



AMENDMENT

NOTICE UNDER THE SECURITIES MARKETS ORDER, 2013

EFFECTIVE DATE 1 JUNE 2018

NOTICE NO. CMU/N-3/2017/8 – AMENDMENT NO.1

NOTICE ON OFFERING OF DEBENTURES

1. INTRODUCTION

- 1.1 This Notice is issued pursuant to section 239(1) of the SMO and applies to any distributors who wish to offer for subscription or purchase, or make an invitation to subscribe for or purchase debentures to Sophisticated Investors in Brunei Darussalam.

[Amendment Notice No.1 dated 1 June 2018]

- 1.2. This Notice does not apply to public offering of securities pursuant to Section 116 of the SMO.

[Amendment Notice No.1 dated 1 June 2018]

- 1.3 Any provisions under the SMO which are inconsistent with the requirements in this Notice are deemed to have been varied by this Notice.

- 1.4 This Notice shall take effect on 13 December 2017.

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2. DEFINITIONS

- 2.1 For the purposes of this Notice, the following terms shall have the following meanings, except where the context otherwise requires:-

"Authority" means Autoriti Monetari Brunei Darussalam;

"distributor" means a CMSL holder licenced to conduct the regulated activity of dealing in investments under the SMO;

"Sophisticated Investors" means any person who falls within any of the specific classes of investors specified in section 20 of the SMO;

[Amendment Notice No.1 dated 1 June 2018]

"SMO" means the Securities Markets Order, 2013 and any regulations or other subsidiary legislation made thereunder;

"SMR" means the Securities Markets Regulations, 2015.

- 2.2 Any expression used in this Notice shall, except where expressly defined in this Notice or where the context requires, have the same meaning as in the SMO.

3. PURPOSE

- 3.1 The purpose of this Notice is to impose additional requirements on distributors whom wish to offer for subscription or purchase, or make an invitation to subscribe for or purchase debentures to Sophisticated Investors in Brunei Darussalam.

[Amendment Notice No.1 dated 1 June 2018]

4. **ADDITIONAL REQUIREMENTS**

- 4.1 A distributor shall ensure that any invitations or inducements to subscribe for or purchase debentures must be clearly communicated and directed to the Sophisticated Investors only.
- 4.2 A distributor shall, at all times, exercise due diligence in carrying out its functions and duties and in safeguarding the rights and interest of Sophisticated Investors.

[Amendment Notice No.1 dated June 2018]

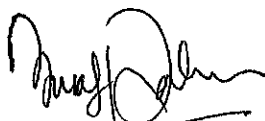
- 4.3 Pursuant to regulation 44 of the SMR, a distributor shall ensure the suitability of any debenture offered to Sophisticated Investors.

[Amendment Notice No.1 dated June 2018]

- 4.4 A distributor shall have in place a set of internal procedures to ensure client suitability.

5. **SUBMISSION OF FORMS, DOCUMENTS AND ANY OTHER INFORMATION**

- 5.1 A distributor is required to complete and submit the form and documents specified in the Notice on the Notification on Private Offering and Exempt Securities and Transactions.
- 5.2 Notwithstanding paragraph 5.1, a distributor is required to submit any additional documents and any other information as may be determined by the Authority.



MANAGING DIRECTOR

AUTORITI MONETARI BRUNEI DARUSSALAM

Issue Date: 20 Ramadhan 1439/ 5 June 2018