

# AMBIF Bond, Note, and *Sukuk* Issuance Process in Malaysia



This chapter describes the regulatory processes and necessary steps to be observed for the issuance of PDS and *sukuk* to Sophisticated Investors in Malaysia.<sup>3</sup>

## Overview of Regulatory Processes

### Regulatory Processes by Corporate Issuer Type

Since 15 June 2015, the Lodge and Launch Framework promulgated by the SC has allowed potential issuers of bonds, notes, and *sukuk* aimed at Sophisticated Investors (professional investors) to simply lodge with the SC the stipulated issuance documentation and disclosure items, and then launch the bond, note, or *sukuk* issuance. There are no distinctions in the process under the Lodge and Launch Framework for particular corporate issuer types. The only notable distinction is that issuers qualifying as multilateral development banks are required to lodge the required information directly with the SC, without the involvement of a Principal Adviser.

Foreign issuers intending to issue MYR-denominated bonds, notes, or *sukuk* aimed at Sophisticated Investors require prior approval from BNM under the FEA rules. BNM also needs to approve the issuances by resident issuers of FCY-denominated bonds, notes, or *sukuk*.

Details of the individual regulatory processes are further explained in this section.

Table 2 provides an overview of these regulatory processes by corporate issuer type. In order to make the issuance processes by issuer type more comparable across ASEAN+3 markets, the table features common issuer type distinctions that are evident in regional markets. Not all markets will distinguish all such issuer types.

### Regulatory Process Map: Overview

The regulatory process map may help with the navigation of the applicable regulatory processes to be applied to a given proposed bond, note, or *sukuk* issuance (Figure 1).

In the Malaysian market, issuers of proposed bonds, notes, or *sukuk* are required to appoint an underwriter, officially referred to as a Principal Adviser, in applicable regulations. A Principal Adviser needs to be registered with the SC.

<sup>3</sup> The official term for PDS in the CMSA is debentures.

Table 2: Regulatory Processes by Corporate Issuer Type

| Type of Corporate Issuer   | SC | BNM            | BMS |
|--|----|----------------|-----|
| Resident issuer  |    |                |     |
| Resident nonfinancial institution                                  | O  | X <sup>1</sup> | X   |
| Resident financial institution                                     |    |                |     |
| Resident issuing FCY-denominated bonds, notes, and <i>sukuk</i>    |    | X <sup>2</sup> |     |
| Nonresident issuer   |    |                |     |
| Nonresident nonfinancial institution                               | O  | X              | X   |
| Nonresident financial institution                                  |    | X              |     |
| Nonresident issuing FCY-denominated bonds, notes, and <i>sukuk</i> |    |                |     |

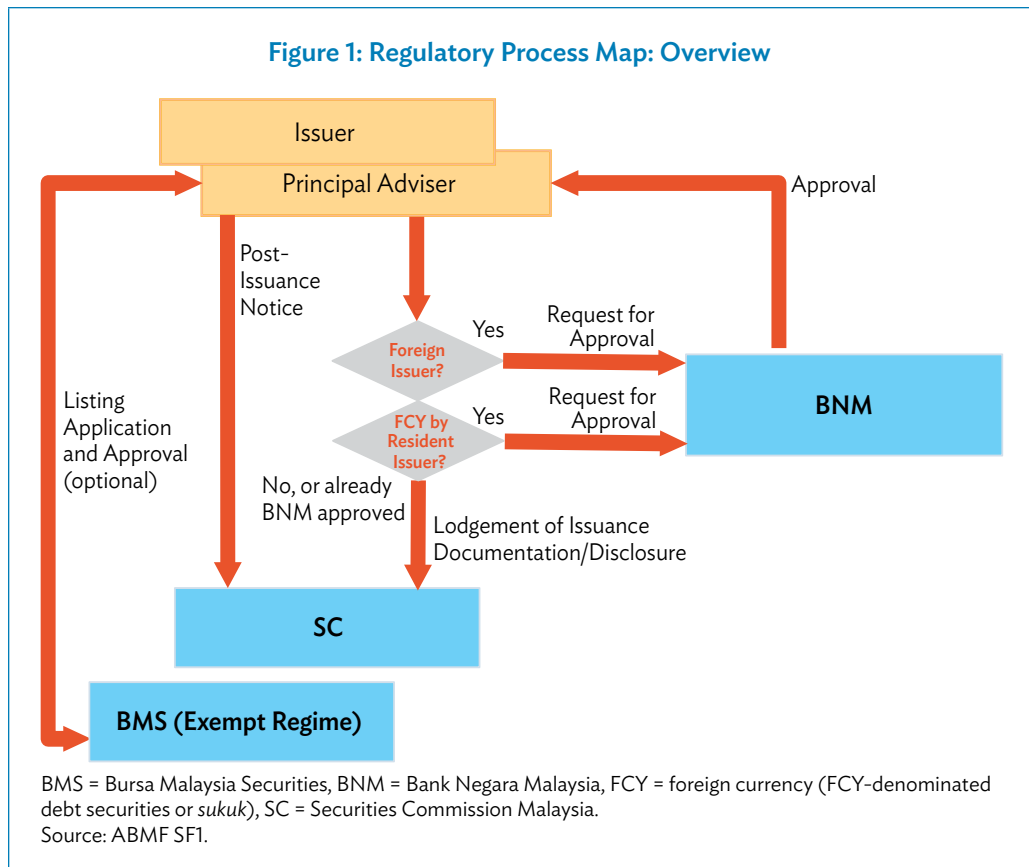
BMS = Bursa Malaysia Securities, BNM = Bank Negara Malaysia, FCY = foreign currency, SC = Securities Commission Malaysia.

Notes: O indicates the need to lodge information and documents only; X indicates approval required.

<sup>1</sup> BNM approval required only if nontradable private debt securities are issued to nonresidents.

<sup>2</sup> BNM approval required under specific circumstances only; please refer to Chapter III.

Source: ABMF SF1.



An issuer of bonds, notes, or *sukuk* is expected to lodge or submit, respectively, all approval-relevant information and necessary documents to the regulatory authorities via the Principal Adviser. Only multilateral development banks are expected to lodge or submit their information directly.

## Issuance Processes in Local Currency

This section describes the issuance processes for MYR-denominated bonds, notes, and *sukuk* aimed at Sophisticated Investors only under the SC's Lodge and Launch Framework. There are no distinctions by individual corporate issuer type, only between domestic and foreign issuers. Sovereign issuers are not covered in this section.

### Issuance Process for Resident Issuer (Nonfinancial and Financial Institutions)

Since 15 June 2015, issuers have been able to issue bonds, notes, or *sukuk* aimed at Sophisticated Investors once they have lodged the required documents and information with the SC. A formal approval from the SC is not required, provided all documentation and disclosure requirements (specified in the Lodgement Kit, a supplement to the Lodge and Launch Guidelines) have been observed. The lodgement of necessary documents and information is to be done electronically, via the SC's dedicated Online Submission System.

The provisions of the Lodge and Launch Framework are also applicable for PDS and *sukuk* issued in Malaysia and offered only to investors outside Malaysia.

Figure 2 illustrates the straightforward process for bond, note, or *sukuk* issuance for a resident issuer under the Lodge and Launch Framework in Malaysia.

If a resident issuer intends to issue nontradable PDS or *sukuk* to nonresident investors only, then additional, prior approval from BNM would need to be obtained. The process of issuance approval from BNM is comparable to the corresponding approval described below.

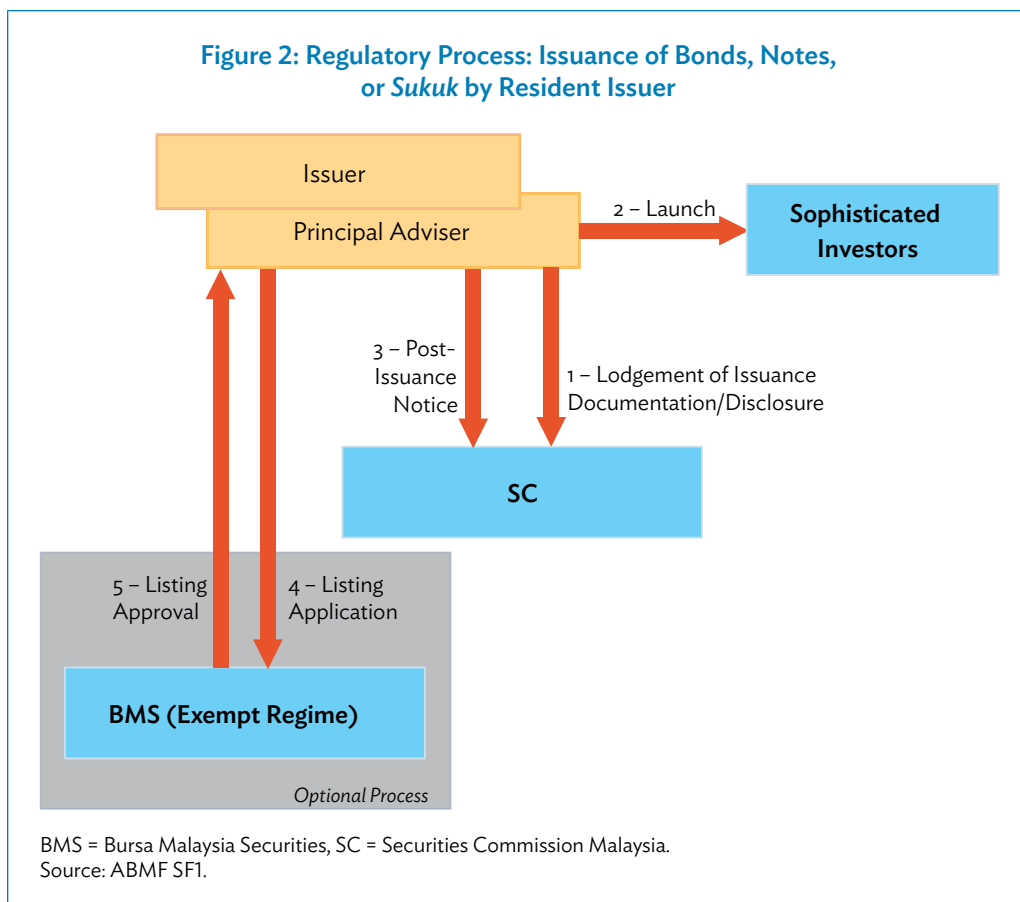
The following steps will need to be observed when a resident issuer wants to issue bonds, notes, or *sukuk* to Sophisticated Investors under the Lodge and Launch Framework.

#### Step 1: Online Submission to SC (Lodgement)

In the case of *sukuk* intended to be issued under the Lodge and Launch Framework, prior approval from the SC's Islamic Capital Market Department is required, on the Shariah aspects of the *sukuk*, before a lodgement may be done.

The lodgement is to be completed by the issuer (in the case of a multilateral development bank) or the Principal Adviser. This role is designated as the Lodgement Party. There must be a Lodgement Party at all times during the lifecycle of PDS or *sukuk* issued under this framework.

The Lodgement Party is required to identify other Responsible Parties, which are the parties involved in the issuance, and their roles and responsibilities in the context of the product issuance.



Part 3, Section 1 of the Lodgement Kit lays out the detailed information requirements to be lodged, as listed for easy reference below.<sup>4</sup> Depending on the nature of an instrument, not all requirements may be applicable for all lodgements:

1. name;
2. date of incorporation;
3. place of incorporation;
4. business registration number;
5. residence status;
6. place of listing, if applicable;
7. date of listing, if applicable;
8. state if the issuer is a Malaysian government-linked company;
9. industry sector of the issuer;
10. principal activities;
11. principal activities of issuer's subsidiaries, where applicable;
12. if the issuer is a special purpose vehicle company (SPV), state the name of the entity that established it;

<sup>4</sup> Information provided is current at the time of publication. Since the SC regularly reviews and updates its guidelines, interested parties are asked to access the latest version of the Lodgement Kit to ensure they are aware of the effective information and disclosure requirements in force. The Lodgement Kit is available on the SC website at the following link: [http://www.sc.com.my/wp-content/uploads/eng/html/resources/guidelines/lola/lodgementKit\\_lola\\_150615.pdf](http://www.sc.com.my/wp-content/uploads/eng/html/resources/guidelines/lola/lodgementKit_lola_150615.pdf)

13. authorized, issued, and paid-up capital;
14. structure of shareholdings and names of shareholders or, in the case of a public company, names of all substantial shareholders;
15. ultimate shareholder(s);
16. state if issuer is a related corporation of any Malaysian public listed company;
17. board of directors, including
  - a. National Registration Identity Card numbers for Malaysian directors and
  - b. passport numbers for non-Malaysian directors;
18. name, designation, and contact details of the contact person of the issuer;
19. name, designation, and contact details of the contact person of the key management personnel of the issuer;
20. disclosure of the following:
  - a. if the issuer or its board members have been convicted or charged with any offense under any securities law, corporation law, or other law involving fraud or dishonesty in a court of law, or if any action has been initiated against the issuer or its board members for breaches of the same for the past 10 years prior to the lodgement (or since incorporation for issuers incorporated less than 10 years); and
  - b. if the issuer has been subjected to any action by the stock exchange for any breach of the listing requirements or rules issued by the stock exchange, for the past 5 years prior to the lodgement; and
21. any other material information.

Where the PDS or *sukuk* involve originator(s), obligor(s), or corporate guarantor(s), the relevant information must also be provided on the said entities:

1. name of facility;
2. one-time issue or program;
3. Shariah principles (for *sukuk*);
4. facility description (for MYR-denominated *sukuk*, to provide description as cleared by SC);
5. currency;
6. expected facility or program size (for program, to state the option to upsize);
7. tenure of facility or program;
8. availability period for debt and *sukuk* program;
9. clearing and settlement platform;
10. mode of issue;
11. selling restrictions;
12. tradability and transferability;
13. details of security or collateral pledged, if applicable;
14. details of guarantee, if applicable;
15. convertibility of issuance;
16. exchangeability of issuance and details of the exchangeability;
17. call option and details, if applicable;
18. put option and details, if applicable;
19. details of covenants;
20. details of designated account(s), if applicable, including
  - a. names of account;
  - b. parties responsible for opening the account;
  - c. parties responsible for maintaining and operating the account;
  - d. signatories to the account;
  - e. sources and utilization of funds; and
  - f. diagram illustrating the flow of monies and conditions for disbursements;

21. name of credit rating agency, credit rating (state whether final or indicative), and amount rated, if applicable;
22. conditions precedent;
23. representations and warranties;
24. events of default or enforcement events, where applicable, including recourse available to investors;
25. governing laws;
26. provisions on buy-back, if applicable;
27. provisions on early redemption, if applicable;
28. voting;
29. permitted investments, if applicable; and
30. other terms and conditions.

Other information in relation to the lodgement includes

1. primary and secondary sources of repayment;
2. detailed breakdown of all upfront and recurring fees and expenses for the facility or program;
3. waivers from complying with the Lodge and Launch Guidelines and other relevant guidelines of the SC obtained for the facility or program, if any;
4. conflict-of-interest situations and appropriate mitigating measures, if any;
5. detailed information of the existing PDS or *sukuk* issue or loans or financing to be refinanced by the facility or program, if applicable;
6. details of approval from other relevant regulatory authorities, if any; and
7. any other material information.

Documents to be attached together with the lodgement, where applicable:

1. trust deed;
2. disclosure documents;
3. Shariah pronouncement;
4. latest audited financial statements;
5. copies of approval from other relevant regulatory authorities;
6. compliance checklist with guidelines;
7. Declaration by the Issuer
8. Declaration by the Trustee (where the appointment of trustee falls under subsection 260(2) of the CMSA);
9. Rating Letter;
10. confirmation by Principal Adviser(s);
11. diagram illustrating the *sukuk* structure with explanatory notes (for MYR-denominated *sukuk*, to provide description as cleared by SC);
12. copy of letter issued by SC in relation to the endorsement by the Shariah Advisory Council; and
13. any other documents.

The Lodgement Kit contains a template for the Declaration by the Issuer in the format prescribed by the SC.

Since the actual lodgement is done via the SC Online Submission System, the prescribed documents need to be scanned and uploaded via the system.

The lodgement may be done at any time prior to the launch of the product. For *sukuk*, the initial lodgement is prescribed to be done at least 10 business days prior to the targeted launch date, since it involves the approval of the Shariah aspects of the *sukuk* prior to the acceptance of the lodgement by the SC.

Each lodgement must be accompanied by the relevant fees prescribed by the SC.

Any revision to the documents or disclosure information after an initial lodgement but prior to the launch would result in the need to resubmit the full set of documentation and disclosure information, and the timeline would reset.

### Step 2: Launch of Product under the Lodge and Launch Framework

Under the Lodge and Launch Framework, no formal approval for the issuance of debt instruments or *sukuk* is required from the SC. Instead, provided that all documents and disclosure items required for a lodgement have been submitted online and were accepted by the system, the issuer and its Principal Adviser may launch the product(s), here debt securities or *sukuk*, for which the documents and information have been lodged with the SC.

In this context, the launch refers to (i) making available, (ii) offering for subscription or purchase of, or (iii) issuing an invitation to subscribe for or purchase PDS or *sukuk*. This includes any issuance, publication or release of any information, notice, or advertisement with respect to any of the activities specified above.

The debt securities and *sukuk* must be launched within 60 business days from lodgement date; otherwise, the launch authorization will be null and void, and another lodgement would have to be made. In the case of a debt or *sukuk* program, the first issuance under the program must be launched within 60 business days.

The ability to launch PDS and *sukuk* commences after the fee payment to the SC has cleared.

### Step 3: Submission of Post-Issuance Notice to the SC

Under the Lodge and Launch Framework, the Lodgement Party (issuer) must submit a post-issuance notice, as prescribed in the Lodgement Kit, to the SC within 7 business days from the date of issuance. In the case of a debt or *sukuk* program, the submission of a post-issuance notice would apply to each issuance under the program.

The contents requirements for the post-issuance notice are prescribed in the Lodgement Kit, Part 3, Section 2, and include

1. FAST facility code;
2. issue date;
3. details of PDS or *sukuk* issue(s):
  - a. FAST primary stock code;
  - b. maturity date;
  - c. currency;
  - d. Shariah principles (for *sukuk*);
  - e. identified and trust assets;
  - f. issue amount (nominal value);
  - g. issue price (cash raised);
  - h. details on interest, coupon, and profit or rental:

- i. interest, coupon, and profit or rental rate;
    - ii. payment frequency; and
    - iii. basis of calculation;
  - i. yield-to-maturity;
  - j. purchase price, where applicable;
  - k. selling price, where applicable;
  - l. mode of issue;
  - m. list of subscribers and tender panel members, and amount subscribed;
  - n. utilization of proceeds by the issuer:
    - i. purpose;
    - ii. amount utilized;
    - iii. details of conditions imposed on the utilization, including conditions imposed by the Shariah Advisory Council, if any; and
    - iv. confirmation from the Shariah Adviser that the conditions imposed on the utilization are or will be met;
  - o. name of credit rating agency, credit rating (final) and amount rated, if applicable; and
  - p. clearing and settlement platform;
- 4. designated account(s):
  - a. confirmation by the Principal Adviser that the account(s) has been opened,
  - b. confirmation by the Principal Adviser that the authorized signatories are signatories of the respective account(s), and
  - c. confirmation that account(s) is administered according to the terms;
- 5. confirmation from the Principal Adviser that
  - a. prospective investors and relevant parties have been informed of any instance where a conflict of interest may arise, together with the relevant mitigating measures, including the agreement from the board of directors of the issuer to proceed with such arrangements; and
  - b. with respect to PDS, *sukuk* issues, or debt programs issued by a private company, the PDS, *sukuk* issue, or debt program shall not constitute an offer to the public within the meaning of sub-section 4(6) of the Companies Act 1965, and are not offered or sold, directly or indirectly, other than to a person falling under Schedule 6 or paragraph 229(1)(b) and Schedule 7 or paragraph 230(1)(b), read together with Schedule 9 or sub-section 257(3) of the CMSA; and
- 6. confirmation from the Shariah Adviser dated no later than 3 business days from the issue date of the *sukuk* or the first issue under a *sukuk* program that
  - a. all documentation for the *sukuk* issuance has been vetted,
  - b. all documentation for the *sukuk* issuance has been executed in proper sequence, and
  - c. all documentation comply with Shariah requirements.

The Lodgement Party also needs to advise the SC of all parties involved in the transaction and through the lifecycle of the PDS or *sukuk*, and their roles and responsibilities. In the case of a *sukuk*, the Lodgement Party will also need to attach any necessary confirmation by the Shariah Adviser under the regulations.

The issuer must also update the SC of any revision to the principal terms and conditions after issuance through the Lodgement Party within 14 business days of the proposed revision coming into effect. Such update must follow specific information and format requirements stipulated in Appendix 4 of the Lodge and Launch Guidelines.



In addition, the issuer must ensure that the actual utilization of proceeds is consistent with the proposed use of proceeds advised at the time of lodgement.

#### Step 4: Listing Application to Bursa Malaysia Securities (Optional)

In the event an issuer wishes to list its bonds, notes, or *sukuk* for profiling in Malaysia, BMS offers the Exempt Regime listing feature. (For more details, please refer to Chapter 1.)

Issuers already listed as entities on BMS, as well as nonlisted entities, may list bonds, notes, or *sukuk* under the BMS Exempt Regime. An issuer may submit an application before or after the issuance of the bonds, notes, or *sukuk*. For a pre-issuance submission, an issuer may submit its listing application to BMS at the same time it lodges its documentation with the SC under the requirements of the Lodge and Launch Framework. However, BMS approval for listing, if granted, will be conditional upon the ability to actually launch products under the framework.

Any issuer intending to list under the BMS Exempt Regime will need to submit, through their Principal Adviser, a Listing Application, accompanied by the prescribed documentation and disclosure items.

The Exempt Regime market-specific documentation and initial disclosure requirements, which differ significantly from the requirements for retail offers on the BMS main board, need to be observed when submitting the application. These requirements are defined in Chapter 4B of the BMS Listing Rules, as well as in Part B of BMS Practice Note 26-A.

BMS charges initial and annual listing fees, as per the prevailing tariff in the Listing Rules and related conditions, which are accessible via its website. (For a link, please refer to Appendix 1.)

#### Step 5: Listing Approval from BMS

BMS will check the listing application, following the submission of the relevant information in documentation and disclosure items. BMS may, at its discretion, request from the issuer or Principal Adviser supplementary information, if so required. BMS is committed to provide a response to a listing application to the issuer or Principal Adviser within 5 business days or less.

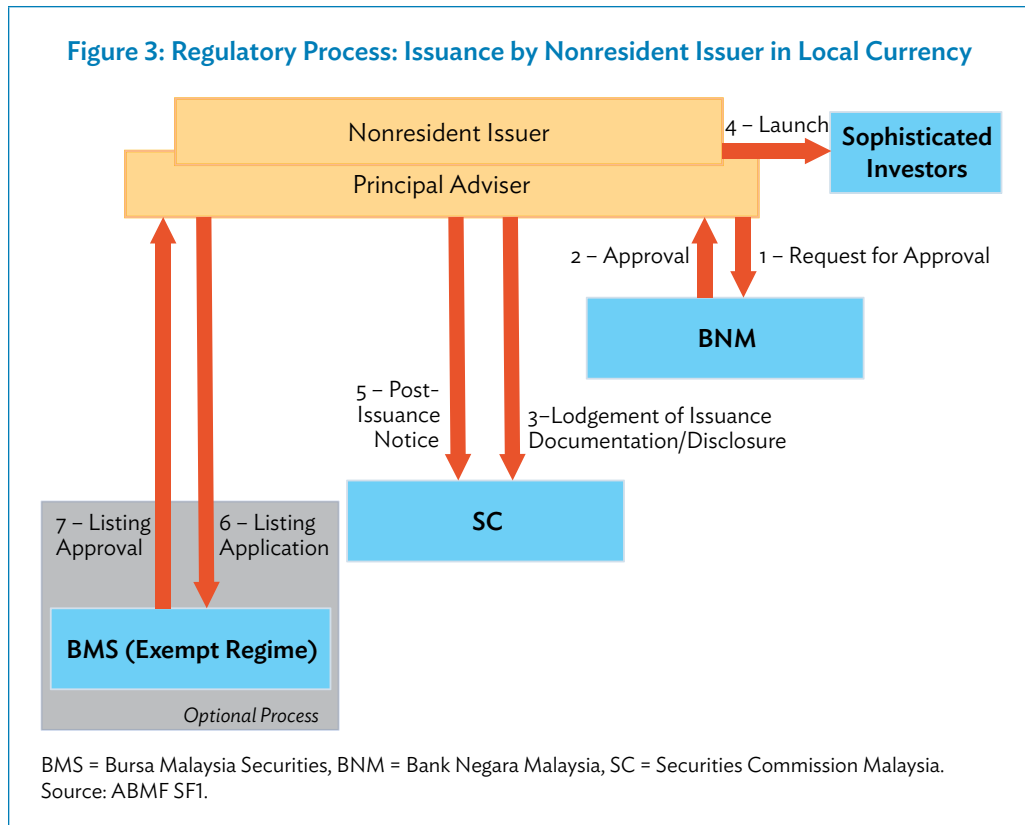
Provided that the information in the listing application and enclosed documents is in order and the review is satisfactory, BMS will issue an approval letter to the issuer or Principal Adviser, indicating that the listing has been approved, or state any conditions that may apply.

The listing approval from BMS does not have an expiry date, since the listing becomes effective once approved.

#### Issuance Process for Nonresident Issuer

A nonresident issuer must obtain approval from BNM before issuing MYR-denominated bonds, notes, or *sukuk* in Malaysia. There are no quotas or allocation of issuance amounts for nonresident issuers.

The following steps need to be observed when a nonresident issuer wants to issue bonds, notes, or *sukuk* to Sophisticated Investors under the Lodge and Launch Framework (Figure 3).



### Step 1: Submission of Application for Approval to BNM

The nonresident issuer or the Principal Adviser to the nonresident issuer of a MYR-denominated bond, note, or *sukuk* to be issued in Malaysia will need to submit an application for approval to the Foreign Exchange Administration Department at BNM.

The detailed information requirements for the application are laid out in the Appendix of the Joint Information Note on the Issuance and Subscription of Ringgit and Foreign Currency-Denominated *Sukuk* and Bonds in Malaysia, issued in July 2013 by both BNM and the SC, and are listed here for reference:<sup>5</sup>

1. profile of the issuer (e.g., business activities, country of incorporation, shareholders, board of directors, financial report);
2. credit rating of issuer and name of credit rating agency (credit rating report);
3. type of *sukuk* or bonds;
4. size of issuance;
5. currency of issuance;
6. tenure;
7. benchmark or interest rate (e.g., fixed or floating) and frequency;
8. utilization of proceeds;

<sup>5</sup> Information provided is current at time of publication. Since BNM regularly reviews and updates the regulations relevant for the bond market, interested parties are asked to access and review the latest versions of these and other detailed information requirements prior to any submission to BNM.

9. additional information to be provided if proceeds of issuance are to be on-lent wholly or partly:
  - a. name of borrower;
  - b. relationship of issuer with borrower, if any;
  - c. purpose of financing or loan utilization; and
  - d. terms of financing and loan, including amount, tenure, benchmark or interest rate, repayment period, and prepayment or callable option;
10. lead manager, lead arranger, or adviser;
11. other manager, if any;
12. guarantor or underwriter, if any;
13. listing details, if any;
14. method of issuance (e.g., open tender, book-building, or private placement);
15. past *sukuk* or bonds issuances, if any;
16. proposed hedging counterparty, if any; and
17. details of contact person in Malaysia or abroad.

The relevant transaction or offering documents accompanying the application for approval must clearly state the applicable governing law.

BNM does not levy a fee for this approval process.

#### Step 2: Approval from BNM

The Foreign Exchange Administration Department will review the application and applicable documents and may, at its discretion, require further clarification or additional information. Upon receipt of full information, BNM will respond to the application within 15 working days.

BNM will review the application and issue a formal approval or rejection letter in regard to the bond, note, or *sukuk* issuance. The approval letter contains a number of standard conditions referencing applicable laws and regulations.

The issuer is required to obtain approval from the SC for the issuance of PDS or *sukuk* within 2 years of the BNM approval. SC approval in the context of the issuance of PDS and *sukuk* to Sophisticated Investors refers to the issuer having successfully lodged the required information and disclosure items with the SC, and being able to launch the underlying product as a result.

The issuer may use the local currency proceeds from the bond, note, or *sukuk* issuance in Malaysia, or swap the proceeds into foreign currency. The swap arrangement must be undertaken with a licensed onshore bank, or back-to-back with a licensed onshore bank in Malaysia. There is no restriction on the tenure of the swap transaction.

#### Step 3: Online Submission to SC (Lodgement)

#### Step 4: Launch of Product under the Lodge and Launch Framework

#### Step 5: Submission of Post-Issuance Notice to the SC

Approval from BNM is a prerequisite for a MYR-denominated issuance by a nonresident issuer (Step 2).

The process of the lodgement with the SC of information on an intended issuance under the Lodge and Launch Framework, and the corresponding launch of a product follow the descriptions detailed above.

#### Step 6: Listing Application to BMS (Optional)

#### Step 7: Listing Approval from BMS

Completion of the lodgement with the SC (Section 1) and the corresponding launch of a product under the Lodge and Launch Framework is a prerequisite for a listing under the Exempt Regime to become effective.

The process of applying for a listing under the Exempt Regime on BMS, and the granting of such an approval by BMS follow the description above.

### Issuance Process for FCY Bonds, Notes, and Sukuk

In principle, the regulatory process for FCY-denominated PDS approval is similar to the one for a MYR-denominated issuance by a resident issuer. There is no requirement for approval from BNM.

#### Issuance Process for Resident Issuer of FCY Bonds, Notes, or Sukuk

In principle, the regulatory process for the issuance of FCY-denominated bonds, notes, or *sukuk* by a resident issuer is similar to the one for a MYR-denominated issuance by a resident issuer; in most cases, there is no requirement for approval from BNM.

As such, the regulatory process follows the description above. The profile listing under the BMS Exempt Regime is optional. See Figure 4 for reference.

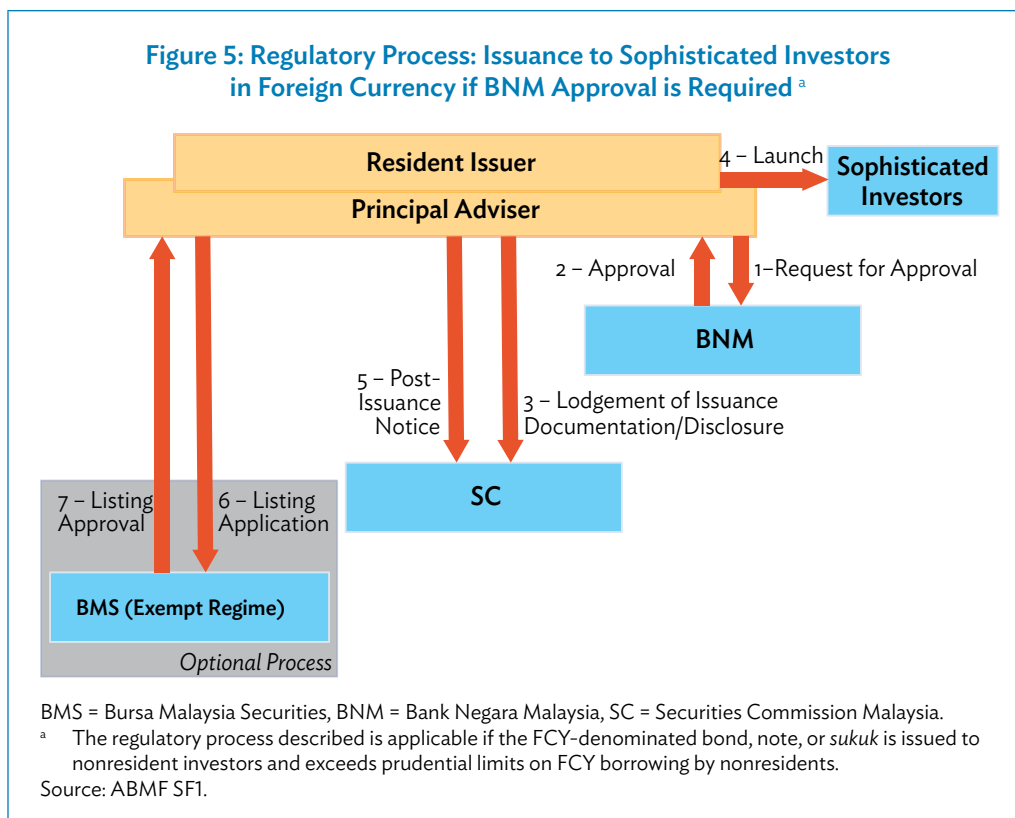
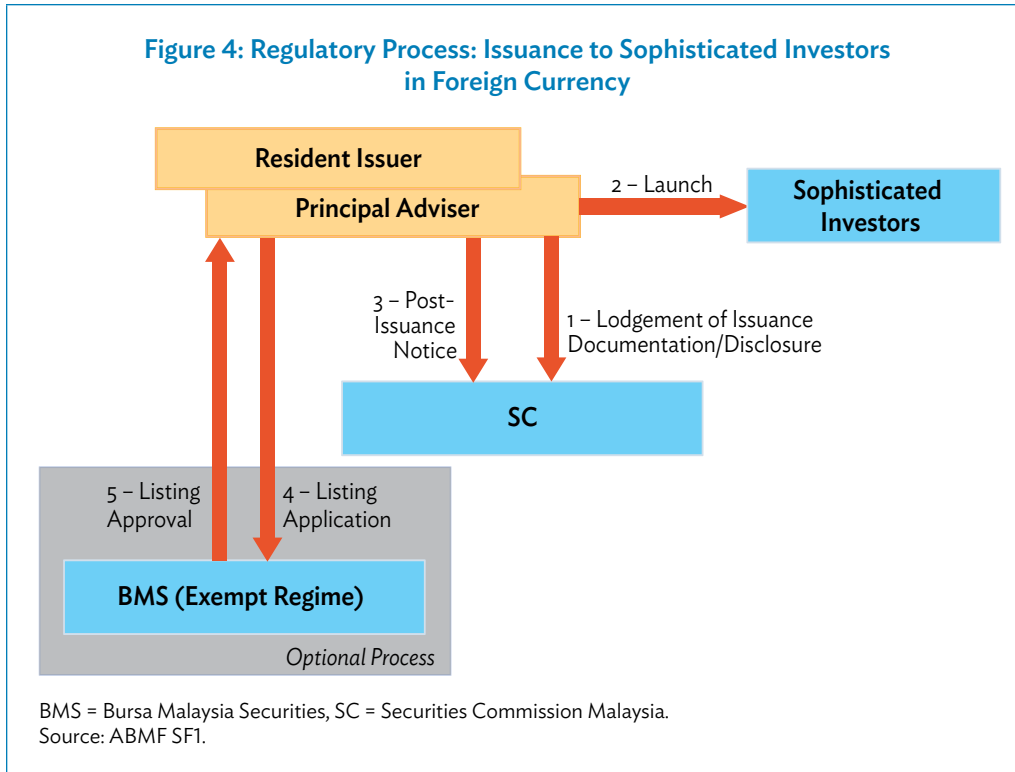
However, should the resident issuer wish to issue FCY-denominated bonds, notes, or *sukuk* to nonresident (professional) investors exceeding the prudential limit on FCY borrowing from nonresidents, the issuer will need to seek approval from BNM.

In such cases, the regulatory process follows the description of the issuance approval described above and in Figure 5. The profile listing under the BMS Exempt Regime is optional and may depend on specific issuer and investor needs.

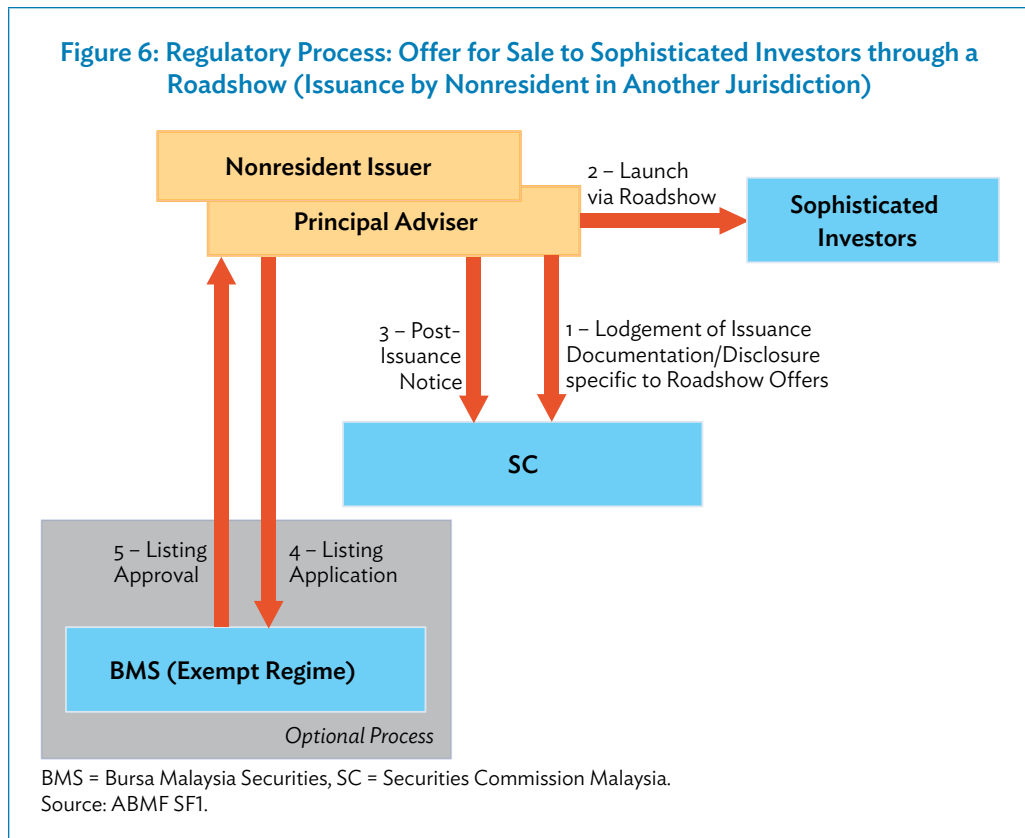
#### Offer for Sale Process for Nonresident Issuer of FCY Bonds, Notes, and Sukuk Not Issued in Malaysia (Offer for Sale through a Roadshow)

In case a nonresident issuer plans to offer for sale FCY-denominated PDS or *sukuk* issued in another jurisdiction (and offered to investors in at least one economy other than Malaysia), the issuance of FCY-denominated PDS or *sukuk* has to follow a specific process prescribed by the SC in the Lodge and Launch Guidelines and in other regulations relating to “foreign currency-denominated private debt securities or *sukuk* through a roadshow.”

The Lodge and Launch Guidelines (Part 3) and the Lodgement Kit (Part 3, Section 3) contain distinct prescriptions for these offers through a roadshow. The regulatory process itself follows the approval process outlined above; that is, a lodgement to the SC has to be



done prior to commencing the launch—or offer—of the FCY-denominated PDS or *sukuk* (Figure 6). A profile listing under the BMS Exempt Regime is optional.



While the steps outlined below are the same as for the lodgement of a MYR-denominated bond, note, or *sukuk*, the amount and level of detail of the information and disclosure items prescribed for a roadshow offer differ. Hence, the lodgement process is detailed for easy reference.

### Step 1: Online Submission to SC (Lodgement)

The lodgement process for FCY-denominated PDS or *sukuk* by a nonresident issuer through a roadshow principally follows the one described above.

At the same time, the issuance information and disclosure requirements laid out in the Lodgement Kit for this type of offer represent a concession from those described earlier. Part 3, Section 3 prescribes a smaller number of information and disclosure items:<sup>6</sup>

<sup>6</sup> Information provided is current at time of publication. Since the SC regularly reviews and updates its guidelines, interested parties are asked to access the latest version of the Lodgement Kit to ensure they are aware of the effective information and disclosure requirements in force. The Lodgement Kit is available on the SC website at the following link: [http://www.sc.com.my/wp-content/uploads/eng/html/resources/guidelines/lola/lodgementKit\\_lola\\_150615.pdf](http://www.sc.com.my/wp-content/uploads/eng/html/resources/guidelines/lola/lodgementKit_lola_150615.pdf)

1. name;
2. date of incorporation;
3. place of incorporation;
4. business registration number;
5. principal activities of the issuer;
6. board of directors of the issuer as well as their passport numbers;
7. structure of shareholdings and names of shareholders of issuer;
8. if the issuer is an SPV, state the name of the entity that established it;
9. authorized, issued, and paid-up share capital;
10. rating of the issuer, if any; and
11. name, designation, and contact details of the contact person of the issuer.

Where the issuer is an SPV, relevant information must also be provided on the ultimate entity that receives the proceeds from the issue:

1. name of facility;
2. facility description;
3. one-time issue or program;
4. Shariah principles;
5. currency;
6. selling restrictions to persons in Malaysia;
7. governing laws;
8. name, designation, and contact details of the contact person of the Malaysian adviser; and
9. other terms and conditions.

The Lodgement Party needs to also list all Responsible Parties in the roadshow and their respective roles. Disclosure documents used at the time of issuance, if any, should be enclosed in the lodgement as well. In addition, the Principal Adviser is expected to confirm the following information items at the time of lodgement:

1. the issuance satisfies the roadshow requirements as follows:
  - a. issued by a foreign issuer, and the issuer is either a corporation within the meaning of sub-section 2(1) of the CMSA or a foreign government eligible to issue, offer, or make an invitation to subscribe or purchase *sukuk*;
  - b. not originated in Malaysia; and
  - c. issued or offered to investors in Malaysia and at least one other economy; or
  - d. an invitation to subscribe or purchase made to investors in Malaysia and at least one other economy;
2. after having made all reasonable inquiries and to the best of their knowledge and belief, there is no false or misleading statement contained in the lodgement, or material information from the information that is lodged with the SC;
3. the proposal does not fall under the existing Schedule 5 of the CMSA;
4. the proposal is in full compliance with the requirements for issuance of PDS or *sukuk* under the Lodge and Launch Guidelines;
5. the issuance is in full compliance with the relevant requirements under the CMSA;
6. the issue is in full compliance with the requirements of BNM, including the Controller of Foreign Exchange (where applicable);
7. the Principal Adviser is to undertake to disclose to the SC all such information and documents as the SC may require in relation to the proposal;
8. the disclosure document that is lodged with the SC is similar to the one given to investors; and

9. the documents and information that have been submitted for purposes of lodgement are true, accurate, and complete.

#### Step 2: Launch of Product via a Roadshow

#### Step 3: Submission of Post-Issuance Notice to the SC

The launch of the product for which information was lodged under the Lodge and Launch Framework may be undertaken by the issuer and its Principal Adviser once the lodgement has been completed and the prescribed fees have been paid.

In the case of FCY-denominated issuances of PDS or *sukuk* through a roadshow, the Post-Issuance Notice must be submitted only when the PDS or *sukuk* have been issued to bond- or *sukuk*-holders in Malaysia.

At the same time, since this type of offer represents bonds, notes, or *sukuk* issued and settled in another jurisdiction, the Post-Issuance Notice need not include the FAST facility code that is otherwise required.

#### Step 4: Listing Application to BMS (Optional)

#### Step 5: Listing Approval from BMS

Completion of the lodgement with the SC (Step 1) and corresponding launch of a product under the Lodge and Launch Framework via a roadshow is a prerequisite for a listing under the Exempt Regime to become effective.

The process of applying for a listing under the Exempt Regime on BMS, and the granting of such an approval by BMS follow the description above.