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The following Act was passed by Parliament on 15th November 2012 and assented to by the President on 5th December 2012:—

REPUBLIC OF SINGAPORE

No. 34 of 2012.

I assent.



TONY TAN KENG YAM,
President.

An Act to amend the Securities and Futures Act (Chapter 289 of the 2006 Revised Edition) and to make consequential and related amendments to certain other written laws.

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1. This Act may be cited as the Securities and Futures (Amendment) Act 2012 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

Amendment of long title

2. The long title to the Securities and Futures Act (referred to in this Act as the principal Act) is amended by deleting the words “and futures” and substituting the words “, futures and derivatives”.

Amendment of section 2

3. Section 2(1) of the principal Act is amended —

(a) by deleting the words “section 130A” in the definition of “advocate and solicitor” and substituting the words “section 2(1)”;

(b) by inserting, immediately after the definition of “appointed representative”, the following definition:

“ “approved clearing house” means a corporation that is approved by the Authority under section 51(1)(a) as an approved clearing house;”;

(c) by deleting the definition of “business rules” and substituting the following definition:

“ “business rules”, in relation to an approved holding company, a securities exchange, a futures exchange, a recognised market operator, a licensed trade repository, a licensed foreign trade repository, an approved clearing house or a recognised clearing house, means the rules, regulations, by-laws or such similar body of statements, by whatever name called, that govern the activities and conduct of —

(a) the approved holding company, securities exchange, futures exchange, recognised market operator, approved clearing house or recognised clearing house and its

members, or the licensed trade repository or licensed foreign trade repository and its participants; and

(b) other persons in relation to it,

whether or not those rules, regulations, by-laws or similar body of statements are made by the approved holding company, securities exchange, futures exchange, recognised market operator, licensed trade repository, licensed foreign trade repository, approved clearing house or recognised clearing house or are contained in its constituent documents; but does not include the listing rules of a securities exchange or recognised market operator (which is an overseas securities exchange);”;

(d) by deleting paragraph (a) of the definition of “chief executive officer” and substituting the following paragraph:

“(a) in relation to an approved exchange, a recognised market operator, a licensed trade repository, a licensed foreign trade repository, an approved clearing house, a recognised clearing house, an approved holding company or the holder of a capital markets services licence, means any person, by whatever name called, who is —

(i) in the direct employment of, or acting for or by arrangement with, the approved exchange, recognised market operator, licensed trade repository, licensed foreign trade repository, approved clearing house, recognised clearing house, approved holding company or holder of a capital markets services licence, as the case may be; and

(ii) principally responsible for the management and conduct of the

business of the approved exchange, recognised market operator, licensed trade repository, licensed foreign trade repository, approved clearing house, recognised clearing house, approved holding company or holder of a capital markets services licence, as the case may be, in Singapore; or”;

- (e) by deleting the definition of “closed-end fund” and substituting the following definition:

“ “closed-end fund” means an arrangement referred to in paragraph (a) or (b) of the definition of “collective investment scheme” under which units that are issued are exclusively or primarily non-redeemable at the election of the holders of units, but does not include —

- (a) an arrangement referred to in paragraph (a) of that definition —

(i) which is a trust;

(ii) which invests primarily in real estate and real estate-related assets specified by the Authority in the Code on Collective Investment Schemes; and

(iii) all or any units of which are listed for quotation on a securities exchange; or

- (b) an arrangement referred to in paragraph (a) of that definition which is, or which belongs to a class or description of arrangements which is, specified by the Authority, by notification published in the *Gazette*, to be an arrangement that is not a closed-end fund, or a class or description

of arrangements that are not closed-end funds, as the case may be;”;

- (f) by deleting the words “, in relation to a futures contract,” in the definition of “commodity”;
- (g) by deleting the words “or a designated clearing house” in paragraph (b) of the definition of “customer” and substituting the words “, an approved clearing house or a recognised clearing house”;
- (h) by inserting, immediately after the definition of “derivative”, the following definition:

“ “derivatives contract” —

- (a) means any of the following (not being any securities or any futures contract):

- (i) a forward contract;
- (ii) an option contract;
- (iii) a swap contract;
- (iv) any contract, arrangement or transaction that is, or that belongs to a class of contracts, arrangements or transactions that is, prescribed by the Authority by regulations made under section 341 for the purposes of this sub-paragraph; but

- (b) does not include any contract, arrangement or transaction that is, or that belongs to a class of contracts, arrangements or transactions that is, prescribed by the Authority by regulations made under section 341 for the purposes of this paragraph;”;

- (i) by deleting the definition of “designated clearing house”;