

## Schedule

### **A. Summary of Proposed Trust Deed Amendments**

1. In summary, the Proposed Trust Deed Amendments provide for the following matters to be subject to Unitholders' approval by Ordinary Resolution (or, where required, Extraordinary Resolution):
  - (a) Appointment or removal of any director of a Special Purpose Vehicle or a subsidiary of a Special Purpose Vehicle;
  - (b) Appointment or termination of a Debt Restructuring Adviser (i.e. a financial or restructuring adviser for the purposes of negotiating with the lenders for a standstill, re-financing or restructuring of DRT's existing loans);
  - (c) Entering into any agreement with any person or doing anything to commence any action or enter into any scheme or collective procedure in respect of any compromise or arrangement in relation to DRT, or otherwise entering into any agreement or doing anything to restructure, wind up, liquidate or anything analogous thereto in relation to DRT;
  - (d) Appointment or removal of any External Party (including property managers and commercial managers) whose fees are expected to exceed S\$50,000.
2. It is also proposed that the Trust Deed be amended to provide that the Trustee-Manager may be removed by an Ordinary Resolution, to reflect the similar amendment to Section 20 of the Business Trusts Act 2004 which took effect earlier this year.
3. In the Requisitionists' view, the Proposed Trust Deed Amendments do not affect DRTM's powers and discretion generally and do not prevent DRTM from carrying out its duties in managing and operating the business of DRT.

### **B. Proposed Trust Deed Amendments**

- (a) **Amendment 1:** That Clause 8.5.3 be and hereby amended by the additions as indicated by the text in underline and by deletions as indicated with strikethrough below:

"Subject to Clause 8.5.3A, the ~~The~~ Trustee-Manager shall ~~(to the extent possible, and,~~ in the event that the Special Purpose Vehicle is not wholly owned by the Trust, shall to the extent possible) be charged with responsibility for the day-to-day management and operation of the assets held by each Special Purpose Vehicle, for determining the annual budget and controlling the objective and management of each Special Purpose Vehicle, including, without limitation, the right to nominate, appoint or remove its representatives and/or such person(s) and/or to fill the seats on the board of directors (or where applicable, the members of the governing body) of such Special Purposes Vehicle available to be filled by the Trust, as the Trustee-Manager deems fit, and generally, to the extent possible, carry out the activities in relation to the assets of such Special Purpose Vehicles in accordance with Clause 16. The Trustee-Manager shall also have discretion in recommending to the directors or members of any equivalent governing body of the Special Purpose Vehicles the amount of dividends or distributions to be paid by each such Special Purpose Vehicle (where applicable) to the Trust. For the avoidance of doubt, the requirements of this Clause 8.5.3 shall only apply subject to overriding contractual obligations in the case of an investment by the Trust as joint owner or investor."
4. The proposed amendment to Clause 8.5.3 is consequential, to give effect to the proposed insertion of the new Clause 8.5.3A (please see sub-paragraph (b) below).
- (b) **Amendment 2:** That a new Clause 8.5.3A be inserted as follows:

"Notwithstanding any provision in this Clause 8.5 but subject to applicable laws and regulations:

(a) The Trustee-Manager shall not appoint any director (or, where applicable, any member of any governing body) of a Special Purpose Vehicle, or remove any existing director (or, where applicable, any existing member of any governing body) of a Special Purpose Vehicle, without the prior approval of the Holders by an Ordinary Resolution;

(b) To the extent possible, the Trustee-Manager shall not cause to be appointed or give any approval for the appointment of any director (or, where applicable, any member of any governing body) of a subsidiary of a Special Purpose Vehicle, or caused to be removed or give any approval for the removal of any existing director (or, where applicable, any existing member of any governing body) of a subsidiary of a Special Purpose Vehicle, without the prior approval of the Holders by an Ordinary Resolution;

(c) The Holders may from time to time, with the sanction of an Ordinary Resolution, request for the removal of any existing director (or, where applicable, any existing member of any governing body) of a Special Purpose Vehicle, and the Trustee-Manager shall accordingly remove such director (or member of governing body) of the Special Purpose Vehicle forthwith;

(d) The Holders may from time to time, with the sanction of an Ordinary Resolution, request for the removal of any existing director (or, where applicable, any existing member of any governing body) of a subsidiary of a Special Purpose Vehicle, and the Trustee-Manager shall accordingly use its best endeavours to procure the removal of such director (or member of governing body) of the subsidiary of the Special Purpose Vehicle forthwith;

(e) The Holders may from time to time, with the sanction of an Ordinary Resolution, request for the appointment of any person as director (or, where applicable, member of any governing body) of a Special Purpose Vehicle, and the Trustee-Manager shall accordingly appoint such person as director (or member of governing body) of the Special Purpose Vehicle forthwith; and

(f) The Holders may from time to time, with the sanction of an Ordinary Resolution, request for the appointment of any person as director (or, where applicable, member of any governing body) of a subsidiary of a Special Purpose Vehicle, and the Trustee-Manager shall accordingly use its best endeavours to procure the appointment of such person as director (or member of governing body) of the subsidiary of the Special Purpose Vehicle forthwith."

5. The proposed insertion of the new Clause 8.5.3A is to provide Unitholders a say over the appointment and/or removal of any director of a Special Purpose Vehicle or any director of any subsidiary of a Special Purpose Vehicle.
6. In the Requisitionists' view, the Unitholders' power to remove or appoint these directors better ensure that they act in the best interests of the entities they serve at all times, being entities that hold, directly or indirectly, the assets of DRT. Reserving this power to Unitholders will serve as a deterrent against any potential misconduct.
- (c) **Amendment 3:** That Clause 8.9.1 be amended by inserting the following at the end:

"PROVIDED THAT the Trustee-Manager shall not agree or enter into any agreement to engage any person as financial or restructuring adviser, including the Debt Restructuring Adviser referred to in Clause 8.12.14, or enter into any agreement with any person or do anything to commence any action or enter into any scheme or collective procedure in respect of any compromise or arrangement in relation to the Trust, or otherwise enter into any agreement or do anything to restructure, wind up, liquidate or any event analogous thereto in relation to the Trust, without the prior approval of Holders by an Ordinary Resolution or, subject to applicable laws and regulations, an Extraordinary Resolution."

7. As it stands, the current Clause 8.9.1 grants DRTM absolute discretion to manage, administer, operate and carry on any Authorised Business and to undertake any Authorised Investments of DRT.
8. The proposed amendment of Clause 8.9.1 is to carve out, from the absolute discretion granted to DRTM, powers for Unitholders to approve or reject:

- (a) any appointment of financial or restructuring advisers (including the Debt Restructuring Adviser discussed below); and
- (b) any agreement or thing proposed to be done by DRTM to commence any action or enter into any scheme or collective procedure in respect of any compromise or arrangement, or to restructure, wind up, liquidate or such similar event, in relation to DRT (hereinafter referred to as "**Restructuring and Insolvency Options**").
9. The reasons for carving out powers to Unitholders over the appointment of any financial or restructuring adviser, including the Debt Restructuring Adviser, are similar to the rationale for the proposed new Clause 8.12.14 below.
10. As regards the Restructuring and Insolvency Options, which are very drastic measures, DRTM should seek Unitholders' approval before proceeding to enter into any agreement or taking any step forward to implement such restructuring or insolvency plan. To the extent that such arrangements may already require Unitholders' approval at law, then the amended Clause 8.9.1 would be aligned with such requirement.
- (d) **Amendment 4:** That a new Clause 8.12.14 be inserted as follows:
- "(a) In the event that any borrowing of the Trust goes into default, the Trustee-Manager may appoint a financial or restructuring adviser (or any adviser by whatsoever name called) for the purpose of negotiating with the lenders for a standstill, re-financing or restructuring of the existing loans ("**Debt Restructuring Adviser**") PROVIDED THAT the appointment or replacement of such Debt Restructuring Adviser shall be subject to the prior approval of the Holders by an Ordinary Resolution.
- (b) The Holders may from time to time, with the sanction of an Ordinary Resolution, request for the termination or removal of any Debt Restructuring Adviser appointed by the Trustee-Manager and, subject to applicable laws and regulations, the Trustee-Manager shall terminate or remove such Debt Restructuring Adviser forthwith.
- (c) In the event a resolution to approve the termination or removal of a Debt Restructuring Adviser appointed by the Trustee-Manager is tabled for a vote by the Holders, any one or more Holders holding in aggregate not less than 10% of the total voting rights of all Holders may nominate a company (not being the original Debt Restructuring Adviser) to serve as the replacement Debt Restructuring Adviser, for approval of the Holders by Ordinary Resolution. Upon such resolutions being passed and subject to applicable laws and regulations, the Trustee-Manager shall appoint such company as the replacement Debt Restructuring Adviser forthwith"
11. Under the proposed new Clause 8.12.14:
- (a) the appointment or termination of any Debt Restructuring Adviser (being any financial or restructuring adviser, or any adviser by whatsoever name called, appointed to negotiate with lenders for a standstill, re-financing or restructuring of existing loans) by DRTM will be subject to Unitholders' approval;
- (b) Unitholders may also, with the sanction of an Ordinary Resolution, request DRTM to appoint or terminate any Debt Restructuring Adviser, subject to any applicable laws or regulations; and
- (c) if a resolution is being tabled for Unitholders to approve the termination or removal of a Debt Restructuring Adviser appointed by DRTM, then one or more Unitholders holding in aggregate at least 10% voting rights may nominate a replacement Debt Restructuring Adviser, for Unitholders' approval by Ordinary Resolution.
12. The power of Unitholders to remove the Debt Restructuring Adviser serves as a deterrent against any potential misconduct. Ordinarily, Unitholders may have limited or no direct recourse against an errant or incompetent adviser appointed by DRTM. Even if Unitholders could resort

to litigation, it would involve substantial costs and expense which may not necessarily be recoverable. With the introduction of the new clause, any Debt Restructuring Adviser appointed would have to greater impetus to take into consideration Unitholders' interests (which would be aligned with the lenders' interests to the extent that Unitholders wish to restructure the loans as soon as possible and allow DRT to get back on its feet) to avoid being removed.

- (e) **Amendment 5:** That a new Clause 8.12.15 be inserted as follows:

"In the event any borrowing of the Trust goes into default, the Trustee-Manager shall not enter into any agreement with any person or do anything to commence any action or enter into any scheme or collective procedure in respect of any compromise or arrangement in relation to the Trust, or otherwise enter into any agreement or do anything to restructure, wind up, liquidate or any event analogous thereto (including entering into or undertaking to enter into any debt restructuring agreement) in relation to the Trust, without the prior approval of Holders by an Ordinary Resolution or, subject to applicable laws and regulations, an Extraordinary Resolution."

13. The proposed insertion of the new Clause 8.12.15 is to carve out, from DRTM's wide discretionary powers, the right for Unitholders to approve or reject Restructuring and Insolvency Options (as defined above) in the event any borrowing of DRT goes into default.
14. The reasons for requiring DRTM to seek Unitholders' approval before proceeding to enter into any agreement or taking any step forward in relation to any of the Restructuring and Insolvency Options are as discussed in relation to the proposed amendment of Clause 8.9.1 above.

- (f) **Amendment 6:** That Clause 13.1.1 be and hereby amended by the additions as indicated by the text in underline below:

"directly or through any agent or External Party appointed in accordance with Clause 16.3.1(ii), engaging in any Authorised Business."

15. The effect of the proposed amendment of Clause 13.1.1 is to clarify that where DRTM engages in any Authorised Business through an External Party, the External Party is to be appointed in accordance with Clause 16.3.1(ii).

- (g) **Amendment 7:** That Clause 16.3.1(ii) be and hereby amended by the additions as indicated by the text in underline below:

"appoint and engage any Approved Valuers, brokers, lawyers, accountants, surveyors, valuers, real estate agents, property managers, commercial managers, contractors, investment managers, investment advisers, qualified advisers, service providers and such other persons (each, an "External Party") as may be necessary, usual or desirable for the purpose of exercising its powers and performing its obligations hereunder PROVIDED THAT (a) any appointment of an External Party whose fees are or are expected to exceed S\$50,000 (regardless whether the fees are payable in a single instance or over a period of time) shall only be made with the prior approval of the Holders by an Ordinary Resolution, and (b) the Holders may, from time to time, request for the appointment and/or removal of any External Party, with the sanction of an Ordinary Resolution, and, subject to applicable laws and regulations, the Trustee-Manager shall accordingly appoint and/or remove such External Party forthwith, and ~~t~~The Trustee-Manager shall, in the absence of fraud, gross negligence, wilful default, breach of trust or failure of the Trustee-Manager to exercise Due Care, not be liable for the acts of such persons or for relying on any proposal, advice or recommendation made by such persons and subject as otherwise expressly provided in this Deed, all fees, charges and moneys payable to any such persons and all disbursements, expenses, duties and outgoings in relation thereto may be paid from the Trust Property PROVIDED THAT, where applicable, any such person appointed or engaged complies with the qualifications set out in the Relevant Laws, Regulations and Guidelines. "

16. The proposed amendment of Clause 16.3.1(ii) is to subject the appointment of any External Party (including any Approved Valuers, brokers, lawyers, accountants, surveyors, valuers, real

- estate agents, contractors, investment managers, investment advisers, qualified advisers, service providers) whose fees exceed S\$50,000 to the approval of Unitholders by Ordinary Resolution. Unitholders may also, with the sanction of an Ordinary Resolution, request DRTM to appoint or remove any External Party, subject to applicable laws and regulations.
17. The proposed amendment also clarifies that property managers and commercial managers fall within the definition of "External Party".
  18. Unitholders should have a say over the appointment and removal of External Parties as DRTM is not liable to DRT for acts and omissions of any External Party (provided DRTM has exercised Due Care in selecting and monitoring such External Party). DRTM is also not responsible for any misconduct, mistake, oversight, errors of judgment, lack of prudence, etc on the part of any External Party (provided TM has acted in good faith with Due Care).
  19. The Unitholders have limited direct recourse in relation to errant External Parties or External Parties who have failed to perform satisfactorily. The proposed amendment, which gives Unitholders a say in the appointment or removal of External Parties (whose fees exceed or are expected to exceed S\$50,000), would put Unitholders in a safer position and would better incentivise External Parties to perform and further Unitholders' interests.
- (h) **Amendment 8:** That Clause 20.1.1(ii) shall be deleted in its entirety and replaced by the following:
- "The Holders may remove the Trustee-Manager by an Ordinary Resolution."
20. The existing Clause 20.1.1(ii) provides that Unitholders may remove DRTM only by an Extraordinary Resolution.
  21. The proposed amendment of Clause 20.1.1(ii) is to provide that DRTM may be removed by an Ordinary Resolution.
  22. This amendment is in line with the amendment to Section 20(1)(a) of the Business Trusts Act, effective 12 March 2024, which reduced the percentage of voting rights required to remove a trustee-manager from not less than 75% to a simple majority (51%) of the voting rights of all unitholders.
  23. In moving the Business Trusts (Amendment) Bill 2022, the Minister had explained that in view of feedback from the industry and MAS' experience in administering the business trusts regime, the Business Trusts Act was being amended to strengthen governance safeguards for business trusts by taking reference from the REIT regime in Singapore. In this regard, the Minister explained that lowering the voting threshold for removing a trustee-manager will instil greater market discipline by facilitating investors in holding trustee-managers accountable for their performance.
- C. Appended Documents**
24. For ease of reference, the Requisition Notice and Trust Deed are provided in Appendices A and B respectively to this Schedule.