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**FINANCIAL ADVISERS ACT
(CHAPTER 110)**

**FINANCIAL ADVISERS
(AMENDMENT NO. 4)
REGULATIONS 2018**

In exercise of the powers conferred by sections 100(1) and 104(1) of the Financial Advisers Act, the Monetary Authority of Singapore makes the following Regulations:

Citation and commencement

1. These Regulations are the Financial Advisers (Amendment No. 4) Regulations 2018 and come into operation on 8 October 2018.

Amendment of regulation 2

2. Regulation 2(1) of the Financial Advisers Regulations (Rg 2) (called in these Regulations the principal Regulations) is amended —

(a) by inserting, immediately after the definition of “advertisement”, the following definition:

““approved exchange” has the same meaning as in section 2(1) of the Securities and Futures Act (Cap. 289);”;

(b) by inserting, immediately after the definition of “client’s money or property”, the following definition:

““derivatives contract” has the same meaning as in section 2(1) of the Securities and Futures Act;”;

(c) by inserting, immediately after the definition of “entity”, the following definition:

““exchange-traded derivatives contract” has the same meaning as in section 2(1) of the Securities and Futures Act;”;

(d) by deleting the definition of “foreign exchange trading” and substituting the following definitions:

““foreign exchange OTC derivatives contract” means an OTC derivatives contract entered into on a margin basis the value of which is determined by reference to, is derived from, or varies by reference to —

(a) the value or amount of any currency or currency index; or

(b) fluctuations in the values or amounts of any currency or currency index;

“futures contract” has the same meaning as in section 2(1) of the Securities and Futures Act;”;

(e) by inserting, immediately after the definition of “institutional investor”, the following definition:

““leveraged foreign exchange trading” has the same meaning as in section 2(1) of the Securities and Futures Act;”;

(f) by inserting, immediately after the definition of “net head office funds”, the following definitions:

““on a margin basis”, in relation to a contract, means the entering of a contract by 2 parties where one party provides to the other party (whether directly or indirectly through such party’s agent) with money, securities, property or other collateral which represents only a part of the value of the contract;

“over-the-counter derivatives contract” or “OTC derivatives contract” means a derivatives

contract other than an exchange-traded derivatives contract;

“overseas exchange” has the same meaning as in section 2(1) of the Securities and Futures Act;”;

(g) by deleting the definition of “Registered Fund Management Company”;

(h) by inserting, immediately after the definition of “specified financial adviser”, the following definitions:

““specified investment product” means —

(a) any specified OTC derivatives contract;

(b) any foreign exchange OTC derivatives contract arranged by any bank that is licensed under the Banking Act (Cap. 19) or any merchant bank that is approved as a financial institution under the Monetary Authority of Singapore Act (Cap. 186); or

(c) any spot foreign exchange contract for the purposes of leveraged foreign exchange trading arranged by any bank that is licensed under the Banking Act or any merchant bank that is approved as a financial institution under the Monetary Authority of Singapore Act;

“specified OTC derivatives contract” means an OTC derivatives contract the value of which is determined by reference to, is derived from, or varies by reference to —

(a) the value or amount of any item other than any —

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- (i) securities;
 - (ii) securities index;
 - (iii) currency; or
 - (iv) currency index; or
 - (b) fluctuations in the values or amounts of one or more items other than any —
 - (i) securities;
 - (ii) securities index;
 - (iii) currency; or
 - (iv) currency index;”;
 - (i) by inserting, immediately after the definition of “specified person”, the following definitions:
 - ““specified products” has the same meaning as in section 2(1) of the Securities and Futures Act;
 - “spot foreign exchange contract” has the same meaning as in section 2(1) of the Securities and Futures Act;”;
 - (j) by deleting the words “of securities” in the definition of “venture capital fund manager” and substituting the words “of specified products”.

Amendment of regulation 4

3. Regulation 4(1) of the principal Regulations is amended by deleting the words “(under “Regulations and Financial Stability”, “Regulations, Guidance and Licensing”, “Financial Advisers”)”.

Amendment of regulation 8A

4. Regulation 8A of the principal Regulations is amended by deleting paragraph (a) and substituting the following paragraph:

“(a) before the end of the period of 6 months (or such longer period as the Authority may allow in any particular case) starting on the date on which the individual’s name was entered in the public register of representatives as an appointed representative, the appointed representative has not commenced to act as a representative in at least one of the financial advisory services that the individual was appointed to provide as a representative; or”.

Amendment of regulation 9

5. Regulation 9(3) of the principal Regulations is amended by deleting sub-paragraphs (i) to (iv) of sub-paragraph (b) and substituting the following sub-paragraphs:

- “(i) securities;
- (ii) units in a collective investment scheme;
- (iii) exchange-traded derivatives contracts;
- (iv) OTC derivatives contracts;
- (iva) spot foreign exchange contracts;”.

Amendment of regulation 10

6. Regulation 10 of the principal Regulations is amended —

- (a) by deleting paragraphs (3), (4) and (5); and
- (b) by deleting the words “paragraph (1), (2), (3), (4) or (5)” in paragraph (6) and substituting the words “paragraph (1) or (2)”.

Amendment of regulation 12

7. Regulation 12 of the principal Regulations is amended by deleting paragraph (6) and substituting the following paragraph:

- “(6) Upon receipt of the notice and licence mentioned in paragraph (2), (3), (4) or (5) —
- (a) the Authority may cancel the licence; and