

# Financial Services Bulletin

A summary of developments in the law

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Allen & Gledhill LLP also publishes the monthly Legal Bulletin. To view the January 2012 issue, please click [here](#).

## Articles

### Banking

#### Merchant banks to comply with higher paid-up capital requirements and new minimum capital adequacy ratios

Effective from 1 April 2012, merchant banks incorporated in Singapore will have to maintain a higher minimum paid-up capital. From 1 January 2013, merchant banks incorporated in Singapore will be subject to new minimum capital adequacy ratio (“**CAR**”) requirements.

Effective from 1 April 2012, a merchant bank incorporated in Singapore is required to maintain paid-up capital of not less than S\$15 million at all times (currently S\$3 million), and its capital funds must not be less than S\$15 million at all times.

From 1 January 2013, a merchant bank incorporated in Singapore is required to maintain at all times, at both the solo and group levels, a Tier 1 CAR of at least 6% and a Total CAR of at least 8%.

#### Reference materials

The materials relating to these developments are available on the MAS website [www.mas.gov.sg](http://www.mas.gov.sg). Please click on the provided links to access:

- [MAS Directive 1: Minimum Capital Requirement](#)
- [MAS Notice 1001: Definition of Capital Funds and Net Head Office Funds](#)
- [MAS Notice 1111: Notice on Risk Based Capital Adequacy Requirements for Merchant Banks Incorporated in Singapore](#)

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#### MAS issues revised MAS Notice 637 incorporating Basel disclosure requirements on remuneration

On 16 December 2011, the Monetary Authority of Singapore (the “**MAS**”) issued a revised MAS Notice 637 to Banks on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore (“**MAS Notice 637**”). The latest revisions to MAS Notice 637 are operative from 31 December 2011 and apply to Pillar 3 disclosures made after that date.

The revisions incorporate the Basel Committee on Banking Supervision’s (BCBS) Pillar 3 disclosure requirements on remuneration issued on 1 July 2011. These revisions, found in Part XI of MAS Notice 637, are intended to support the disclosure of clear, timely, and easily comparable information on remuneration practices in banks.

The proposed amendments will require Singapore-incorporated banks to disclose qualitative and quantitative information about their remuneration practices and policies covering the following areas:

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- governance structures overseeing remuneration;
- design/operation of remuneration structure and frequency of review;
- independence of remuneration for staff in risk and compliance functions;
- risk adjustment methodologies;
- the link between remuneration and performance;
- long-term performance measures (i.e. deferral, malus, clawback); and
- types of remuneration (i.e. cash or equity; fixed or variable remuneration).

### **MAS public consultation and response to feedback**

The revised MAS Notice 637 was issued following a public consultation conducted by the MAS from 17 August 2011 to 14 September 2011, inviting Singapore-incorporated banks and interested parties to comment on proposed amendments to MAS Notice 637.

The MAS has also, on 16 December 2011, issued its response to the feedback received from the public consultation. The MAS has considered the feedback received, and where appropriate, incorporated them into Part XI of MAS Notice 637.

### **Reference materials**

The following resource materials are available from the MAS website [www.mas.gov.sg](http://www.mas.gov.sg):

- [MAS Notice 637 on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore](#)
- [Response to Feedback](#)

An article about the MAS public consultation in August 2011 was featured in a previous issue of the Allen & Gledhill Financial Services Bulletin (August 2011). To read the article entitled "*MAS issues consultation paper on proposed changes to MAS Notice 637 to incorporate Basel disclosure requirements on remuneration*", please click [here](#).

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## **MAS issues consultation paper on "Proposed Amendments to MAS Notice 637 to Implement Basel III Capital Standards in Singapore"**

On 28 December 2011, the Monetary Authority of Singapore (the "**MAS**") issued a consultation paper entitled "Consultation Paper on Proposed Amendments to MAS Notice 637 to Implement Basel III Capital Standards in Singapore" (the "**Consultation Paper**").

MAS Notice 637 on Risk Based Capital Requirements for Banks Incorporated in Singapore ("**MAS Notice 637**") establishes the minimum capital adequacy ratios ("**CAR**") for banks incorporated in Singapore and the methodology to be used for calculating these ratios.

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In December 2010, the Basel Committee on Banking Supervision (BCBS) published the Basel III framework to strengthen global capital standards, with the goal of promoting a more resilient banking sector.

This consultation paper sets out the MAS' proposed amendments to the MAS Notice 637 to implement the Basel III capital reforms to raise the quality of the regulatory capital base, enhance the risk coverage of the capital framework, and introduce the new leverage ratio and capital buffer requirements. Amendments arising from the MAS' ongoing review of the capital rules and guidance are also proposed.

### Minimum ratios

Among other changes, the MAS proposes that a bank shall, at all times in the periods specified, maintain at both the Solo and Group levels, the minimum ratios set out in the table below:

|                               | From<br>1 January 2013 | From<br>1 January 2014 | From<br>1 January 2015 |
|-------------------------------|------------------------|------------------------|------------------------|
| Minimum CET1 <sup>*</sup> CAR | 4.5%                   | 5.5%                   | 6.5%                   |
| Minimum Tier 1 CAR            | 6%                     | 7%                     | 8%                     |
| Minimum Total CAR             | 10%                    | 10%                    | 10%                    |

\*"CET1" refers to Common Equity Tier 1

In addition to complying with the minimum ratios set out above, the MAS proposes that a bank must, at all times in the periods specified, maintain at both the Solo and Group levels, a Capital Conservation Buffer comprising CET1 Capital above the minimum CET1 CAR, Tier 1 CAR and Total CAR, as set out in the table below:

|   | From<br>1 January<br>2016 | From<br>1 January<br>2017 | From<br>1 January<br>2018 | From<br>1 January<br>2019 |
|---|---------------------------|---------------------------|---------------------------|---------------------------|
| CET1 CAR counting towards the Capital Conservation Buffer | 0.625%                    | 1.25%                     | 1.875%                    | 2.5%                      |

### Consultation period

The MAS is inviting feedback on its proposals to be provided to it by 17 February 2011.

### Reference materials

The consultation paper is available on the MAS website [www.mas.gov.sg](http://www.mas.gov.sg) by clicking [here](#).

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## Corporate

### ACRA issues guidance for directors regarding financial statements during uncertain economic environment

In view of the current Eurozone debt crisis and the uncertain economic environment in major economies around the world, the Accounting and Corporate Regulatory Authority (the “ACRA”) has on 3 January 2012 issued its inaugural Financial Reporting Practice Guidance (the “Guidance”) to remind directors of the risks of misstatements and/or non-disclosures in financial statements during the current environment, keeping in mind the information needs of shareholders in these uncertain times.

The Guidance highlights that the Companies Act requires directors of every company incorporated in Singapore to present financial statements that comply with Singapore Financial Reporting Standards (the “SFRS”) and reflect a true and fair view of the profit and loss, as well as the state of affairs of the company as at the end of the period to which it relates. Directors must therefore be vigilant when reviewing financial statements prepared by management.

The Guidance prompts directors to be aware of and focus their attention on those SFRS that require significant management judgments and estimations in the uncertain economic environment.

#### Reference materials

To read the Guidance from the ACRA’s website [www.acra.gov.sg](http://www.acra.gov.sg), please click [here](#).

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## Tax

### Income Tax Act amended with effect from various dates to implement Budget 2011 changes

Changes have been made to the Income Tax Act effective from various dates to give legal effect to the income tax changes announced in the 2011 Budget Statement. Other changes are also made to the Income Tax Act following a regular review of the income tax system.

The following are some of the key changes.

#### Budget 2011 changes

- **Enhancement of the Productivity and Innovation Credit (“PIC”) Scheme from year of assessment (“YA”) 2011 and subsequent YAs:** The quantum of PIC deduction is increased to 400% of qualifying expenditure (up from 250% currently), for the first S\$400,000 spent on each qualifying activity (up from S\$300,000 currently).
- **Corporate tax rebate for YA 2011:** One-off corporate income tax rebate of 20% (subject to a cap of S\$10,000), or one-off cash grant to small and medium-sized companies based on 5% of the company’s revenue for YA 2011 (subject to a cap of S\$5,000).

- **Foreign Tax Credit Pooling system from YA 2012 and subsequent YAs:** Businesses may pool their tax credits for foreign tax suffered on their foreign incomes with the new Foreign Tax Credit Pooling system.
- **New Maritime Sector Incentive from 1 June 2011:** Existing maritime tax incentives are streamlined under a new umbrella incentive - the Maritime Sector Incentive. The umbrella scheme also improves on existing shipping-related incentives by covering more shipping-related support services and new entrants into the industry.
- **250% deduction on qualifying donations until 31 December 2015:** The tax deduction of 250% for donations made to institutions of a public character (IPCs), the Government, approved persons and prescribed educational or research institutions will be extended for another five years to 31 December 2015.

#### Non-Budget 2011 changes

- **More time to file appeal from 20 December 2011:** The timeframe for filing appeals with the Income Tax Board of Review has been extended from 7 days to 30 days.
- **Exchange of information (“EOI”) arrangements from 20 December 2011:** To meet Singapore’s commitments towards the international EOI standard, an exchange of information via separate EOI arrangements will be permitted, where necessary. Previously, EOI could only be done through Avoidance of Double Taxation Arrangements.

#### Reference materials

An article about these changes when the Income Tax (Amendment) Bill 2011 was passed in Parliament was featured in a previous issue of the Allen & Gledhill Financial Services Bulletin (December 2011). To read the article entitled “*Parliament passes Income Tax (Amendment) Bill 2011: Implementing Budget 2011 changes*”, please click [here](#).

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## Goods and Services Tax Act amended with effect from 1 January 2012 to implement Budget 2011 changes

Changes have been made to the Goods and Services Tax Act with effect from 1 January 2012 to give legislative force to the goods and services tax (“GST”) initiatives announced in Budget Statement 2011, as well amendments arising from an ongoing review of the GST system.

Some of the key changes are highlighted below.

- **GST measures for the marine industry:** There is now a new scheme for “approved marine customers” to buy or rent zero-rated goods for use or installation on internationally-bound commercial ships. Previously, suppliers of such goods had to maintain documentary proof of the export of the goods for GST zero-rating. Now, suppliers can zero-rate the supply of goods to these pre-approved customers without the need to maintain export documentation.

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- **GST measures for the biomedical industry:** The existing Approved Contract Manufacturer and Trader (“ACMT”) Scheme has been enhanced and extended to qualifying biomedical contract manufacturers. The scheme allows local contract manufacturers to disregard services rendered to their overseas clients for the purpose of GST, even if the treated or processed goods are delivered locally in Singapore. The scheme will be further enhanced to allow approved contract manufacturers (including those in the biomedical sector) to disregard GST on services rendered on failed or excess production, and to recover GST on local purchases of goods used in the contract manufacturing process.
- **New zero-rating relief for supplies related to goods kept in approved warehouses:** A new zero-rating relief is introduced for specified services made to overseas persons and performed on specified goods kept in approved warehouses in Singapore. This new relief encourages overseas persons to store high value goods such as art, antiques and gold in specialised storage facilities in Singapore, and purchase related services such as auction, insurance and valuation in respect of the stored goods. The GST zero-rating extends to the renting of storage units used to store such high value goods.
- **Goods imported for overseas persons:** There will be an expansion of the scope for recovery GST on goods imported on behalf of overseas persons.

#### Reference materials

An article about these changes when the Goods and Services (Amendment) Bill 2011 was passed in Parliament was featured in a previous issue of the Allen & Gledhill Financial Services Bulletin (December 2011). To read the article entitled “*Parliament passes Goods and Services Tax (Amendment) Bill 2011: Implementing Budget 2011 changes*”, please click [here](#).

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## Stamp Duties Act amended with effect from various dates to implement Budget 2011 changes

The Stamp Duties Act has been amended with effect from various dates to give effect to measures announced in the Singapore Government’s 2011 Budget Statement, as well as changes arising from the periodic review of the stamp duty system.

The following are some of the key changes the Bill seeks to make.

#### Budget 2011 changes

- With effect from 19 February 2011, provision is made for stamp duty relief for instruments relating to the conversion of a private company to a limited liability partnership (“LLPs”).
- Most fixed and nominal stamp duties of S\$2 and S\$10 on documents executed on or after 19 February 2011 have been removed.

#### Non-Budget 2011 changes

- The procedure for granting stamp duty relief for share acquisitions made in the course of mergers and acquisitions has been fine-tuned. Changes,

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which are deemed to have come into force on 1 April 2010, have been made to align conditions for stamp duty relief, such as the qualifying period, more closely to the conditions in the income tax allowance for qualifying M&As.

- Effective from 1 January 2012, more clarity and flexibility for the remission of stamp duties have been provided for the Minister for Finance (the “**Minister**”) to waive conditions for any relief, remission or exemption of stamp duty.

### Reference materials

An article about these changes when the Stamp Duties (Amendment) Bill 2011 was passed in Parliament was featured in a previous issue of the Allen & Gledhill Financial Services Bulletin (December 2011). To read the article entitled “*Parliament passes Stamp Duties (Amendment) Act 2011: Implementing Budget 2011 changes*”, please click [here](#).

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## General

### Parliament introduces Evidence (Amendment) Bill 2012: Legal professional privilege for in-house counsel, opinion evidence, computer output, hearsay

The Evidence (Amendment) Bill 2012 (the “**Bill**”) was read the first time in Parliament on 16 January 2012. The Bill seeks to extend legal professional privilege to in-house counsel, to give the courts greater discretion to admit expert opinion evidence, to align the rules for admission of computer output evidence with those governing other forms of evidence, and broaden and align the categories of admissible hearsay evidence for both criminal and civil proceedings.

The Evidence Act (the “**Act**”) provides the framework of rules for the types of evidence that can be admitted as evidence during court proceedings. The amendments are to ensure the Act’s continued relevance.

The Ministry of Law (the “**MinLaw**”) conducted a public consultation (the “**consultation**”) on these proposed amendments from 30 September 2011 to 30 October 2011. Feedback received during the consultation period has been taken into account in the present Bill.

#### Legal professional privilege

The Bill seeks to extend legal professional privilege to in-house counsel. This amendment will increase Singapore’s attractiveness as a location for multinational companies’ in-house legal departments and enhance Singapore’s stature as a hub for legal and commercial services.

Feedback was received during the consultation that such privilege should not be contingent on whether a legal counsel is called to the Singapore Bar or qualified in another jurisdiction, but whether he was employed in the capacity of legal counsel and whether the communication in question relates to matters of legal advice. This feedback has been adopted in the present Bill with the proposed amendments stipulating that in-house counsel may enjoy

privilege so long as they are employed for the purpose of giving legal advice and the communication for which privilege is claimed relates to matters of legal advice.

Such privilege would also apply to public officers working as legal counsel in public agencies such as the Attorney-General Chambers, government ministries or statutory boards.

### **Opinion evidence**

The Bill proposes expanding the current categories of admissible expert opinion evidence as set out in the Act, to allow the court to admit such evidence as long as it would be able to derive assistance from them. The court similarly has the discretion to exclude expert opinion evidence in the interests of justice.

### **Computer output**

The Act currently imposes more stringent requirements for the admission of computer output evidence than other types of evidence. The Bill seeks to repeal the existing sections in the Act that impose computer output-specific requirements, and thereby allow such evidence to be subject to the same rules of admission as all other types of evidence.

### **Hearsay**

The Bill proposes to amend the Act to broaden the scope of the existing hearsay exceptions and introduce various new exceptions. The Bill also seeks to align the civil and criminal evidential rules on hearsay evidence to ensure that the same exceptions apply to both types of proceedings.

The courts will also be given an overriding discretion to exclude hearsay evidence in the interests of justice. A party seeking to rely on hearsay evidence will also generally have to give notice in advance of the use of such evidence.

### **Other amendments**

The Bill also proposes to remove section 157(d) of the Act, which permits the credit of a rape victim to be impeached by proof that she is of a “generally immoral” character.

### **Reference materials**

An article on the MinLaw consultation entitled “*MinLaw conducts public consultation on proposed changes to Evidence Act: Legal professional privilege for in-house counsel, opinion evidence, computer output, hearsay*” was featured in the October 2011 issue of the Financial Services Bulletin. To read the article, please click [here](#).

Please click on the links below to access material relevant to the proposed amendments to the Act available on the Singapore Parliament website [www.parliament.gov.sg](http://www.parliament.gov.sg) and the MinLaw website, [www.minlaw.gov.sg](http://www.minlaw.gov.sg):

- [Evidence \(Amendment\) Bill 2012](#)
- [MinLaw press release on proposed amendments to the Evidence Act](#)
- [Responses to feedback received from the public consultation](#)

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## English Court of Appeal orders rectification of contract for common mistake

*Daventry District Council v Daventry & District Housing Limited*  
[2011] EWCA Civ 1153

In *Daventry District Council v Daventry & District Housing Limited*, the English Court of Appeal, by a majority of two (Toulson LJ and Neuberger MR) to one (Etherton LJ), allowed a contract to be rectified on the basis of common mistake.

The Court of Appeal applied the principles for rectification set out by Lord Hoffmann in *Chartbrook Ltd v Persimmon Homes Ltd* [2009] 1 AC 1101. In *Chartbrook*, Lord Hoffman affirmed that the requirements for rectification for common mistake were as stated by Gibson LJ in *Swainland Builders Ltd v Freehold Properties Ltd* [2002] 2 EGLR 71: the party seeking rectification must show that (1) the parties had a common continuing intention in respect of a particular matter in the instrument to be rectified, (2) there was an outward expression of accord, (3) the intention continued at the time of the execution of the instrument sought to be rectified, and (4) by mistake, the instrument did not reflect that common intention. Lord Hoffmann had also clarified in *Chartbrook* that the required “common continuing intention” must be outwardly manifested and that an uncommunicated subjective belief is irrelevant.

### Facts

This case relates to public housing property originally owned and managed by a district council in the UK. The property and their management were to be transferred from Daventry District Council (“**DDC**”) to a private company, Daventry & District Housing Limited (“**DDH**”). Both parties were represented by solicitors.

One of the sticking points during the transfer negotiations was the issue of which party would fund a deficit in the pensions of employees who were to be transferred from DDC to DDH. The final contract which was signed by the parties on 5 November 2007 (the “**Contract**”) included a clause (“**clause 14.10.3**”) which clearly provided that DDC would pay the pension deficit.

DDC subsequently applied to court to rectify the Contract so that it would provide for DDH (instead of DDC) to fund the pension deficit. Rectification of the Contract was sought on the ground of unilateral mistake and common mistake as DDC alleged that the Contract did not reflect the parties’ intentions.

The following key facts are important for an understanding of the case:

- Before signing the Contract, the parties had signed a formal non-binding document recording the parties’ agreement in principle on 11 October 2007 (the “**Prior Accord**”). The terms of the Prior Accord were, however, ambiguous.
- DDC’s chief negotiator, DDH’s chief negotiator and DDH’s board had different understandings of the effect of the Prior Accord and the Contract. DDC’s chief negotiator believed that the parties had reached an agreement in principle for DDH to pay the pension deficit. DDH’s chief negotiator was aware that DDC’s chief negotiator believed this to be the effect of the Prior Accord. However, although DDH’s board believed that DDC would be funding the pension deficit, DDH’s chief negotiator did not disabuse DDH’s board of this belief.

- Subsequent to the Prior Accord, as the Contract was being drafted. DDH's funders suggested the inclusion of clause 14.10.3, which clearly provided that DDC would pay the pension deficit. In agreeing to the inclusion clause 14.10.3, DDC's chief negotiator did not appreciate that clause 14.10.3 imposed the burden of funding the pension deficit on DDC. DDC's solicitors, who were unaware of the understanding of DDC's chief negotiator in respect of the Prior Accord, did not realise that clause 14.10.3 deviated from the chief negotiator's understanding of the Prior Accord.

The first instance judge dismissed DDC's claim for rectification of the Contract.

### **Decision on appeal**

#### *Shared mistaken belief*

The majority of the Court of Appeal considered that the parties did not mutually agree to vary the non-binding Prior Accord. The majority considered that in preparing the Contract, DDC and the DDH board both believed that they were giving effect to the parties' understanding in the Prior Accord. DDC and the DDH board therefore shared a mistaken belief that the Contract was consistent with the Prior Accord, albeit their reasons for sharing that mistaken belief were diametrically opposite:

- DDC did not appreciate the effect of the proposed inclusion of clause 14.10.3 in the Contract. DDC believed (rightly) that the commercial agreement embodied in the Prior Accord was that DDH should pay the pension deficit, and believed (wrongly) that the effect of the Contract was that DDH should pay the pension deficit.
- The DDH Board misunderstood the agreement in principle recorded in the Prior Accord. The DDH board believed (wrongly) that the commercial agreement embodied in the Prior Accord was that DDC should pay the pension deficit, and believed (rightly) that the Contract was that DDC should pay the pension.

#### *Common continuing intention*

Rectification will only be allowed if the contract as executed does not reflect the parties' common continuing intention.

In a dissenting judgment, Etherton LJ held that DDH had, by proposing the inclusion of clause 14.10.3 in the Contract, communicated DDH's intention to impose the burden of the pension deficit on DDC. DDH had made apparent to DDC that DDH had changed its mind and intended to enter into the Contract on terms different from the Prior Accord. His Lordship commented that rectification of the Contract would force on DDH a contract which it never intended to make on the basis of DDC's uncommunicated subjective intention to maintain the agreement in principle embodied in the Prior Accord. It was DDC's oversight, in expressly assenting to the inclusion of clause 14.10.3 in the Contract, which was the cause of DDC's misfortune.

On the other hand, the majority of the Court of Appeal (Toulson LJ and Neuberger MR) considered that DDC's and DDH's shared mistaken belief as to the conformity of the Contract with the Prior Accord existed at the time of the execution of the Contract, and allowed for rectification on the ground of common mistake.

The majority of the Court of Appeal also seemed to take into account the fact that DDH's chief negotiator was aware that DDC's chief negotiator understood the agreement in principle to be that DDH would be liable for

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the funding of the pension deficit and that DDC therefore had no intention to resile from the Prior Accord. However, DDH's chief negotiator allowed DDH's board to believe that the Prior Accord reflected the parties' understanding that DDC would be responsible for the pension deficit while, at the same time, failing to suggest this interpretation to DDC's chief negotiator. Neuberger MR observed that DDH's chief negotiator was primarily responsible for the misunderstanding that arose.

DDC's failure to appreciate the effect of the Contract (that DDC would pay for the pension deficit) was also apparent from the commercial unreality of the transaction. DDC had agreed on a reduced price for the transfer of DDC's assets which reflected DDC's belief that DDH would pay for the pension deficit. When DDC agreed to the inclusion of clause 14.10.3 in the Contract, DDC did not revise the price to reflect that DDC would bear responsibility for the pension deficit. The inclusion of clause 14.10.3 in the Contract without a change in the purchase price would have resulted in a windfall for DDH.

### Observations

The case of *Daventry* is instructive for the Court of Appeal's analysis of when and whether a common intention of the parties can be said to be "continuing" or "existing" at the time of the execution of the contractual instrument sought to be rectified.

The case also illustrates the difficulties in persuading the Court to rectify a contract on the ground of common mistake. Although the majority of the Court of Appeal allowed rectification, both the trial judge and the minority judge reached a different result. As the common continuing intention, which is a prerequisite for rectification, must be objectively manifested despite not being reflected in the eventual contractual instrument, rectification is likely only to be allowed in exceptional circumstances and only after detailed examination of the evidence relating to the negotiations between the parties.

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## News

### Wilmar International Limited's US\$5 billion Guaranteed Medium Term Note Programme

Wilmar International Limited ("**WIL**") has established a US\$5 billion Guaranteed Medium Term Note Programme (the "**Programme**"), under which WIL, or such additional issuers that may accede as issuers to the Programme, may from time to time issue notes, including perpetual notes (the "**Notes**"). The obligations of each Issuer (other than WIL) under the Notes will be unconditionally and irrevocably guaranteed by WIL.

Advising WIL as to Singapore law are Allen & Gledhill LLP Partners Margaret Chin and Glenn David Foo and Associate Samuel Lee.

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## **Additional Murabaha Facilities to finance the acquisition of five properties in Singapore**

The Hongkong and Shanghai Banking Corporation Limited, Malayan Banking Berhad, Singapore Branch and United Overseas Bank Limited (the "**Participants**") and HSBC Institutional Trust Services Ltd (the "**REIT Trustee**") (in its capacity as trustee of the Sabana Shari'ah Compliant Industrial Real Estate Investment Trust) ("**Sabana REIT**") entered into an amendment agreement to make available to the REIT Trustee additional commodity murabaha facilities of approximately S\$144 million to finance the acquisition of five properties by Sabana REIT post-IPO listing.

Advising the Participants are Allen & Gledhill LLP Partner Suhaimi Zainul-Abidin and Senior Associates Eugene Phua and Daniel Law.

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## **Ascott REIT MTN (Euro) Pte. Ltd.'s US\$2 billion Euro-Medium Term Note Programme**

Ascott REIT MTN (Euro) Pte. Ltd. (the "**Issuer**"), a wholly-owned subsidiary of DBS Trustee Limited (in its capacity as trustee of the Ascott Residence Trust) (the "**Guarantor**"), established a US\$2 billion Euro-Medium Term Note Programme (the "**Programme**"). The Issuer may from time to time issue notes to be unconditionally and irrevocably guaranteed by the Guarantor.

Standard Chartered Bank has been appointed as Arranger and Dealer and DBS Bank Ltd. has been appointed as Dealer for the Programme (the "**Dealers**").

Advising the Dealers as to Singapore law are Allen & Gledhill LLP Partner Tan Tze Gay and Associate Wu Zhaoqi.

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## **Mapletree Industrial Trust's acquisition and financing of JTC industrial properties**

Mapletree Industrial Trust has acquired a portfolio of industrial properties (the "**Properties**") for over S\$400 million from JTC Corporation ("**JTC**") under a JTC divestment exercise by way of tender.

The Properties comprised five industrial estates with approximately 450 tenancies.

Advising Mapletree Industrial Trust on the acquisition of the Properties are Allen & Gledhill LLP Partners Ho Kin San, Ernest Teo and Senior Associate Renita Sophia Crasta.

Advising Mapletree Industrial Trust on the financing of the Properties is Allen & Gledhill LLP Partner Kok Chee Wai and Senior Associate Eugene Phua.

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## **RM695.2 million initial public offering of Pavillion REIT**

Pavillion REIT Management Sdn Bhd, as manager of Pavillion REIT (the "**Manager**"), has completed an initial public offering of 790 million units on Bursa Malaysia Securities Berhad raising gross proceeds of approximately RM695.2 million. The proceeds are to part finance Pavillion REIT's acquisition of Pavillion Kuala Lumpur Mall and Pavillion Tower, which has an aggregate appraised value of approximately RM3.5 billion.

Advising the Manager as transaction counsel and international legal adviser are Allen & Gledhill LLP Partners Jerry Koh, Chen Lee Won, Chua Bor Jern and Teh Hoe Yue.

Advising the Manager as legal adviser as to Malaysia law are Partners Lim Teong Sit, Zandra Tan and Lee Yee Ling from Rahmat Lim & Partners.

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## **DBS Bank Ltd.'s US\$5 billion US Commercial Paper Programme**

DBS Bank Ltd. ("**DBS**") has established a US\$5 billion Commercial Paper Programme (the "**Programme**"), under which DBS may issue commercial paper notes.

Goldman, Sachs & Co., Barclays Capital Inc., Citigroup Global Markets Inc., J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated have been appointed as the Dealers of the Programme.

Advising DBS as to Singapore law are Allen & Gledhill LLP Partners Glenn Foo and Bernie Lee and Associate Wu Zhaoqi.

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## **Allen & Gledhill LLP announces admission of new Partners**

Allen & Gledhill LLP is pleased to announce the admission of four new Partners with effect from 1 January 2012.

For more information, please click [here](#).

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Allen & Gledhill LLP (UEN/Registration No. T07LL0925F) is registered in Singapore under the Limited Liability Partnerships Act (Chapter 163A) with limited liability. A list of the Partners and their professional qualifications may be inspected at the address specified above. Contact particulars of the Partners may be found on the Allen & Gledhill LLP website [www.allenandgledhill.com](http://www.allenandgledhill.com)