

# **Financial Advisers (Amendment) Regulations 2005**

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**No. S 362**

**FINANCIAL ADVISERS ACT  
(CHAPTER 110)**

**FINANCIAL ADVISERS (AMENDMENT) REGULATIONS 2005**

In exercise of the powers conferred by sections 8, 9, 23, 27(5), 45, 48(1), 100 and 104 of the Financial Advisers Act, the Monetary Authority of Singapore hereby makes the following Regulations:

**Citation and commencement**

**1.** These Regulations may be cited as the Financial Advisers (Amendment) Regulations 2005 and shall come into operation on 1st July 2005.

**Amendment of regulation 2**

**2.** Regulation 2(1) of the Financial Advisers Regulations (Rg 2) (referred to in these Regulations as the principal Regulations) is amended —

(a) by deleting the definition of “accredited investor” and substituting the following definition:

“ “accredited investor” means —

(a) an individual —

(i) whose net personal assets exceed \$2

million in value (or its equivalent in a foreign currency); or

- (ii) whose income in the preceding 12 months is not less than \$300,000 (or its equivalent in a foreign currency);

(b) a corporation with net assets exceeding \$10 million in value (or its equivalent in a foreign currency), as determined by —

- (i) the most recent audited balance-sheet of the corporation; or

- (ii) where the corporation is not required to prepare audited accounts regularly, a balance-sheet of the corporation certified by the corporation as giving a true and fair view of the state of affairs of the corporation as of the date of the balance-sheet, which is a date within the preceding 12 months;

(c) the trustee of a trust of which all property and rights of any kind whatsoever held on trust for the beneficiaries of the trust exceed \$10 million in value (or its equivalent in a foreign currency);

(d) an entity (other than a corporation) with net assets exceeding \$10 million in value (or its equivalent in a foreign currency);

(e) a partnership (other than a limited liability partnership within the meaning of the Limited Liability Partnerships Act 2005 (Act 5 of 2005)) in which each partner is an accredited investor; or

(f) a corporation the sole business of which is to hold investments and the entire share capital of

which is owned by one or more persons, each of whom is an accredited investor;”;

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

“ “entity” includes a corporation, an unincorporated association, a partnership and the government of any state, but does not include a trust;

“expert investor” means a person whose business involves the acquisition and the disposal or holding of capital markets products, whether as principal or agent;”;

- (c) by inserting, immediately after the definition of “guideline issued by the Authority”, the following definition:

“ “institutional investor” means —

- (a) a bank that is licensed under the Banking Act (Cap. 19);
- (b) a merchant bank that is approved as a financial institution under section 28 of the Monetary Authority of Singapore Act (Cap. 186);
- (c) a finance company that is licensed under the Finance Companies Act (Cap. 108);
- (d) a company or society registered under the Insurance Act (Cap. 142) as an insurer;
- (e) a company registered under the Trust Companies Act (Cap. 336);
- (f) the Government;
- (g) a statutory body established under any Act;
- (h) a pension fund or collective investment scheme;
- (i) the holder of a capital markets services licence for —

- (i) dealing in securities;
- (ii) fund management;
- (iii) providing custodial services for securities;
- (iv) securities financing; or
- (v) trading in futures contracts; or
- (j) a person (other than an individual) who carries on the business of dealing in bonds with accredited investors or expert investors;”.

#### **Deletion and substitution of regulation 4**

3. Regulation 4 of the principal Regulations is deleted and the following regulation substituted therefor:

##### **“Forms**

4.—(1) The forms to be used for the purposes of these Regulations are those set out at the Authority’s Internet website at <http://www.mas.gov.sg> (under “Legislation and Notices”, “Financial Advisers”), and any reference in these Regulations to a numbered form shall be construed as a reference to the current version of the form bearing the corresponding number which is displayed at that website.

(2) Any document required to be lodged with the Authority under any provision of the Act or these Regulations shall be lodged in the relevant form and in the manner specified in the website referred to in paragraph (1), or in such other manner as the Authority may specify from time to time.

(3) All forms used for the purposes of these Regulations shall be completed in the English language and in accordance with such directions as may be specified in the form or by the Authority.

(4) The Authority may refuse to accept any form if —

- (a) it is not completed or lodged in accordance with this regulation; or
- (b) it is not accompanied by the relevant fee referred to in regulation 6.