

Banking (Amendment) Bill

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Bill No: 21/2001

Read the first time: 19th April 2001

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Expenditure of Public Money

Banking (Amendment) Bill

Bill No. 21/2001

Read the first time on 19th April 2001.

An Act to amend the Banking Act (Chapter 19 of the 1999 Revised Edition).

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 Banking (Amendment) Act 2001 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 Banking Act is amended by deleting the word “banking” and substituting the words “banks and related financial institutions, and matters related thereto”.

Amendment of section 2

3. Section 2 of the Banking Act is amended —

- (a) by inserting, immediately after the definition of “agreement” in subsection (1), the following definition:

““appointed day” means the date of commencement of the Banking (Amendment) Act 2001;”;

- (b) by deleting the definition of “bank” in subsection (1) and substituting the following definitions:

““bank” means any company which holds a valid licence under section 7, 11 or 79;

“bank in Singapore” means —

- (a) a bank incorporated in Singapore; or
(b) in the case of a bank incorporated outside Singapore, the branches and offices of the bank located within Singapore;

“bank incorporated outside Singapore” means a bank incorporated, formed or established outside Singapore;”;

- (c) by inserting, immediately after the definition of “banking business” in subsection (1), the following definition:

““capital funds” means —

- (a) in the case of a bank incorporated in Singapore, the aggregate of its issued and paid-up capital and its published reserves (excluding such reserves as the Authority may specify by notice in writing), deduction having been made for any loss appearing in the accounts of the bank; or

- (b) in the case of a bank incorporated outside Singapore, such net head office funds and such other liabilities as the Authority may, by notice in writing, specify;”;
- (d) by deleting the words “company incorporated outside Singapore which has complied with the provisions of any written law for the time being in force relating to companies” in the 5th to 8th lines of the definition of “company” in subsection (1) and substituting the words “body corporate or unincorporate, whether incorporated, formed or established outside Singapore”;
- (e) by inserting, immediately after the definition of “company” in subsection (1), the following definition:
- “ “corporation” has the same meaning as in section 4(1) of the Companies Act (Cap.50);”;
- (f) by inserting, immediately after the definition of “director” in subsection (1), the following definitions:
- “ “employee” includes an individual seconded or temporarily transferred from another employer;
- “financial holding company” means a company belonging to a class of financial institutions approved as financial holding companies under section 28 of the Monetary Authority of Singapore Act (Cap. 186);”;
- (g) by deleting the definition of “licence” in subsection (1) and substituting the following definition:
- “ “licence” means a licence granted or held under section 7, 11 or 79;”;
- (h) by deleting the definition of “published reserves” in subsection (1) and substituting the following definitions:
- “ “published reserves”, in relation to a bank, means reserves which appear in the accounts of the bank which are duly audited or certified as correct by the auditor of the bank;
- “qualifying subsidiary” means a company in relation to which more than 50% of its issued and paid-up capital is owned by a bank incorporated in Singapore and such bank meets the