and conclusions in relation to the advising on corporate finance, which are material to the transaction, including internal discussions and any actions taken prior to these opinions and assurances being given or conclusions being reached;</p>
<p>22</p>	<p>A corporate finance adviser must assess and have reasonable grounds to be satisfied that a listing applicant is suitable for listing, taking into account any material issues identified as relevant for the assessment.</p>
<p>23 (a) & (e)</p>	<p>Without prejudice to the requirements as set out in paragraph 8 and subject to paragraph 24, a corporate finance adviser must, at a minimum, in performing due diligence:</p> <p style="padding-left: 40px;">(a) verify material representations:</p> <p style="padding-left: 80px;">(i) where the listing applicant is a collective investment scheme constituted as a trust or is a business trust, made by its manager or trustee-manager respectively, with relevant persons of appropriate authority and with appropriate knowledge of the</p>

	<p>listing applicant, and its manager or trustee-manager (as applicable); or</p> <p>(ii) in other cases, made by the listing applicant, with relevant persons of appropriate authority and with appropriate knowledge of the listing applicant;</p> <p>(e) where material issues are involved,</p> <p>(i) review relevant underlying records and supporting documents (for example, invoices, contracts signed with key customers, financial statements, title deeds and regulatory approvals; and</p> <p>(ii) obtain additional information from third-party sources (for example, public records or other databases) or appoint third parties to perform relevant checks, where appropriate.</p>
<p>26 (b)</p>	<p>This independent review referred to in paragraph 25 must examine the bases of all opinions, assurances and conclusions arrived at by the transaction team, which have a material bearing on the suitability of the listing applicant for listing;</p>
<p>32 (b) & (c)</p>	<p>Without prejudice to the generality of paragraph 31, a corporate finance adviser must, in relation to the report referred to in paragraph 31:</p> <p>(b) where there are any material discrepancies in the report and the other information known to the corporate finance adviser or any material omissions, conduct follow up investigation, including, where necessary, engaging an independent party to conduct a review of the report and the information known to the corporate finance adviser, to assess whether the information in the expert report can be relied upon and should be incorporated in the listing application;</p> <p>(c) Assess whether material bases, assumptions and qualifications (such as significant accounting policies and estimates in the case of financial information) in the report</p>

	are fair, reasonable and complete, to the extent a non-expert could make such an assessment.
33	<p>Prior to the submission of the listing application and before the listing applicant's admission to the Specified Approved Exchange, a corporate finance adviser must have reasonable grounds to be satisfied:</p> <p>(b) with the completeness of information in the listing application including that all material information from due diligence performed is disclosed in the listing application;</p>

Question 3. MAS seeks views on the considerations to be taken into account when assessing materiality of the abovementioned requirements. In your response, please state which specific requirement you are providing feedback on and the materiality considerations or examples for the requirement.

3.3 The proposed requirements will apply to corporate finance advisory engagements which are entered into on or after the date of commencement of the Notice.

Annex A

Notice No. : SFA XX-NXX

Issue Date : XX

NOTICE ON DUE DILIGENCE REQUIREMENTS FOR CORPORATE FINANCE ADVISERS

Introduction

1 This Notice is issued pursuant to section 101 of the Securities and Futures Act (Cap. 289) (the “Act”) and applies to holders of a capital markets services licence to advise on corporate finance and persons exempt from holding a capital markets services licence under section 99(1)(a), (b) or (c) of the Act to advise on corporate finance (each a “corporate finance adviser”).

2 Paragraphs 7 to 20 of this Notice apply when a corporate finance adviser advises on corporate finance, where such advice is provided in respect of engagements to advise on corporate finance entered into by the corporate finance adviser on or after [date].

3 Paragraphs 21 to 33 of this Notice additionally apply when a corporate finance adviser advises on corporate finance in the capacity of an issue manager on:

- (a) an initial public offering on a Specified Approved Exchange; or
- (b) a reverse takeover or very substantial acquisition entered or to be entered into by an entity listed on a Specified Approved Exchange or a trustee on behalf of a trust listed on a Specified Approved Exchange,

where such advice is provided in respect of engagements to advise on corporate finance entered into by the corporate finance adviser on or after [date].

Definitions

4 For the purposes of this Notice –

“Catalist” means the board of the Specified Approved Exchange known as “Catalist”;

“Catalist Rules” means the rules governing the activities of entities admitted to Catalist, as may be modified from time to time;

“controlling shareholder” means a person who –

- (a) has an interest or interests in one or more voting shares (excluding treasury shares) in a corporation; and the total votes attached to that share, or those shares, is not less than 15% of the total votes attached to all the voting shares (excluding treasury shares) in the corporation; or
- (b) in fact controls the corporation;

“controlling unitholder” means a person who –

- (a) holds directly or indirectly 15% or more of the nominal amount of all voting units in the property fund; or
- (b) in fact exercises control over the property fund;

“executive officers” means the management team (excluding directors) of an issuer, REIT manager, or trustee manager, as the case may be, including its chief executive officer, chief financial officer, chief operating officer, chief information or cyber security officer and any other individual, regardless of title, who:

- (a) performs or has the capacity to perform any function or responsibility equivalent to that of the foregoing persons; or
- (b) is responsible for ensuring that the issuer complies with its obligations under the listing rules;

“expert” means a person with such scientific, technical or other specialised knowledge based on training, study or experience;

“listing applicant” means:

- (a) a collective investment scheme constituted as a trust, or business trust:
 - (i) whose units are, wholly or partly, the subject of an application for listing on the Specified Approved Exchange; or
 - (ii) whose units are listed on a Specified Approved Exchange, and on whose behalf an application to enter into a reverse takeover or very substantial acquisition has been made; or
- (b) any entity:
 - (i) whose securities are, wholly or partly, the subject of an application for listing on the Specified Approved Exchange; or
 - (ii) who is listed on a Specified Approved Exchange and is applying to enter into a reverse takeover or very substantial acquisition;

“listing application” means the application submitted to a Specified Approved Exchange by or on behalf of the listing applicant to the Specified Approved Exchange for:

- (a) listing on the Specified Approved Exchange; or
- (b) entering into a reverse takeover or very substantial acquisition;

“listing rules” means the Mainboard Rules or the Catalist Rules;

“Mainboard” means the board of the Specified Approved Exchange known as the “Mainboard”;

“Mainboard Rules” means the rules governing the activities of entities or trusts admitted to the Mainboard, as may be modified from time to time;

“reverse takeover” means a transaction that is classified as a reverse takeover either under Rule 1015(1) of the Mainboard Rules or Rule 1015(1) of the Catalist Rules, as may be modified from time to time;

“related corporation” has the same meaning as in section 2 of the Act;

“senior management” in relation to the corporate finance adviser, means a person who is employed by, or acting for or by arrangement with, the corporate finance adviser, and who is principally responsible for the day-to-day management of the relevant functions which advise on corporate finance;

“Specified Approved Exchange” means the Singapore Exchange Securities Trading Limited;

“third party service provider” means a service provider who is engaged by the corporate finance adviser and performs specific due diligence work for, and/or on behalf of the corporate finance adviser;

“transaction team” means the representatives appointed by a corporate finance adviser to advise on corporate finance on behalf of the corporate finance adviser in relation to a specific transaction; and

“very substantial acquisition” means a transaction that is classified as a very substantial acquisition under Rule 1015(1) of the Mainboard Rules or Rule 1015(1) of the Catalist Rules.

5 The expressions used in this Notice shall, except where defined in this Notice or where the context otherwise requires, have the same meanings as in section 2 of the Act.

6 Section 4 of the Act shall apply for the purposes of determining whether a person has an interest in securities or securities-based derivatives contracts under this Notice.

PART I – GENERAL REQUIREMENTS

Implementing Policies, Procedures and Controls

- 7 A corporate finance adviser must:
- (a) develop and implement policies, procedures and controls to meet all the requirements of this Notice;
 - (b) monitor the implementation of such policies, procedures and controls; and
 - (c) periodically consider the need to enhance these policies, procedures and controls, and where necessary, undertake such enhancement.

Acting with Due Care, Skill and Diligence

- 8 A corporate finance adviser must act with due care, skill and diligence when advising on corporate finance, including:
- (a) exercising reasonable judgement in determining the nature and extent of due diligence work to be performed for a transaction;
 - (b) making an assessment of the accuracy and completeness of statements, confirmations and representations made, or other information given by its customer or other persons in connection with a transaction (collectively, the “**Information**”);
 - (c) monitoring, during the course of the transaction, other information obtained and developments in relation to the customer or transaction, that contradict or bring into question the reliability of such Information; and
 - (d) conducting the appropriate verification of such Information.

Managing Conflicts of Interest

- 9 A corporate finance adviser must identify, mitigate and disclose to its customers potential, actual or perceived material conflicts of interest between the interests of its customers, and the interests of the corporate finance adviser or its related corporation. This includes assessing existing relationships that the

corporate finance adviser (including any person who is a controlling shareholder, director, employee, or representative) or its related corporation has with its customers, whether these relationships give rise to conflicts of interest and if so, how such conflicts can be mitigated.

10 Where a corporate finance adviser is not reasonably satisfied that it is able to mitigate the conflicts, it must:

- (a) in the case of a new engagement, decline to accept the new engagement; or
- (b) in the case of a transaction for which it is already engaged, cease to provide advice on corporate finance.

11 Where a corporate finance adviser or its related corporations also conduct other activities in relation to the offering process, or the capital markets products offered (for example, allocation of the product offered, issuance of research report on the product offered), it must:

- (a) have in place controls for that other activity; and
- (b) identify and address effectively potential conflicts of interest arising from its involvement in that other activity and its business in advising on corporate finance.

12 A corporate finance adviser must ensure that there are effective safeguards to prevent the disclosure of confidential or price sensitive information by its directors, employees, or representatives or other agents (“**Personnel**”) who receive such information when carrying on activities in relation to the corporate finance adviser’s business in advising on corporate finance, to Personnel carrying on other activities. The safeguards must at least cover the following:

- (a) physical segregation and segregation of roles between Personnel carrying on activities in relation to the corporate finance adviser’s business in advising on corporate finance, and Personnel who carry on other activities; and

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- (b) restriction of Personnel's access to confidential or price sensitive information to a need-to-know basis.

13 A corporate finance adviser must:

- (a) monitor dealing in capital markets products by its directors, employees or representatives (who carry on activities in relation to advising on corporate finance) for their own account; and
- (b) ensure that such directors, employees or representatives are restricted from dealing in capital markets products for their own account, where:
 - (i) they have access to price sensitive or other confidential information received in the course of carrying on activities in relation to the corporate finance adviser's business in advising on corporate finance; or
 - (ii) where such dealing is in conflict with the interest of the corporate finance adviser's customer.

Governance and Supervision

14 The corporate finance adviser must:

- (a) ensure that it has put in place an adequate framework for senior management to have oversight over matters including, but not limited to:
 - (i) acceptance of an engagement to act as a corporate finance adviser;
 - (ii) appointment of the transaction team, and any subsequent changes to such appointment; and
 - (iii) the proposed due diligence plan for each specific transaction, and any material departures from such due diligence plan; and
- (b) ensure adequate supervision, management and review of the performance of the representatives who advise on corporate finance, including in relation to their performance of due diligence work for each specific transaction.

15 A corporate finance adviser must:

- (a) identify reportable matters to senior management;
- (b) set out clear and effective reporting lines to escalate reportable matters; and
- (c) monitor the resolution of reportable matters.

16 For the purposes of paragraph 15, the reportable matters refer to material issues relating to non-compliance with the Act, this Notice, listing rules and other relevant legal and regulatory requirements, conflicting information from a customer or other persons, suspicious circumstances, difficult or sensitive issues or any other material issues that may be prejudicial to the transaction.

17 Taking into consideration the nature, scale and complexity of each specific transaction, a corporate finance adviser must ensure that the representatives on the transaction team advising on each specific transaction collectively possess the appropriate knowledge, skills and experience to advise on corporate finance for that specific transaction.

Keeping Records

18 A corporate finance adviser must, in relation to all data, documents and information that the corporate finance adviser is required to obtain or produce to meet the requirements under this Notice, prepare, maintain and retain records of such data, documents and information.

19 Without prejudice to the generality of paragraph 18, a corporate finance adviser must maintain records of –

- (a) evidence of the requirements in paragraph 7 having been met (in relation to the development, implementation, monitoring of implementation and enhancement of policies, procedures and controls to meet all the requirements of this Notice);

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- (b) evidence of the requirements in paragraphs 9, 10, 11, 12 and 13 having been met (in relation to the identification, mitigation and disclosure of all conflicts of interests);
 - (c) evidence of the requirements in paragraph 14 having been met;
 - (d) in relation to any due diligence proposed or conducted –
 - (i) the due diligence plan specifying the scope of due diligence to be performed, resourcing and relevant skill sets of persons needed to implement the plan;
 - (ii) the due diligence procedures performed and the findings of such due diligence;
 - (iii) the corporate finance adviser’s assessment of these findings;
 - (iv) evidence of the requirements in paragraphs 23, 24, 27, 29, 30, 31 and 32 having been met where applicable; and
 - (v) evidence of independent investigations of allegations or complaints as required in paragraph 28, where applicable;
 - (e) the bases for the opinions, assurances and conclusions in relation to the advising on corporate finance, which are material to the transaction, including internal discussions and any actions taken prior to these opinions and assurances being given or conclusions being reached;
 - (f) all reportable matters referred to in paragraph 16, discussions with senior management on such reportable matters, and actions taken to resolve such reportable matters as required in paragraph 15; and
 - (g) the review of the listing application carried out by persons independent of the transaction team as required in paragraph 25, where applicable.

20 The records referred to in paragraphs 18 and 19 must be kept by the corporate finance adviser for a period of at least 5 years from the date that the corporate finance transaction was completed, terminated or otherwise concluded, as the case may be.

PART II – LISTING APPLICANTS

Advising the Listing Applicant on Regulatory Requirements

21 A corporate finance adviser must advise and guide:

- (a) where the listing applicant is a collective investment scheme constituted as a trust or is a business trust, its manager or trustee-manager respectively and their directors; or
- (b) in other cases, the listing applicant and its directors;

as to their duties and responsibilities under the Act and other relevant regulatory requirements, including under the listing rules, subject to the terms of the agreement between the corporate finance adviser and its customer.

Understanding the Listing Applicant and Performing Appropriate Verification

22 A corporate finance adviser must assess and have reasonable grounds to be satisfied that a listing applicant is suitable for listing, taking into account any material issues identified as relevant for the assessment.

23 Without prejudice to the requirements set out in paragraph 8 and subject to paragraph 24, a corporate finance adviser must, at a minimum, in performing due diligence:

- (a) verify material representations:
 - (i) where the listing applicant is a collective investment scheme constituted as a trust or is a business trust, made by its manager or trustee-manager respectively, with relevant persons of appropriate authority and with appropriate knowledge of the listing applicant, and its manager or trustee-manager (as applicable); or
 - (ii) in other cases, made by the listing applicant, with relevant persons of appropriate authority and with appropriate knowledge of the listing applicant;

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- (b) conduct background checks on the listing applicant, its related corporations, directors, executive officers and controlling shareholders; and
 - (c) monitor, during the course of the transaction, information obtained and developments related to the transaction or listing applicant, and assess the impact of such information or developments on the suitability of the listing applicant for listing; and
 - (d) inspect key physical assets, and interview major business customers and other stakeholders (for example, key suppliers, creditors, counterparties or bankers); and
 - (e) where material issues are involved,
 - (i) review relevant underlying records and supporting documents (for example, invoices, contracts signed with key customers, financial statements, title deeds and regulatory approvals); and
 - (ii) obtain additional information from third-party sources (for example, public records or other databases) or appoint third parties to perform relevant checks, where appropriate.

24 In the case of a reverse takeover or a very substantial acquisition, a corporate finance adviser must also perform the due diligence as described in paragraph 23, where appropriate, on the entity or trust who will be acquired by the listing applicant, as though the entity or trust were the listing applicant.

25 A corporate finance adviser must ensure that:

- (a) there is a review of the due diligence performed for each listing application prepared by a transaction team; and
- (b) such a review is carried out in accordance with paragraph 26 by persons who are independent of the transaction team and have appropriate seniority, knowledge, skills and experience.

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- 26 This independent review referred to in paragraph 25 must examine:
- (a) the outcome of the due diligence performed by the transaction team;
 - (b) the bases of all opinions, assurances and conclusions arrived at by the transaction team, which have a material bearing on the suitability of the listing applicant for listing; and
 - (c) the identification and resolution of all reportable matters as required in paragraph 15.
- 27 Where a corporate finance adviser engages a third party service provider to perform specific due diligence work, the corporate finance adviser remains responsible for the work done and must:
- (a) assess independently whether the third party service provider has the necessary knowledge, skills and experience for the work to be performed;
 - (b) set out clearly the scope and extent of the work to be performed by the third party service provider;
 - (c) assess independently, the work performed by the third party service provider to determine whether sufficient due diligence has been conducted or if further due diligence is required; and
 - (d) assess independently whether the results of the work should be set out in the listing application.
- 28 Where a corporate finance adviser receives or is made aware of any allegations or complaints against:
- (a) where the listing applicant is a collective investment scheme constituted as a trust or is a business trust, the listing applicant, its controlling unitholders, its manager or trustee-manager (as applicable), or the directors, executive officers or controlling shareholders of the manager or trustee-manager (as applicable); or
 - (b) in other cases, the listing applicant, its directors, executive officers or controlling shareholders,

the corporate finance adviser must independently investigate the allegations or complaints and assess whether these have a bearing on the accuracy or adequacy of information provided by the manager, the trustee-manager or the listing applicant (as applicable) or affect the suitability of the listing application.

Relying on Experts

29 A corporate finance adviser must have reasonable grounds to be satisfied with the knowledge, skills and experience, as well as the qualifications and independence of any expert appointed by the listing applicant (or in the case where the listing applicant is a collective investment scheme constituted as a trust or is a business trust, its manager or trustee-manager, respectively) for the purposes of providing an expert's opinion in connection with the listing application.

30 The corporate finance adviser must review and advise (to the extent a non-expert could make such an assessment) the customer whether the scope of services proposed by the expert referred to in paragraph 29 adequately addresses the opinion to be provided by the expert, and propose to the customer additional services or due diligence where the corporate finance adviser is of the view that it is necessary in a particular case.

31 A corporate finance adviser must satisfy itself that its reliance on the conclusions or opinions of any report prepared by an expert referred to in paragraph 29 is reasonable.

32 Without prejudice to the generality of paragraph 31, a corporate finance adviser must, in relation to the report referred to in paragraph 31:

- (a) review the report critically, and compare the information in the report against the entirety of all other information known to the corporate finance adviser obtained through due diligence and its own knowledge of and experience with:
 - (i) where the listing applicant is a collective investment scheme constituted as a trust or is a business trust, the listing applicant, and

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- its manager or trustee-manager (as applicable) as well as the directors, executive officers or controlling shareholders of its manager or trustee-manager (as applicable);
 - (ii) in other cases, the listing applicant, its directors, executive officers or controlling shareholders;
 - (b) where there are any material discrepancies in the report and the other information known to the corporate finance adviser or any material omissions, conduct follow up investigation, including, where necessary, engaging an independent party to conduct a review of the report and the information known to the corporate finance adviser, to assess whether the information in the expert report can be relied upon and should be incorporated in the listing application; and
 - (c) assess whether material bases, assumptions and qualifications (such as significant accounting policies and estimates in the case of financial information) in the report are fair, reasonable and complete, to the extent a non-expert could make such an assessment.

Admission of the Listing Applicant

33 Prior to the submission of the listing application and before the listing applicant's admission to the Specified Approved Exchange, a corporate finance adviser must have reasonable grounds to be satisfied:

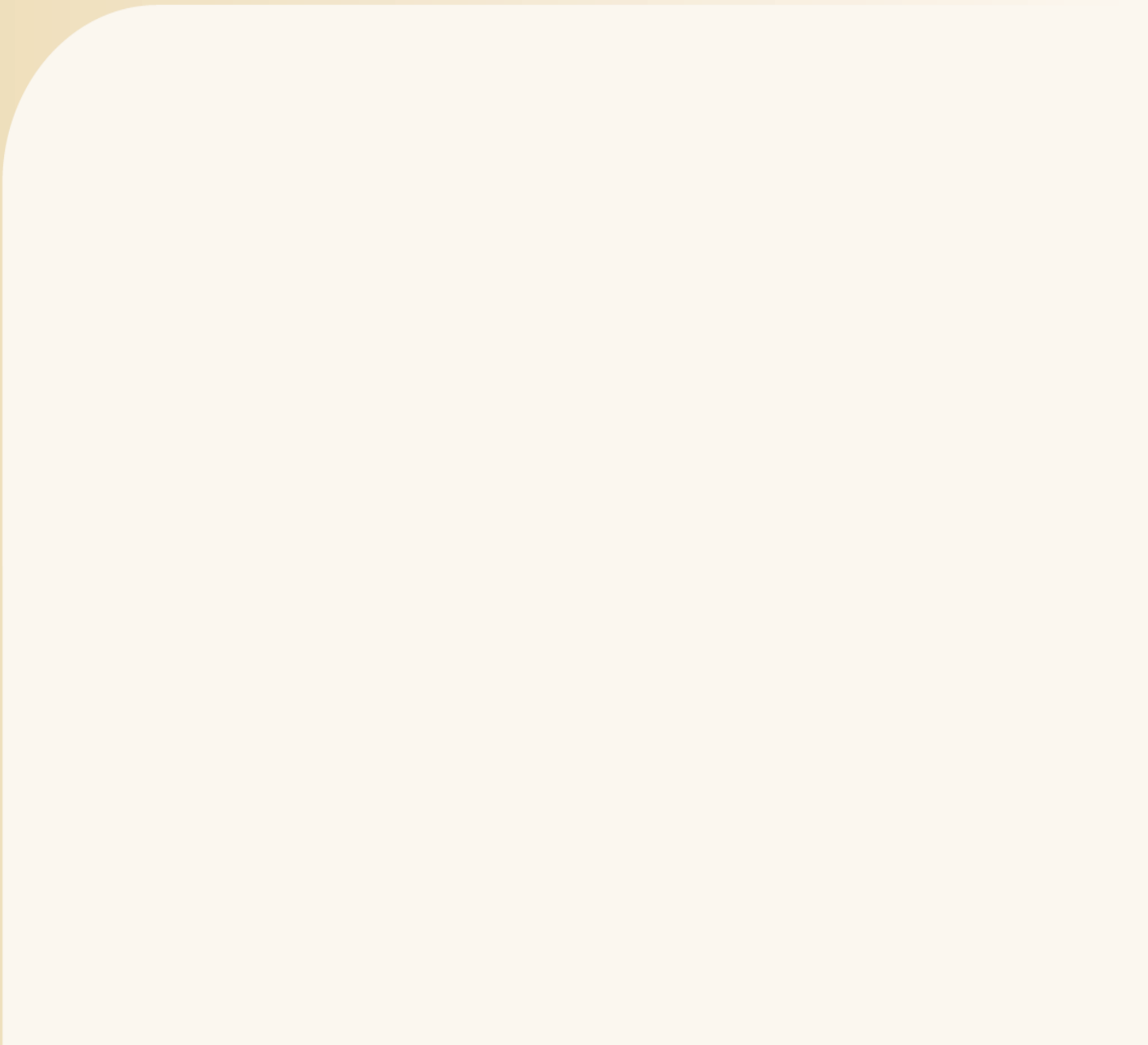
- (a) with the outcome of the due diligence performed;
- (b) with the completeness of information in the listing application including that all material information from the due diligence performed is disclosed in the listing application;
- (c) that any issues highlighted through the independent review described in paragraph 26 has been resolved by the relevant transaction team;
- (d) that the listing applicant is compliant with all relevant listing requirements under the listing rules;
- (e) that the listing applicant (or in the case where the listing applicant is a collective investment scheme constituted as a trust or is a business trust, its manager or trustee-manager, respectively) has established

procedures, systems and controls (including accounting and management systems) which, on an ongoing basis:

- (i) enable the listing applicant, and the directors of the listing applicant (or in the case where the listing applicant is a collective investment scheme constituted as a trust or is a business trust, the directors of its manager or trustee-manager, respectively) to comply with the listing rules and other relevant legal and regulatory requirements applicable to the activities of the listing applicant; and
 - (ii) provide a reasonable basis for the directors of the listing applicant (or in the case where the listing applicant is a collective investment scheme constituted as a trust or is a business trust, the directors of its manager or trustee-manager, respectively) to make a proper assessment of the financial position and prospects of the listing applicant; and
- (f) that the directors of the listing applicant (or in the case where the listing applicant is a collective investment scheme constituted as a trust or is a business trust, the directors of its manager or trustee-manager, respectively) collectively have the experience and qualifications to:
- (i) manage the listing applicant's business; and
 - (ii) ensure the listing applicant complies with its obligations under the listing rules and other relevant legal and regulatory requirements applicable to the activities of the listing applicant; and
- (g) that each director of the listing applicant possesses the relevant experience and qualifications to allow him to discharge his director's obligations under the listing rules.

Effective Date

34 This Notice shall take effect on [date].



Monetary Authority of Singapore