

## **PRESS STATEMENT**

### **SECURITIES INDUSTRY COUNCIL ISSUES DRAFT REVISED SINGAPORE CODE ON TAKE-OVERS AND MERGERS (“TAKE-OVER CODE”)**

Singapore, 9 May 2001 – The Securities Industry Council (“SIC”) today issued a draft revised Take-over Code for public comment. The draft Take-over Code follows a consultation paper put out by the SIC in November 1999 to solicit feedback on proposed changes to be made to the existing Take-over Code.

Respondents to the November 1999 consultation paper supported most of the proposed changes, and suggested alternatives in some areas. The draft revised Take-over Code has taken in their comments. In addition, the SIC has adopted certain best practices from other jurisdictions when redrafting the Take-over Code.

Key proposals in the draft Take-over Code but not covered in the earlier consultation paper include the following:-

- to require an offer be kept open for at least 42 days, compared with 21 days now. The proposed offer timetable would give more time for the offeree board and offeree shareholders to consider an offer as well as for competing offers to emerge;
- to waive the requirement for a general offer where an upstream company shareholder acquires effective control of a downstream company pursuant to a distribution of the upstream company's shareholdings in the downstream company to its shareholders, subject to approval of a whitewash resolution by the downstream company shareholders.

The SIC invites the public to give their views and comments on the additional proposed revisions as well as the detailed changes to the Take-over Code, both of which are available on the MAS website at <http://www.mas.gov.sg>.

Written comments can be submitted either by post or electronic mail to the SIC by Friday, 8 Jun 2001.

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### **Note to Editors**

A “whitewash resolution” refers to a resolution to be approved by shareholders at a general meeting to waive their rights to receive a take-over offer.